

**Submission: Response to Consultation Paper on the reallocation of Commonwealth supported places
for enabling, sub bachelor and postgraduate courses**

February 2019

The issue of Commonwealth supported places (CSPs) for enabling, sub-bachelor (diploma, advanced diploma and associate degree) and non-higher degree research postgraduate courses, both in terms of the quantum and in terms of their distribution, has been deferred, to some extent, since the advent of demand driven undergraduate funding. The University of Wollongong welcomes the opportunity to offer comment.

Due to the lack of a systematic review in this period, arrangements have been essentially frozen, notwithstanding the addition of a small number of places in the years 2011-2014 and a reduction in the number of places in 2018.

This means that historical anomalies in both sub bachelor and post graduate provision have been locked in place for the past several years. The University considers that changes in the nature of the higher education system, stemming in part from the impact of the demand driven system and in part from changes in demographics and the broader economic landscape, have created a disconnect between provision and requirement.

Sub Bachelor

In the Sub Bachelor space, the issues of most pressing concern are primarily concerned with equity and equality of opportunity.

With the increase in undergraduate participation, made possible by demand driven provision, there has been a consequent broadening of the higher education population and a rise in expectations relating to the opportunity to attend a university.

The freezing of enabling and other sub bachelor pathways prevents institutions that were not engaged in that space before 2011 from offering new or additional CSP supported pathways. This leads to a perverse outcome whereby some of the most disadvantaged students are obliged to take full fee pathway programs in order to enter university.

Currently, institutions are dealing with substantial demand from less prepared applicants, or from applicants who are culturally less engaged with higher education. If these applicants do not have access to CSP sub bachelor places, institutions are obliged to:

- Reject students seeking direct entry who have the capacity but not the preparation to ensure a high probability of success;
- Divert those students towards expensive fee paying pathways or pathways providing less optimal preparation (for example generic preparation rather than preparation specifically tailored to particular fields of study or disciplines);
- Enrol students who are at a greater risk of failure in three or four year bachelor programs rather than in a one year diploma, resulting in:
 - personal consequences for the student in terms of both self-esteem and in terms of the financial cost for the student that enrolment entails;
 - diversion of students away from diploma courses which could offer an earlier exit with a meaningful qualification; or
- Carry unfunded students, which is not a sustainable strategy for the sector.

Carrying unfunded students appears to have been the recent reality based on the over enrolment data provided in the Consultation Paper.

We note that the quoted year of 2016 (on page 11 of the Consultation Paper) was prior to the subsequent Funding Agreement clarification that the maximum basic grant for designated load is not movable between levels, and hence some institutions may have been previously utilising postgraduate funded load to access the Commonwealth contribution for enabling students. It also means that current utilisation and current distribution as discussed in the Consultation Paper are in many cases of no relevance to their more efficient and appropriate distribution.

Universities that did not have substantial Commonwealth supported sub bachelor pathway programs eight years ago for one reason or another have been frozen in that position. The existing arrangements do not provide any meaningful signals relating to performance, utilisation and demand for CSP sub bachelor places, and so basing any review of allocation on that data would merely prolong the current historical patterns that are unrelated to actual appropriate use.

As an alternative, the University of Wollongong suggests an initial redistribution taking consideration of geographic distribution, possibly utilising ABS SES population mapped against distance from campuses currently approved for the delivery of CSP undergraduate places scaled by campus size or regional market share to create a weighted base value for each university. This would be a better base measure, and one that is far less tainted by the pre-2011 distribution of places than the current allocation, which has no underlying relationship to current need. There may need to be some additional consideration for state based issues. Other factors that could be relevant to that base distribution are catchment school data on average ATAR by region and participation rates in higher education.

A relatively small reallocation pool, such as that listed on page ten of the Consultation Paper, potentially reallocating a maximum of @ 475 enabling / @ 359 sub bachelor non enabling places, merely perpetuates difference and penalises those institutions serving communities that would most benefit from access to (in particular) enabling places and for essentially historical reasons, do not currently have sufficient such places to offer programs. This measure would not make enough places available to allow effective change in cases where the current quantum is grossly inadequate. In order to implement significant new pathway programs, sufficient places need to be contestable in the first instance to allow economies of scale.

Once a more appropriate base distribution is determined, then ongoing adjustment based on utilisation, progression to bachelor level and (longer term) success rates at bachelor level could be used to recalculate on a triennial basis (to give budget / planning stability).

Postgraduate (non-medical)

In the postgraduate space there are a range of concerns related to the historical nature of provision in this area.

The consultation paper seeks feedback with regards criteria for postgraduate Commonwealth supported places (currently the interim criteria are summarised as ‘professional entry, skills shortage or national significance’). The University of Wollongong position on the criteria are as below:

The paper states the broad principle of allocation of places for postgraduate courses will be based on criteria informed by professional requirements and community benefit, with criteria including measures of performance, utilisation and student demand, with a rolling three yearly review of criteria. The University agrees that existing criteria are hampered by issues with classification of skills shortages and challenges in defining national significance. However, there may be similar challenges in ensuring that the criteria are

aligned to and illuminate the meaning of ‘professional requirements and community benefit’. Measures designed to deliver a more effective allocation system may not support the principles of professional requirements and community benefit.

Periodic or cyclical review will make the system more responsive to change, but this should be done in such a way so as to smooth out the impact of changes. Three yearly cycles with transition periods would assist.

Which courses are subsidised? The University is in general agreement that the current criteria are, overall, appropriate given they are designed to balance the cost to the taxpayer with the benefit to society. However, some would benefit from greater clarity while others could be relaxed to reflect the changing world of work.

In particular, for programs which provide entry into professions, the requirements that the qualification be a minimum requirement for professional recognition and the shortest possible pathway do not take into account the differences in capacity of different levels of qualification in terms of entry at different levels or specialisations within broad professions. For example psychology, where the pathways to registration as a psychologist have multiple areas of practice endorsement and levels of registration.

Amongst other considerations, this can lead to perverse outcomes in terms of higher education offerings, as there is a disincentive to offer shorter, more flexible options if doing so would qualify as career entry and disqualify a more in-depth postgraduate offering from Commonwealth support.

The Skills Shortage List referenced to on page 14 is useful and it would be desirable if this reflected a unified approach across migration policy and higher education funding policy to bring a sharper focus on identified skills shortages.

Geographical issues should be considered in terms of skilled workforce availability when determining community benefit. The University agrees that community benefit would also require that population growth is balanced against relative socio-economic disadvantage at the regional level when considering allocation.

Existing utilisation of places: the current rates of utilisation are shaped in large part by the historical distribution of places and the current criteria, and if there is any significant change in criteria then the current rates of utilisation are of limited use in assessing demand.

Student Satisfaction: The use of student satisfaction (such as is reported by QILT) is complicated at the post graduate level by the presence of fee-paying students (who may deliver higher levels of resourcing for the institution to apply to the learning experience) so would need to be examined to see if it is possible to isolate Commonwealth supported students. This measure also threatens to put too much focus on the inherent operation of the scheme at the expense of the scheme’s overarching principles and objectives.

Graduate Employment Outcomes: Again, as with student satisfaction, it would be necessary to limit the results considered to Commonwealth supported students if it is to be part of a feedback process. Rewarding institutions with Commonwealth supported places for the good performance of fee paying students would be inappropriate. Measures of success in career entry (where appropriate) / success in career upgrade and the integration of longer-term outcomes as captured by the GOS-L are possible. Employment outcomes are, however, a relevant measure of the effectiveness of the scheme in terms of community benefit.

Representation of Equity Groups: Overall the success of institutions in supporting domestic equity students as captured in commencing undergraduates is the most suitable available proxy for this purpose and strongly supported by UOW.