

National Priorities and Industry Linkage Fund Consultation paper

Introduction

1. Monash University welcomes the opportunity to provide input to the Department of Education, Skills and Employment National Priorities and Industry Linkage Fund (NPILF) consultation paper. We are willing to collaborate with the DESE to share learnings and experiences to work through the concepts presented in the NPILF consultation paper.
2. NPILF is block grant funding to universities to support “enhanced engagement with universities and industry in order to support job-ready graduates. The NPILF will have a strong focus on meeting the future Australian workforce requirements for STEM-skills and increasing the number and quality of work-integrated learning (WIL) opportunities for students.”
3. According to the Job-ready Graduates package, the NPILF will provide \$900m over 2021-2024 to facilitate this engagement. Monash notes that the 2020-21 Federal Budget has provisioned NPILF funding over the forward estimates.

Summary

4. Monash supports the three stated priorities of NPILF. In acknowledgement that the intent of NPILF is to encourage risk, innovation and reward noble failure, Monash supports the proposed approach to the introduction and assessment of NPILF outcomes; specifically:
 - a. A multi-year pilot (2021-23) to bed down the methodology, with no loss of funding;
 - b. The encouragement of innovative and experimental initiatives in industry engagement, including a level of failure-tolerance – this is reflected in ability to modify the annual NPILF plan to reflect the changing needs and approaches based on practical engagement with industry; and,
 - c. The flexibility for each institution to craft the most relevant set of indicators to assess self-improvement and achievement. This institution-specificity allows for a tailoring of qualitative and quantitative measures to align with the set of institutional priorities being pursued.
5. Monash does offer some suggestions that the Department of Education, Skills and Employment may consider in the administration of the scheme. These are articulated below.

Considerations

6. Monash is supportive of the intent to support institutional growth rather than competition among universities, and is supportive of the non-prescriptive nature of the indicator framework, however believes intent and engagement can be measured with a **simplified, yet more specific, approach**.

The approach proposed to the indicators, inclusive of cross-sector metrics, demonstrators and innovators with both qualitative and quantitative components, appears overly complex and not necessarily designed with the intent to encourage new behaviours (e.g., encouraging innovation, risk taking, the engagement of new sectors and the delivery of new learning models, catalysing place-based retention of graduates in National Employment and Innovation Clusters etc).

The incorporation of a set of baseline assessment criteria against which institutions can demonstrate their commitment to new and positive behaviours may promote greater institutional growth and outcomes in this regard.

In offering this suggestion, we acknowledge the concomitant challenge of reporting and collection of data/information across a large and diverse sector.

7. On a related point, Monash is supportive of the “failure-tolerance” embedded within the approach to measuring success, however in the full implementation phase (during 2024), that **funding is withheld** from institutions who fail to meet these metrics does appear to run counter to the ambition to support experimentation and engagement.

To avoid perverse outcomes, it will be imperative that a robust mechanism (as opposed to a formulaic approach) be implemented to ascertain when to withhold funding. Initiatives can fall short for a great many reasons, and if institutions are seen to be penalised for things beyond their control, it may erode the intent and rationale for the NPILF.

8. Of the articulated approaches to NPILF funding distribution options, Monash would support a **per-EFTSL rate** or **per-EFTSL rate + base** approach.

Monash offers a holistic, end-to-end education experience, meeting the learning needs of individuals and industry partners at scale through industry-input into the undergraduate and postgraduate curriculum, a comprehensive suite of professional/executive education offering and the provision of stackable micro-credentials that are able to articulate into award degrees. Our experience indicates that offering Work Integrated Learning and embedding the development of STEM and STEM+ capabilities in our student cohort, at scale, is a non-trivial exercise.

In other words, the design and implementation issues of providing these educational experiences to an overall student cohort in excess of 70,000 students and to particular cohorts, which include the largest or among the largest intakes in Australia of engineers, scientists, and health professionals, has a level of difficulty that is much greater than managing much smaller cohorts of students.

None of the proposed funding allocation approaches however consider "non-traditional" methods to upskill to increase the level of "job readiness" of graduates. Monash suggests that consideration is given to the recognition of base rate CSP as well as current performance in industry-led offerings, professional and executive education and micro-credentials is nuanced into the NPILF funding allocation matrix.

9. Finally, there is no mention of how the NPILF could **support students** undertaking roles in start-ups and spin-outs to assist these small enterprises in the development of new ventures and to support entrepreneurialism in the communities with which universities engage. The inclusion of this concept within the NPILF framework would tangibly demonstrate support and encouragement for direct engagement with industry by the sector.

Recommendation

10. It is thus recommended that the Department of Education, Skills and Employment consider:
 - a. Simplifying the approach and more clearly linking the indicator framework to assess the commitment to, and to encourage behaviour towards, the NPILF priorities.
 - b. Implement a robust and nuanced mechanism to assess the rationale for a decision to withhold funding.
 - c. Review the NPILF distribution options and consider adding an option that recognises current performance in industry-led offerings, professional and executive education and micro-credentials, in addition to per-EFTSL base funding.

- d. Incorporating a recognition of the importance of stimulating entrepreneurialism and direct industry engagement via providing support for student placements within small to medium enterprises.