

BIG IDEAS

Torrens University submission to the Australian Universities Accord (April 2023)

OVERVIEW

That the COVID Pandemic has fundamentally changed our world is a taken. The fact that it happened within the context of the Fourth Industrial Revolution opened a new world of possibilities in terms of communication, business, flexible working and social networking.

Australia is not unique in its considerations regarding the role and relevance of tertiary education. Globally, there are robust discussions around the role of universities and broader tertiary education and how to deliver on student, industry and employer expectations – locally and across transnational borders.

Many of the conversations have shifted away from university rankings, sandstone walls and prestige to what will serve nations, societies, individuals and economies best. This takes place with special reference to the changing world of work, global networks, increased geographic and social mobility and a growing number of new entrants into the tertiary education sector. While the changes in the world of work is going on, the question around the value of tertiary studies is remaining open.

We have in fact erred in Australia by referring to the review that is underway (and Universities Accord) as one relating only to higher education and universities. Yet we are addressing challenges in Australia which have to be addressed by other institutions and indeed schools as well. So why are we setting boundaries to begin with?

While post-pandemic recovery has triggered the latest round of discussions, the Fourth Industrial Revolution and the rapidly evolving Information Age present the starkest argument for a redefinition of Higher Education and tertiary education in general. It suggests a fundamental reconsideration of the system of tertiary education in countries, with special reference to the dynamic changes taking place globally.

It therefore seems important to address fundamental matters like international Higher/tertiary Education, access, flexibility, relevance, affordability, interdependencies, integration of capacity and resources in a more diverse and competitive environment and agility to innovate in disruptive ways to meet the dynamic needs of industry and students. It seems as if incremental change to existing models only may inhibit the opportunity to take a bold step to a new approach for the future of tertiary education.

So, we no longer should just be examining what needs to be improved in existing institutions. If we are looking at universities we must begin by examining what a university should be. It would enable us to explore how we differentiate universities with unique strengths (regional, technological, global) and move away from cookie cutter mediocrity which does not serve national interest. We also must identify and assess the role of new players developing education offerings and lifelong learning - including large technology companies and industry.

Lifelong learning, an abundant and capable workforce, inclusivity, fairness, reskilling and technology are all critical considerations – as we rethink tertiary education. Only a genuinely agile system will deliver optimum outcomes.

Torrens University believes tertiary education can and will play a critical role. But disruption is necessary and deliverables in a refreshed model of tertiary education must include the following:

DISRUPTION STATEMENT: EVERY AUSTRALIAN PARTICIPATES IN TERTIARY EDUCATION BY 2035

Tertiary education must be accessible to all regardless of economic status or location

Key to this will be ensuring:

- We shift from ‘every post-secondary capable Australian’ mindset to EVERY Australian – just as early-years education policy treats mandatory kindergarten education
- We focus on development of mind, applied knowledge, skills – raising capability, capacity and productivity of entire population – to alleviate poverty across demographics, not just serve middle class and create social wellbeing.
- Robust choice of tertiary education providers available
- Removal of discrepancies between private and public tertiary education which impact choice (e.g. Commonwealth Supported Places, VET student loans). The funding should follow the student.

SUCCESS IS ...

Every Australian to remain in tertiary education through life with a minimum of 50 hours learning each year.

DISRUPTION STATEMENT:

GOVERNMENT AND REGULATION MUST:

(1) ENCOURAGE MORE PRIVATE MARKET INVESTMENT FOR PUBLIC GOOD

(2) HOLD ALL UNIVERSITIES ACCOUNTABLE FOR DELIVERING PUBLIC GOOD & MEETING MARKET DEMAND

- (1) Government will not have money to pay for everyone to go to university. This is particularly important if, as Jobs and Skills Australia projects – from 2021 to 2026, over 50 percent of new jobs will require bachelor degree or higher qualification.

Private tertiary education is already making a growing contribution to education in the country and must be considered an indispensable part of the system for the future. Private funds must be encouraged and allowed to come in to the tertiary education sector through a blended model to ensure there are places for everyone at university.

- How: by supplementing the government committed funding by allowing private money to invest in public universities
- This will substantially increase access and participation in public and private universities. It will also drive the price of education down.
- Alongside Torrens University, there are a number of strong examples in Australia of private investment in education including IDP (partnering with University of Cambridge and British Council), Navitas (AUD 980 m market cap), Keypath Education (AUD 18m market cap)
- This will diversify tertiary education funding methodology plus distribute responsibility for productivity & lifelong learning. Importantly, it will also engage more stakeholders in the design and delivery of tertiary education.

- (2) Accountability: There must be more explicit accountability matrix (e.g. B corp) around indicators of success and failures in delivering public good and meeting market demand – but not a one size fits all model.

SUCCESS IS ...

Business, private funds (investors) government and individuals (students) – all contributing equally to tertiary education and training by 2030 – expanding the pool of funding and distributing responsibility.

DISRUPTION STATEMENT:

ENCOURAGE PRIVATE INVESTMENT IN TERTIARY EDUCATION IN TARGETED AREAS TO ACHIEVE ABSOLUTE PARITY IN TERTIARY EDUCATION PARTICIPATION RATES ACROSS THE ENTIRE COUNTRY

- Rural/remote Australia and underrepresented groups (nationally) to be targeted
- Access for all who seek tertiary education enabled
- Equitability in participation rates across nation – with accountability/outcome measures built in

SUCCESS IS...

- Absolute parity in tertiary education participation rates across country – with an unprecedented boost in graduates remaining in regional Australia to pursue careers.
- Overall increase in Australia's productivity and reduction in poverty.

DISRUPTION STATEMENT

TAX BREAKS ALLOWING BUSINESS ENTERPRISES TO RESKILL STAFF WITH ACCREDITED (TERTIARY EDUCATION) QUALIFICATIONS ENABLING INCREASE IN PRODUCTIVITY AND GREATER TERTIARY EDUCATION PARTICIPATION

- This should take the form of 'match' tax benefit
- Government commits to providing a specified amount (through tax benefit) to a business/enterprise, for every employee that the business/enterprise puts through accredited qualification and training. (e.g. *Workforce Edge*)
- Such an approach would allow funding for lifelong learning to be contributed by students, government and employers
- This would reverse a trend identified in 2019, of a relatively weak culture of adult learning. (Source: OECD)
- Currently Australian employers providing reskilling and retraining are exempt from Fringe Benefits Tax if they meet certain criteria (e.g. redundancy related or redeployment)
- However, training through Commonwealth supported places at universities are not exempt.
- Enterprises should be afforded a tax deduction for the 'cost' of providing education and supplementing research.
- Exemptions should be expanded to support lifelong learning (1) recognised to now be a mainstay of professional development (2) which can be supported by industry-university collaborations (e.g. short courses and micro credentials)

SUCCESS IS ...

Robust and prolific reskilling and retraining programs across Australian business, industry and organisations which place Australia in above average OECD Skills Outlook rankings.

(Note: in 2019 Australia was already ranking in the bottom 40% of OECD countries for the alignment between skills supply and labour market demand)

DISRUPTION STATEMENT

MANDATORY STRENGTHENING OF ROLE OF INDUSTRY & EMPLOYERS IN CURRICULUM CO- DESIGN AND ACCREDITATION

- This will ensure a strong supply of fit-for-purpose graduates, while encouraging increased funding of education by industry, reducing pressure on government funding.
- It will strengthen partnerships and ongoing relationships between education providers, employers and their communities - enabling the shift away from linear, initial graduate education to lifelong learning.

SUCCESS IS...

An energized tertiary education system, characterized by industry co-design, focused on affordable, flexible lifelong learning and ensuring agility in producing highly skilled workforce – on demand.

DISRUPTION STATEMENT

FUNCTIONAL AND EFFECTIVE ALIGNMENT OF VET AND HIGHER EDUCATION - AN INTEGRATED TERTIARY EDUCATION SECTOR

- There should be an advantage for dual sector operators who combine qualifications and integrated and applied learning.
- This should be accompanied by a conscious commitment to:
 - break down barriers between higher education and VET
 - Purge the view that higher education is superior to VET (incl. addressing Australian Qualifications Framework biases)
- We must rebrand VET and TAFE to **Institutes of Applied Learning** to reflect the critical position and role played in meeting nations skills requirements
- We must reframe VET – in a manner that underpins rebranding
 - Include a new VET accreditation framework which includes introducing additional levels of competency-based qualifications such as the equivalent of PhD in higher education.
 - The pathways between VET, tertiary and higher education should increase access and equity as well as encourage a system of seamless lifelong learning which is institution-type agnostic.

SUCCESS IS ...

- VET education no longer regarded inferior to higher education
- VET qualifications essential in career learning bundles
- TAFE is rebranded as the Institute for Applied Learning
- Increase in number and diversity of learners across tertiary education system

DISRUPTION STATEMENT:

SPEARHEAD AND ESTABLISH GLOBALLY & REGIONALLY ALLIGNED CREDIT AND QUALIFICATIONS FRAMEWORK

- Spearhead a mechanism for a credit and qualification framework which enables recognition of tertiary qualifications in Oceania (and globally)
- This will:
 - Ease mobility of students and professionals regionally and globally, with a more effective framework for economic migration
 - Address Australia's commitment to alleviation of poverty domestically and internationally
 - Prioritize and validate universally aligned and highly desirable smart skills, ensuring relevancy across international borders

SUCCESS IS: (1) Modelled on the Bologna Process, Australia establishes regional and global agreements ensuring comparability in standards and quality of tertiary education qualifications (2) Vastly increased mobility of students and professionals – ending skills shortages, accelerating mobility, prosperity and poverty alleviation worldwide (3) Amplification of Australia's education credentials and destination for tertiary education advancement

DISRUPTION STATEMENT

INCREASE ACCESS TO EDUCATION THROUGH TECHNOLOGICAL ADVANCES WHICH DRIVE DOWN PRICE OF EDUCATION

- This will require a rethink of the role of EdTech in education – currently treated as an add-on and often through collaboration or outsourcing
- Instead, education has to be reimagined so EdTech stands at the centre of learning in tertiary education

SUCCESS IS...

Ed Tech becomes the core of education, driving down prices, including student debt - fueling innovation and provides choice and individualized for students in Australia and globally (e.g. *Sophia*)

DISRUPTION STATEMENT:

REMOVAL OF MISALIGNMENT BETWEEN THE CURRENT INTERNATIONAL STUDENT EDUCATION PROGRAM AND SKILLED MIGRATION PROGRAM TO: (1) MEET WORKFORCE REQUIREMENTS (2) OPTIMISE GAINS AND CONTRIBUTIONS TO DEEPENING GLOBAL PARTNERSHIPS

FACT ONE: The skilled migration program is designed to attract migrants who make a significant contribution to Australia's economy.

FACT TWO: Review of Australia's Higher Education System - Terms of Reference explicitly recognises the important role international students play in our society and economy, and Australia's interest in deepening partnerships abroad.

- If we want international students to build skills which enable them to contribute to Australia's prosperity, a new international migration approach/program must be designed which:
 - Provides clear, fair pathways to permanent migration (PR) for students whose skills are in high demand (an alternative to limited post study rights)
 - Extension of post study work rights to all international students (not just those studying in national priority areas) – recognising the role these students play in meeting national labour shortages as well as enabling students to make connections and build skills (including soft skills) which would be valuable on return to home countries
 - Combats existing employer bias against and encourages consideration of skills of international graduates
- We must remove any inequities between domestic and international students - including working hours, face to face contact hours, online participation and access to social benefits during crises (e.g. pandemic).
- We must recognise, value and actively focus on how serving international students plays a significant role in advancing Australia's soft diplomacy by building a community of understanding and connections through a common purpose – education. This will become increasingly important against the background of geopolitical challenges and realities. Through education we impart and celebrate Australian values (free speech, democracy, diversity, internationalisation, market society) while reinforcing our place advancing development and prosperity globally. Australia's Free Trade Agreement with India is the current outstanding example of Australia's regional agreements serving national interest, with a strong focus on education.

SUCCESS IS ...

- A diverse, genuine, authentic globally oriented workforce across industry and professions where skills shortage is converted to strong labour supply characterised by stable (and not inflationary) wages

DISRUPTION STATEMENT:

INSTITUTIONS TO BE HELD ACCOUNTABLE FOR LEARNER'S RETURN ON INVESTMENT

- This includes repayment of student loans.
- The tertiary education system must ensure that the service provided to students leads to employment, repayment of loans (through tax payment) and economic mobility
- This is true return-on-investment

SUCCESS IS ...

The tertiary education system is a truly differentiated system that is fit for purpose and celebrates

DISRUPTION STATEMENT

PERSONALISATION OF EDUCATION TO SUIT INDIVIDUALS AND CIRCUMSTANCES

- Adoption of a portfolio or bundle approach to accreditation which is cross-institutional, emphasises transferability and reflects a seamless tertiary education system
- This approach moves away from institutional accreditation.
- This system will no longer be time-based (i.e. completion within a restricted time-frame) and linear (i.e. the traditional undergraduate to post graduate to PhD)
- It will allow combination of qualifications – which allows flexibility and variation (MOOCS + micro credentials + degree) as required and demand driven

SUCCESS IS...

Moving to flexible, non-linear tertiary education model and new-found global reputation for a lifelong learning model, serving individual progress and mobility, and supercharging productivity and economic growth, ensuring everybody participates in tertiary education by 2035.

DISRUPTION STATEMENT

PUBLIC RESEARCH FUNDING SHOULD BE TARGETTED TO RESEARCH INTENSIVE UNIVERSITIES AND WE SHOULD AMPLIFY THE OPPORTUNITY FOR STANDALONE SPECIALISED RESEARCH CENTRES TO BE INDEPENDENT OF UNIVERSITIES.

- However, to maximise industry participation to capacity build non-research-intensive universities, we should encourage match-funding through tax incentives
- To fully realise Australia's research capabilities, innovation, productivity gains and impactful outcomes, targeted research grants should be extended – based on quality and capability
- This would enhance the ability of the independent sector to attract private investment

SUCCESS IS...

Differentiation in research and maximizing industry collaboration in areas of commercialization.

DISRUPTION STATEMENT

TARGETTED UNIVERSITIES SHOULD BE CHALLENGED TO CREATE AND DRIVE FIRST NATIONS PEOPLES ADVANCEMENT (INCLUDING BUSINESS OUTCOMES)

- This will require specifically programs in targeted universities focussed on learning, financial literacy, skilling and career paths.
- The challenge to the universities should be reinforced by the commitment to community service and public good and should incorporate global best practice.

SUCCESS IS...

An acceleration of the establishment (and successful outcomes) of First Nations businesses including social enterprises, driving up participation in learning and research.



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