



Australian
National
University

Submission to the Universities Accord Panel

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The Australian National University (ANU) is pleased to respond to the Australian Universities Accord Interim Report. The University believes that reform of our sector is essential. It is vital that the Accord sets a vision and objectives aligned to long-term, visionary policy priorities distinct from political and economic cycles. Like other irreplaceable elements of our national fabric, the university sector must be carefully nurtured.

While Australian universities are strong and competitive globally, the policy landscape that supports and governs universities is often fractious and inconsistent. Although the transformational work universities do in education and research is known to be a major economic contributor and social good, the sector has previously been less than a full partner in the policy-making process. We welcome the opportunity in the Accord process to consider, in partnership with the government, the best interests of Australia's universities and the society they serve. As the national university with a unique mission and mandate, ANU wishes to play a leading role in these discussions.

Summary of key issues arising in the interim report

The ANU would like to highlight the following points in this submission:

- ANU supports and applauds the focus on a more equitable and inclusive higher education system
- ANU agrees that First Nations must be at the heart of Australia's higher education system
- ANU agrees that funding uncertainty for the university sector has contributed to its stressed state
- ANU advocates for a funding system that supports basic and applied research
- ANU supports the objective of an integrated tertiary system
- ANU welcomes initiatives to improve institutional governance appropriate for the level of complexity of university operating environments
- ANU rejects the idea of a levy on international student fee income
- ANU is cautious about the proposal to create a new National Regional University
- ANU is opposed to moves to increase regulation of Australian universities.

Key priorities and recommendations for the Accord's final report

ANU stands by and reiterates its initial response to the Accord. This includes that the next-generation Australian university sector should be **student-centric**, with a single national admission framework; a review of student income support payments to build access; demand-driven funding for all Aboriginal and Torres Strait Islander students; public funding for domestic student places aligned to the true cost of providing that experience; and a national flexible loans program to replace the current patchwork of financial support.

Research funding is essential to the reform. At a minimum, Australia should reach the OECD average and become comparable with the highest R&D investors – and some of the most successful economies – in the world. The government should meet the full costs of publicly-funded research, delivered through a single national research funding body, avoiding cross-subsidies currently required that skew universities' operating models. A redesigned R&D tax incentive and a restructured (more generous) Research Training Program would underpin a more productive, stable and sustainable research system.

The ANU submission also called for a more attractive **international education** environment, with a simplified visa system for students and academics, and access for students to skilled migration

pathways for permanent residency. As detailed below, ANU rejects the proposed levy on international student fee income.

Lifelong learners should be prioritised. Subsidies should be available for people upskilling and reskilling, along with reduced cost or fee-free access to higher education for those who are unemployed, self-employed or returning to the workforce. A lifelong learning approach also requires a more coherent system for growing the esteem and appeal of microcredentials as alternatives to more traditional degree pathways, co-designed with industry partners.

Finally, the concept of an Accord suggests agreement or cooperation between government, universities and key stakeholders around a set of guiding principles and values. However, many of the ideas presented may impact university autonomy by imposing prescriptive measures. Thus, ANU urges the Panel to closely consider the combined impact of any proposed measures on the **total regulatory burden** on universities when preparing its Final Report. ANU advocates taking a principles-based approach to addressing the key themes under the Accord, under which universities work with their governance structures, such as Councils and Academic Boards, to deliver on agreed goals in ways that align with unique missions and local community expectations.

The ANU response to ideas in the Interim Report

The focus on a more equitable and inclusive higher education system is applauded and supported. The unfinished work of growing participation among students from equity groups that was such a core focus of the Bradley Review remains a key priority for ANU. However, universities will require specific financial support to meet the costs of attracting, recruiting and supporting students from ‘non-traditional’ backgrounds. Students from disadvantaged backgrounds must have access to adequate financial support to mitigate the upfront costs of university study, with grants (or, at a minimum, income-contingent low-cost loans through the HECS system). ANU would support broader access to financial support for university study to a wider range of disadvantaged students. Any proposal to improve access and equity outcomes must also consider how Year 12 students can be better supported to ensure they are academically prepared for university. Collaboration with schools and taking a whole of education sector approach would help to achieve this.

First Nations must be “at the heart of Australia’s higher education system”, and the national university will continue to be an exemplar for Australia. ANU welcomes the extension of the demand-driven approach to funding to metropolitan First Nations students. In addition, ANU will ensure the knowledges and cultures of Aboriginal and Torres Strait Islander Peoples are core to its education and research, and will work with government on “enshrining these knowledge systems and practices in Australia’s higher education institutions”. Equal and specific consideration for underwriting First Nations driven research should be a core consideration in the current environment of addressing ongoing structural, institutional and policy reform.

Furthermore, ANU advocates for a more generous financial settlement for Aboriginal and Torres Strait Islander students, akin to the University’s own Kambri Scholarships, which are funded largely through matched philanthropy. All financial barriers preventing First Nations students from choosing the appropriate university for them – upfront costs for accommodation, travel, learning materials, etc – should be part of a package of support enabling all eligible students to select the right institution for them, irrespective of location.

ANU agrees that funding uncertainty for the university sector has contributed to its “stressed state”. Creating a “predictable pathway forward for higher education policy and funding” is essential

to rectify this situation. The University stands by the criticisms of the Jobs Ready Graduates Scheme made by our Vice-Chancellor when the policy was introduced. ANU maintains its position that public funding for universities must reflect the costs involved in teaching students and carrying out research. The Accord is a once in a lifetime opportunity to plan a pathway to that ideal future state.

ANU advocates strongly for a funding system that supports basic and applied research, that preferences excellence and supports industry-university collaborations. Any vision for our system that does not increase sovereign funding for research, to replace the requirement to cross-subsidise this invaluable work from other potentially vulnerable sources, is manifestly incomplete. No successful modern economies can under-resource their research and innovation systems. The national and societal good generated from research knowledge makes it one of the soundest long-term investments a nation can make.

ANU supports the objective of an integrated tertiary system in the interests of student choice and meeting the skills needs of Australia's future workforce. We particularly endorse the close partnership between the university and VET sectors, which we hope will be underpinned by improved articulations between types of tertiary education. The importance of a workforce that engages in tertiary education at every phase of their career is widely recognised ([Productivity Commission Report 2022](#)). An integrated tertiary sector with articulation pathways and simplified and enhanced funding arrangements will support students of all ages to find and undertake the program that suits their career aspirations.

ANU rejects the idea of a levy on international student fee income. This would create a significant risk to the Australian international education market. Prospective international students will become aware that their tuition fee would be at least partially reallocated to a university they will not visit, to pay for facilities and an experience they will never enjoy. Students rightly expect their tuition fee will contribute to their own learning and cultural experience. We wish to promote the excellence of the Australian education system rather than convey to prospective international students that they are simply another revenue stream. Such a levy will become the primary marketing tool of competitor countries seeking to poach market share from Australia.

ANU is cautious about the proposal to create a new National Regional University. Although the University of California system is cited as a successful comparison, an Australian regional variant must be more than a structural replica. There are alternative international models which provide educational pathways from the regions to universities. Furthermore, it is unclear what benefits would be derived from the amalgamation of multiple extant universities across geographically dispersed regions of Australia into a single entity. The exercise must do more than simply seek economies of scale. More than anything, any new national regional university must tangibly benefit its regions and, as a 'national university', the nation it serves. ANU is the only national university currently established, and would expect to be involved in discussions from the outset on the structure and funding of any proposed NRU.

ANU is opposed to moves to increase regulation of Australian universities. Public institutions must be accountable, but the burden created by regulation is significant and must be weighed when considering, for instance, the creation of a Tertiary Education Commission. ANU submits that such a body should maintain a 'light touch' approach. Instead of acting as interlocutor between the sector and government, it could operate as an analyst of trends and generator of policy ideas.

ANU welcomes initiatives to improve institutional governance appropriate for the level of complexity of university operating environments and community needs. ANU endorses the vision of

‘shared stewardship of Australia’s higher education system’ which, if executed effectively, should assist with coordination without adding unnecessary regulation. One mechanism to reduce external regulation would be to promote forms of stronger internal governance where academic boards and senates have increased monitoring and quality assurance functions. ANU cautions against any impulse to add further complexity, however well-intentioned, to universities’ operating environments with regulation that would limit student choice or university autonomy. Both should be sacrosanct in a university sector that is looking to the future.