



**A submission to Australian Universities Accord Panel in
response to the University Accord Discussion Paper**

11th April 2023

Professor Stephen Fogarty - President
Dr David Perry - Vice President Academic, HESP member
Professor Mark Hutchinson - Vice President Development
Professor Paul Oslington - Professor of Economics and Theology
Nick Jensen - Director of Government Relations

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Dear Members of the Australian Universities Accord Panel,

On behalf of Alphacrucis University College (AC), I wish to thank the Panel for the Discussion Paper and the opportunity to provide input into the future of the higher education sector in Australia.

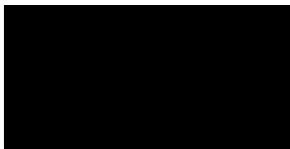
Established in 1948, AC is now in its 75th year of operation. Beginning as a small, Pentecostal bible college in New Farm, Queensland, and now with campuses in nearly all capital cities, in 2022 AC was recognised as a University College by TEQSA, highlighting the College's high national standing and performance.

As the largest faith-based higher educational institution in Australia (on the Protestant side), and a dual-sector provider delivering both Higher Education (HE) and Vocational Education (VET) pathways, AC is highly invested in seeing a diverse, strong and aligned higher education system that is essential for forward progress.

We have therefore provided a number of proposals which address a range of questions in the Discussion Paper.

Thank you for your important work, and we would be happy to contribute further upon request.

Warm regards



Professor Stephen Fogarty

President - Alphacrucis University College

Alphacrucis University College Submission

Alphacrucis University College (AC) brings an important and unique perspective to the University Accord Review:

- As a new University College we recognise the need to finalise the implementation and maximise the utility of the new Provider Category Standards to support institutions who choose to prioritise teaching and learning;
- As a dual sector provider we recognise the need for clear and flexible pathways from VET into higher education;
- As a proven innovator in teacher training we recognise the need for a social capital approach that utilises education and training to solve large public problems;
- As an international provider we recognise the need for high-quality and trusted partnerships to be linked with strategic human resource planning to help address the increasingly challenging Australian employment pipelines; and
- As a large faith-based provider we recognise the need for diversification, student choice, and strong community connection.

A recurring theme in the Review's 'Discussion Paper', and the focus of this submission, is the notion of **alignment**. In our view, Australia's higher education system already contains many of the elements required to ensure that it continues to meet Australia's short, medium and long-term needs. However, organic and reactive policy development over many years has meant that the potential of Australia's higher education system remains unfulfilled and indeed hampered by disconnected accretions and legacy policy settings.

This disconnectedness is seen, for example, in the disjunction between public and 'independent' higher education which inevitably diminishes the contribution of independent higher education providers despite their untapped capacity for servicing the approaching boom of university age students. It can be seen in the unhelpful policy, regulatory, and reputational distinction between VET and higher education, where VET becomes the "poor cousin" despite it being – for many students – the most appropriate starting point or study pathway. We could also mention the lack of correlation between the recently reviewed Provider Category Standards and government funding arrangements under HESA, or the reality that various government departments like Education and Home Affairs sometimes seem to be working at cross purposes by extolling the benefits of international students while at the same time rejecting visa applications from worthy applicants. The net result of this misalignment across these and other categories is a higher education system within which all participants are seeking the best for their students and the future of Australia, while struggling to innovate and navigate the various constituent parts.

For this reason, we applaud the Accord process and hope fervently for positive and practical outcomes to achieve the much needed alignment. In that spirit, we offer the following proposals, addressed to a range of questions in the Discussion Paper.

1. Alignment of the TEQSA Act, HESA, and student choice (addressing questions 5, 8, 11, 33, 37, 47, 48).

The Coaldrake review of the Provider Category Standards shared purposive elements with the Accord process, namely securing the future of Australian higher education by creating space for innovation and maintaining high quality benchmarks. It was, however, a very incomplete process. While AC were beneficiaries of the new University College category, it remains a category in development. In particular, one potential benefit of this new category is the value placed upon teaching and learning as an institutional priority rather than research. Not all institutions can or should focus on 'original' or 'pure' research, with all of the investment that this entails, and it was pleasing that the Discussion Paper recognized that "learning is at the centre of Australia's higher education system" (p.12). Properly valued and resourced, the University College category can help to maintain the centrality of learning in a higher education system that is often dominated by research agendas to the detriment of the learning experience for students.

However, the design and implementation of these Category Standards in isolation from other policy settings means that the potential of the new University College category remains significantly under-utilised. Importantly, the Discussion Paper notes the critical importance of encouraging students to take up higher education and we propose that honouring student choice is an essential element of that encouragement. This student choice should also extend to funding access for higher education study.

An immediate and practical step that could be taken along these lines is to review HESA in light of the new Provider Category Standards. HESA is a complex piece of legislation, full of legacy provisions that are no longer fit-for-purpose. Categorisations of Table A and Table B, often decided based on Ministerial discretion, are a relic of past arrangements and are not necessarily aligned with the post-Coaldrake categories. A more rational approach would be to replace Table A with all providers registered by TEQSA in the "Australian University" category, and replace Table B with all providers registered by TEQSA in the "Australian University College" category.

This would have the benefit of aligning the TEQSA Act and Provider Categories with HESA, removing the need for constant updating of Table A and Table B, and creating cache in the new University College category with a focus on learning and teaching. This should include consideration of wider access to Commonwealth Supported Places (CSP), Australian Research Council (ARC) application access, and Research Block Grants (RBG) which are currently not linked to the University College category.

Given the relative size of University Colleges, the net impact on government spending would be negligible.

This intentional investment into other Provider Categories would at the same time provide a practical response to long-running criticisms that the Australian higher education system is overly-focused on a relatively narrow band of the Carnegie Classification of Institutions of Higher Education.

2. Alignment of VET and higher education with a focus on pathways (addressing questions 15, 17, 18, 20).

As noted in the Discussion Paper, *"Higher education is not alone in addressing the skills challenge. There's an important role for VET and a need to bring these systems closer together to ensure people completing study in both systems have the right skills for our future needs."* (p.11)

While there has been some commentary about the need for a single regulator encompassing both VET and higher education, the practical benefits of this are yet to be clearly outlined. The need for greater alignment notwithstanding, the VET and higher education systems are quite different and it is unlikely that a single regulator could effectively oversee both sectors. That being said, reduced regulatory duplication for dual sector providers is always welcome, and would be an important contribution to increased movement between sectors and flexibility of choice for Australian citizens.

More importantly, the structure of current funding arrangements, such as VET Student Loans, has the unintended consequence of dissuading students from undertaking VET-level studies, even if this is the most appropriate course for them. VET Student Loans apply to a limited range of courses, are cumbersome and demanding for providers to maintain, and have so many restrictions that they become practically unattractive as an option for students and providers.

While the policy settings for VET Student Loans are a reaction to the well-publicised 'rorting' of VET FEE-HELP (which, as subsequent investigations demonstrated, was limited to a very small number of providers), the current system is an over-reaction to the problem, and so a systemic brake on educational mobility in a period when skills-supply have become a matter of national concern.

We propose that dual-sector providers, those registered with both ASQA and TEQSA and approved for FEE-HELP, be permitted to offer FEE-HELP to students across both sectors. Managing one funding regime is more efficient for providers but, more importantly, is ultimately better and simpler for students. If the ideal is that students select courses most closely aligned with their skills and aspirations, then we should remove such disincentives to undertaking VET study. As noted in the Discussion Paper (p.19), improved access to VET and pathways from VET to higher education can also support access for under-represented groups.

Such changes would also encourage more institutions to become dual-sector providers. The lack of engagement was highlighted in the recent report 'In the same sentence: Bringing higher and vocational education together (2021) by David Gonski AC and Peter Shergold AC where they highlighted the need to reimagine the shape of VET and tertiary education and to trial new ways of providing it in a cohesive and integrated way. To highlight the urgency, they also pointed out that there were zero university-level dual sector providers located in NSW (though since then Avondale University and Alphacrucis University College entered the university-level categorisation as dual-sector providers).

3. Alignment of industry, higher education and immigration in creating transnational education pathways to meet Australia's skills shortages (addressing questions 4, 6, 9, 13, 14, 43).

The Discussion Paper notes several challenges associated with population and demographic changes. It accurately identifies, for example, that:

"Supporting an ageing population will require many more people working and gaining skills in personal care, including in specialist fields such as health, disability and aged care, and a more highly skilled workforce overall to drive productivity gains to maintain economic prosperity." (p.9)

"A key question for Australian higher education providers is how to respond to the various employer and entrepreneurial needs across the labour force. There is also a role for Australia's migration and VET systems in answering this question, and the three elements need to work together." (p.13)

Indeed, the drawbacks of the current matriculation system - whereby students are incentivized to earn ATAR points and spend these in a competitive artificial 'market' which preferences white-collar professional outcomes - are probably understated in the Discussion Paper. Not only is the society ageing, but Australia is competing for scarce skilled labour in transnational markets against other, larger and more agile ageing societies which have aligned their treaty, foreign investment, peak body and educational pathway arrangements in such a way as to gain advantage in competing for that labour.

In short, we dissuade or under-prepare our own citizens from entering skilled pathways, while on the other hand elevating significant barriers to those from abroad who might want to supply the lack. The Australian higher education sector exacerbates this problem through its model of 'higher education export'. This is defined as income generated from students who come onshore, to study in face-to-face mode in Australia. By definition, this pathway is accessible only to those who have access to very considerable funds - perhaps the top 10% of the population of the Asia-Pacific, the same population into which transnational universities also pitch services and build pathways.

While numbers of Australian institutions have offshore campuses, very few take advantage of lower offshore delivery costs and the competitive advantages presented by the Australian Qualifications Framework, so as to create more equitable pathways into higher education options. The fiduciary and other requirements for gaining a student visa further select out those who may be academically capable, but financially disadvantaged. If we remember that access to education is, in those parts of the world from which Australian universities draw many of their international students, a tool in the hands of non-democratic and oppressive regimes, at the moment the much-touted Australian higher education export industry is either a game for the rich, or an impost on the poor.

AC recognizes that, in order to increase equity in entry to higher education, and to improve Australia's competitive position with regard to international student enrolments, it is necessary to design programs which remove barriers to entry. This can be done through collaborative, community-based design.

In one developed program, for example, AC offers its Entrepreneurship program in a partnership which combines a large trades and skilled services business, and a financial services organisation. The business partner was excited by the prospect, as it provided a solution to what (internal audits suggested) was costing the business c. \$23million a year in foregone client business. The business partner provides cadetship spaces, provides a business start-up environment for practical learning, and the financial services organisation provides bridging finance (a form of low fee international HECS) which is guaranteed by the business. On graduation, the business partner benefits by having an extensive list of potential new staff, and the student benefits by gaining access, practical experience, and a quality degree process linked to providing business skills which diminish risk of business failure and maximise opportunities for success.

However, such models require a deliberate orientation of the tertiary body with the business partner, and the ability to decrease barriers for international students while creating win-win-win solutions for all stakeholders is extremely powerful. Similar industry-based models are (with the necessary adaptations) currently being developed in aged care and early childhood education programs.

AC calls this approach the '**Regional Hub model**'¹ (based on the successful Clinical Hub Model highlighted below) and alignment in this way can drastically increase opportunities for work placements, improve employment outcomes, and increase equity for students otherwise unable to access good educational options.

¹ More information available upon request.

4. Alignment of HE, industry placements, school partnerships, and professional accreditation requirements to embed work integrated learning (addressing questions 13, 14, 32, 33).

In 2018, AC developed the **Clinical Teaching Hub model**. This model developed a cluster-based clinical training approach within vertically integrated learning ecologies. It utilised international best-practice to enable groups of schools to partner with tertiary providers and local industry to deliver high quality VET, Initial Teacher Education (ITE), and Post-Graduate degrees - all entirely onsite.

The model has had strong initial expansion, and in 2023 there are now 10 hubs involving over 100 schools nation-wide, and was recently made a centrepiece education policy by the new NSW Government as part of their Innovative Teaching fund.² Although early days, the Hub model has demonstrated results which address a range of Australia's unique educational problems including teacher quality, high attrition rates, indigenous educational gaps, regional 'brain drain', effective implementation of alternative pathways (e.g. VET) in schools, and targeted industry-based experiential learning. This model reflects the high potential of work-integrated-learning (WIL) partnerships.

The Discussion Paper notes that the potential limitations of expanding WIL include the *"inability to guarantee placements for each student enrolled in a course, and the stringent or rigid requirements for accreditation in certain fields."* (p.17) The Hub model overcomes this challenge by situating students within a school community from the beginning of their course and ensuring they are supported in developing classroom readiness. The value of this approach is evidenced by low attrition during study, positive student feedback on the Hub model, and the value that schools place on trainee teachers who are already part of the school community. Further, in situ higher education addresses the departure of talent from regional and remote areas by enabling aspiring teachers to train on country, for country.

While AC has already implemented this Clinical Hub model with success, significant challenges remain. Misalignment of funding arrangements (point 1 above) means that AC students are unable to reliably access Commonwealth Supported Places even if they are an Indigenous student studying in a remote area (because they may not be a "commencing" student and therefore unable to access recently granted equity CSPs). The reality that a wealthy student from the inner city could pay far less for their teaching degree than an Indigenous student from regional Australia, based purely on choice of higher education provider, fundamentally undermines the principles of access and equity that should underpin our higher education system. Fortunately, this inequity can be remedied with some relatively minor policy changes like the alignment of HESA with the new Provider Category Standards.

Further, the idiosyncrasies of State-based teacher registration boards also create some hurdles. AC courses are fully accredited by NESA in NSW and, on that basis, can be delivered online to various Hub locations around the country. However, as soon as face-to-face delivery is sought in another State, it cannot be achieved without accreditation

² https://www.chrisminns.com.au/labor_will_end_failed_overseas_teacher_recruitment_plan

from the local State teacher registration board. The time and costs associated with this process places significant hurdles in the path of student support and outcomes.

5. Alignment of diversification, community engagement, international education, and quality student experience with faith-based higher education (addressing questions 34, 39, 40, 43, 44).

Faith-based higher education (FBHE) is a unique contributor to Australia's current and future needs, but the requirements and potential of the sector have been largely unrecognised and underutilised.

There are currently six university-level faith-based higher education institutions in Australia - the Australian Catholic University (Catholic), Notre Dame University (Catholic), Avondale University (Seventh-Day Adventist), the University of Divinity (mixed Protestant), Alphacrucis University College (Pentecostal/mixed Protestant), and the Australian College of Theology (mixed Protestant). The combined enrolment of these institutions is approximately 50,000 (40,000 Catholic and 10,000 Protestant/Pentecostal), which is around 3% of all university-level students in Australia. There are currently no FBHE institutions representing minority, non-Christian religions.

The history behind this relatively small footprint in the university sector of Australia's FBHE institutions can be attributed to a combination of theological diversity, an emphasis on ministry training, minimal government investment, and a contested understanding of secularism in education. However, despite the size, FBHE have provided some extraordinary contributions, including:

- A clear dominance in student satisfaction, with FBHE providers taking out 12 of the top 14 spots in the 2021 QILT student experience survey.³
- A strong graduate link to opportunity and social service with international studies showing that graduates from FBHE are 10% more likely to volunteer in community services, 7.5% more likely to enter human services professions, are more likely to be first-generation students and less likely to come from high income earning families.⁴
- Influential and established networks within the Indo-Pacific region where there is an estimated 95% of Pacific nations holding a Christian faith, and 87% in Indonesia reporting an Islamic faith.

Adding to this is the fact that approximately 40% of secondary school students in Australia go to faith-based secondary schools (rising to approximately 50% in Sydney). There is therefore not only demonstrated societal benefits for the expansion of FBHE, but also a strong educational market both domestically and regionally from those who desire an education connected to their faith ethos, networks and communities.

³ [https://www.qilt.edu.au/surveys/student-experience-survey-\(ses\)](https://www.qilt.edu.au/surveys/student-experience-survey-(ses))

⁴ Building the Economy and the Common Good – The National Impact of Christian Higher Education in the United States - <https://www.cccu.org/wp-content/uploads/2018/03/CCCU-National-Impact-FINAL-2.pdf>

However, despite the clear influence and potential of FBHE institutions, investment and education policy concerning FBHE has been lacking and ill-informed, leading to less opportunity, diversity and alignment in this important part of the university sector. Examples include a lack of access to research funding for religion and theological projects,⁵ minimal funding opportunities from federal government to support FBHE expansion,⁶ zero representation of FBHE on federal government summits and panels (including the Jobs and Skills Summit, Teacher workforce roundtable, and University Accord panel), and the increasing removal of religious freedom protections at a State and Federal level surrounding teaching, staff selection and student behavioural guidelines for FBHE institutions - thereby undermining their core religious mission and ethos.⁷

AC suggests that a greater alignment of national education strategy and FBHE is required in order to provide better diversification, community engagement, international partnerships and quality student experience. Our recommendations include:

- An intentional inclusion of recognised FBHE representation in relevant stakeholder advisory panels at a State and Federal level.
- Grants introduced which support the development of less established FBHE institutions, as well as pathways for minority religions seeking to create their own unique FBHE degrees.
- Allowing access to a more equitable system of distribution for CSP's, Research block grants and ARC funding.
- A religious discrimination bill which adequately reflects the need for FBHE institutions to hire and maintain staff, as well as form student communities, according to mission and ethos of their religious beliefs.
- Increased government and DFAT partnership with FBHE institutions for joint projects in the Indo-Pacific region with networks and nations who have high religious populations.

⁵ See Oslington, 2022 Enhancing the Evidence Base for Australian Theological Research

⁶ The only infrastructure investment in FBHE from Federal Government in the last decade that we are aware of is the \$5 million awarded to Campion College in 2020, and support for the ACU's new Blacktown campus - both Catholic institutions.

⁷ See the recent ALRC draft as well as recent State anti-discrimination decisions - <https://www.alrc.gov.au/inquiry/anti-discrimination-laws/>

Summary of recommendations

1. Review HESA in light of the new Provider Category Standards, replacing Table A with all providers registered by TEQSA in the "Australian University" category, and replacing Table B with all providers registered by TEQSA in the "Australian University College" category.
2. Address the issues of ongoing Commonwealth Supported Places being unavailable for successful innovative teacher training models and regional students.
3. Enable University Colleges access to Research block grants and ARC funding.
4. Enable dual-sector providers, those registered with both ASQA and TEQSA and approved for FEE-HELP, be permitted to offer FEE-HELP to students across both sectors.
5. Improve Australia's competitive position with regard to international student enrolments by removing barriers to entry through collaborative, community-based design such as the regional hub model designed by AC.
6. Address idiosyncrasies concerning face-to-face class teaching for national teacher training projects where State-based teacher registration boards block access and cause extensive time and costs when seeking accreditation.
7. Intentionally include recognised FBHE representation in relevant stakeholder advisory panels at a State and Federal level.
8. Introduce grants which support the development of less established FBHE institutions, as well as pathways for minority religions seeking to create their own unique FBHE degrees.
9. Support measures that adequately ensure the right and need for FBHE institutions to hire and maintain staff, as well as form student communities, according to mission and ethos of their religious beliefs.
10. Encourage increased Government and DFAT partnerships with FBHE institutions for joint projects in the Indo-Pacific region with networks and nations who have high religious populations.

AC wishes to thank the panel for their significant work in the University Accord process. We would be more than happy to be involved in further stakeholder discussions as required.

For further detail or clarification, please contact our Director of Government Relations, Nick Jensen - nick.jensen@ac.edu.au [REDACTED]

