

Reallocation of CSPs for enabling, sub-bachelor and postgraduate courses

University of Western Australia response

1. The importance and difference of the UWA Model and the Melbourne Model

The University of Western Australia, like the University of Melbourne, bases its entire teaching model on broad generalist undergraduate degrees and the delivery of professional qualifications (engineering, teaching, law and so on) through postgraduate coursework degrees. For example, instead of spending five years at UWA studying a double degree Bachelor of Arts and Bachelor of Laws, our model allows an aspiring law student to spend three years studying a BPhil or BA – with majors featuring a heavy dose of legal content – followed by a two-year Juris Doctor as a postgraduate student. Our two universities, therefore, are uniquely affected by any proposal to reallocate postgraduate CSPs (PG CSPs), as was recognised by the Government in its 2017 Higher Education Reform Package.

In essence, the UWA Model can only work if school leavers who are aiming at a profession can be assured that they will be able to progress (subject to meeting the academic requirements) from their Commonwealth Supported undergraduate degree into a Commonwealth Supported postgraduate professional course. Any uncertainty around the allocation of sufficient PG CSPs to UWA and Melbourne will have a significant impact on student recruitment into these two world top 100 ranked universities.

The University of Western Australia moved to the UWA model some years ago because of the now widely-recognised uncertainty about the future of work and what future careers will look like. Employer feedback strongly supported the view that traditional degrees in siloed areas of study will not adequately prepare Australia's future workforce, and that a blurring of boundaries between professions will continue as we face national and global challenges that require a multidisciplinary approach. Because it enables our students to study across disciplines before specialising, our degree structure produces graduates who are trained to work across traditional boundaries and adapt to the changing employment landscape.

Because of the integral role postgraduate CSPs play in our course structure, our response is focussed on postgraduate CSPs, rather than enabling or sub-bachelor places.

2. General principles

We believe that Australia and Australian students are best served by a system which allows students a diversity and choice of educational models; which allows innovation and the development of new options; and which allocates CSPs in relation to student demand.

We believe that the best system for the allocation and redistribution of PG CSPs is a formulaic demand-driven model, which we outline below, combined with a national priority pool of CSPs that institutions can bid for.

The Department currently allows universities to negotiate the movement of CSPs from one cluster to another, if this is cost neutral to the Government. To further encourage the flexible and timely delivery of industry-relevant new courses, and to manage sudden changes in demand (which are typical in a resource-based state like WA), we encourage the Government to consider simplifying this process, for example by providing guidance that would allow universities to make cost-neutral decisions without seeking permission in each instance.

We are concerned at the idea that PG CSPs might only be provided for courses which are the *shortest* pathway to professional qualification. The UWA Model and the Melbourne Model both recognise the worldwide shift towards a postgraduate degree being the entry point to many professions. We also note that students at other universities are increasingly seeking to broaden their education and enrolling in double undergraduate degrees (e.g. a 5.5 year BE/BCom), which are longer than UWA's five-year professional pathways and therefore more costly in terms of HELP loans and government subsidy (and, where applicable, Youth Allowance). We suggest that where PG CSPs are provided for courses leading to professional qualifications the restriction should instead be that they are of a duration that corresponds to Australian and/or worldwide norms.

3. A demand-driven allocation model for PG CSPs

We believe that the availability to prospective students, through QILT and other online sources, of information about the student experience, outcomes and so on means that it is unnecessary to use performance measures or other proxies as part of the re-allocation model. Indeed, experience in the UK (as part of HEFCE's core-and margin process in 2011) is that doing so overcomplicates the model, drives perverse outcomes, and flattens the redistribution of places. Student demand, measured by the uptake or not of CSPs, is by itself sufficient to operate a rational and practical model.

UWA agrees with the Department's suggestion that reallocation be aligned with funding agreements, and suggests that all reallocations should take place at this point, rather than having an out of cycle annual reallocation of unutilised places.

UWA suggests the following model for the reallocation of places:

- Institutions which do not utilise their full CSP allocation over the period should have their allocation reduced by their percentage underutilisation, to a maximum of 5%. Institutions which fully or over utilise their allocations should not have CSPs taken away, as there is clear demand for their courses.
- Institutions should be allowed to over-enrol, but would only receive funding for over-enrolment up to 5% greater than their allocation.
- The CSPs removed from under-enrolling institutions should be formulaically reallocated to those institutions which fully or over utilised their allocations, in proportion to their share of national over enrolments.

For example:

- Institution A underutilises its PG CSPs by 3% over the funding agreement cycle. Its allocation is subsequently reduced by 3%.
- Institution B underutilises its PG CSPs by 7% over the funding agreement cycle. Its allocation is subsequently reduced by 5% (the maximum).
- The Department then has a pool of CSPs to redistribute, and can control the total cost by deciding what proportion of these to release for redistribution, or to add additional CSPs if required.
- Institution C over-enrols PG CSPs by 70 students over the funding agreement cycle. If there are 1000 over-enrolments nationally this would be 7% of the total. If 900 places had been taken from Institution A, Institution B and the other underutilising institutions, then Institution C would receive 7% of these, i.e. $7\% \times 900$ or 63 additional CSPs.

A formulaic model like this, with Government decision-making about how many CSPs to reallocate, provides maximum control and predictability for government, while allowing market forces to manage the reallocation of places over time. It also allows institutions the ability to grow where there is strong student demand for their courses. A model like this also has the advantage of not requiring cyclical re-evaluation of skill shortage allocations, as these are either used and retained or not used and then removed over time.

4. A pool of PG CSPs for national priorities

In addition to a formulaic allocation of the majority of places, UWA suggests that a proportion (perhaps 25%) of CSPs that have been taken from under-recruiting institutions via the method described above could be used to address national priorities, with institutions bidding for CSPs according to criteria set by the Department. In this way CSPs can be made available for geographical or equity reasons; or for particular courses where there are skills shortages or economic need.

5. Concluding remarks

UWA is grateful for the opportunity to provide input into the Government's considerations around PG CSPs, particularly as the ability to provide guaranteed pathways to postgraduate places to our students is integral to our course structure. We would welcome any opportunity to provide additional comment to future Government consideration of these matters following deliberation of this current consultation round.