Australian Universities Accord Terms of Reference Consultation

Office of the Vice Chancellor

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Professor Mary O'Kane AC
Chair, Australian Universities Accord Panel
Department of Education
GPO Box 9880
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Dear Professor O'Kane,

Australian Universities Accord Terms of Reference Consultation

Murdoch University is grateful for the opportunity to contribute to refining the terms of reference for the Higher Education Review that will lead to the development of an Australian Universities Accord with the Commonwealth Government.

The university sector will play a key role in Australia's social and economic progress in the coming decades. Urban and peri-urban universities like Murdoch will be particularly important in meeting the education and innovation needs of their regions and the nation.

Murdoch University has a reputation for translational research with a demonstrable track record of community uptake of the new knowledge created by its researchers. Research is focused on three interdisciplinary research institutes: Health Futures Institute; The Harry Butler Institute for Sustainable Development; and Food Futures Institute. The Ngangk Yira Institute for Change focuses on complex issues in Aboriginal health and the achievement of social equity. These institutes aim to meet Australia's 'over the horizon' needs for food security, sustainable economic development, and a healthy population. They ensure that strong partnerships are built, and critical mass developed to strengthen research reputation and profile.

Murdoch University has a longstanding record of institutional engagement with teaching and learning that seeks to promote increased student participation, student satisfaction, progression, completion and employability. The University has campuses in Singapore and Dubai and attracts students from around the globe to our Australian campuses.

Challenges and Opportunities

Murdoch University faces several challenges to its financial sustainability exacerbated by factors driven by the Covid pandemic.

Student recruitment continues to be difficult, particularly in the Western Australian context. Commencements are adversely affected by a strong job market, including historically low youth unemployment; a decline in Year 12 graduates on a university (ATAR) pathway, despite increasing Year 12 enrolments; and State Government priorities supporting post-secondary VET study, including expanding free TAFE places.

Post-2023 funding remains uncertain, particularly for the high proportion of universities below their Maximum Basic Grant Amounts, many of whom are urban, peri-urban or regional and face negative local factors such as those identified above for Murdoch.

Considering difficulties in attracting new students and funding uncertainty, there is a risk of damage to non-metropolitan universities if they are forced to cut back on staffing in the short term and then rebuild workforce as student demand returns and teaching and learning income rises.

The Accord process provides a unique opportunity to take a systems-based approach to developing a more diverse Australian higher education sector. In addition, the commitment to consult with a broad range of stakeholders across government and industry provides an opportunity for cross-portfolio recommendations to strengthen outcomes. For example working with Health and Aging to support clinical placements, or ATO and Social Services to ensure effective student support and equitable HELP repayments.

Recommendations

Funding for teaching

- Post-2023 funding remains uncertain. While it is acknowledged that the Accord process includes a review of the Job-ready Graduates Package, a comprehensive view of university funding needs to be taken to ensure financial sustainability.

- Murdoch has a strong preference to re-incorporate identified funding pools, such as NPILF and IRLSAF, into core funding arrangements. This provides a more stable funding base that facilitates institutional autonomy and sustainability and encourages strategic diversity.

- Student contributions and repayment schedules should provide for a more equitable HECS-HELP regime for students.

- Murdoch is of the view that microcredentials should not be Commonwealth funded. Microcredentials are explicitly not formal qualifications and should therefore fall outside Commonwealth supported places. Student funding could be provided through access to FEE-HELP within a lifetime funding limit, but that opens them up to abuse by providers like the disastrous VET FEE-HELP scheme.

Regulation

- The sector is currently overregulated, both from an academic quality assurance (QA) as well as a funding perspective. TEQSA has been making some encouraging steps towards limiting this academic QA over-regulation, which Murdoch fully supports.

- Performance based funding (PBF) is a reductive way to improve quality. We are of the view that sufficient internal and external performance drivers currently exist for institutions to seek to continually improve their academic programs, negating the need for performance funding measures.
  Students are able to use a wide range of information when choosing an institution for study, including Quality Indicators for Learning and Teaching (QILT); National and international rankings, which incorporate teaching and research measures; and school, parental and peer recommendations.
  TEQSA assesses universities against the Higher Education Standards Framework (HESF) which includes institutional quality assurance (Domain 5). In assessing against this Domain, TEQSA expects that academic programs are reviewed regularly and that the findings of the reviews are evidently used to generate improvements.

- Murdoch considers that TEQSA regulation is onerous, however, we support moves to consolidate QA within the TEQSA framework to removes the need for measures, such as PBF or any proposed teaching satisfaction model, to drive QA.

- The Accord should seek to streamline various reporting, performance, and compliance requirements.
  Murdoch is of the view that these should be largely removed as dedicated funding pools are consolidated into a stable funding base. This would include PBF, NPILF, IRLSAF, Short Courses, and National Priority and Equity Places.
  Reporting against external programs, such as Foreign Interference or Cyber Security, should be reduced and consolidated into short, exception reporting where possible.

- The Tertiary Collection of Student Information (TCSI) is another example of a good premise turning into reporting overreach and an increased administrative burden on universities. The ultimate goal of benefiting students and institutions alike through this program does not appear to be within reach.

Research

- Government research funding does not cover the full cost of research, meaning universities cross-subsidise research from other sources of income. Further, research block grants do not adequately meet the cost of research support and research training.
  Consideration should be given to mechanisms that enable fully funded Government research projects to ensure the sustainability of research grant funding across the sector.
  Implementation of indexation of the block grants with income increases should also be reviewed.

- Processes need to ensure that ARC and other competitive grant funding supports research excellence no matter where it occurs.
  Consider removal of research environment as a component of ARC applications to increase the research base and 'level the playing field' for researchers. This would allow smaller universities where research is excellent, and budget is available, to be more competitive.

International education

- Murdoch wishes to highlight the critical importance of strengthening the social licence for international students. They should be seen as valuable contributors to the social wellbeing of their institution as well as the broader community. In this way, there will be greater acceptance

of those students seeking permanent migration as genuine members of the communities in which they live.

- International student recruitment initiatives need to support all universities and facilitate student enrolment outside the major urban centres. Regional authorities are keen to work with agencies to strengthen enrolments; build social diversity; provide in-study, WIL, and post-study work opportunities; and encourage appropriate migration pathways in areas of workforce shortfalls. These goals are currently hampered by a lack of consistency in application of various policies in respect to international education and recruitment of international students.

- Clarity is needed around the pathway to Permanent Resident (PR) status for international students. International students need to be acknowledged as a group that Australia seeks to encourage to contribute positively to the nation over an extended period of time. While recent increases to Post Study Work Rights is welcomed, without a clear pathway to a permanent outcome Australia is at a disadvantage to countries such as Canada and New Zealand, which have provided a much more pro-migration policy framework than Australia.

- Clarification is needed around the extension to post-study work visas and their applicability to all areas of Australia, for example everywhere but Sydney and Melbourne is effectively deemed regional for the purposes of extended work rights; and work rights have been extended temporarily as a result of Covid impacts. However, the definition of "regional" is not consistent across various sections of Government Policy and the Peel Region in WA, for example, is not eligible for the Destination Australia scholarships scheme.

Cooperative arrangements

- Provide a systematic and sustainable approach across Australia to life-long learning, to ensure longer term engagement in the workforce by more people, leading to increased productivity and response to skills needs and knowledge gaps.

- Incentives for VET and Higher Education collaboration and integration need to be reviewed in a consolidated way to best leverage State and Commonwealth investment in TAFE.

- Consider cooperation arrangements between VET and HE at the sector level. Currently articulation arrangements exist, but they are between individual providers and are not necessarily consistent across either VET or Higher Education sector.
  Mechanisms might include articulation arrangements where career paths are clear and common, for example Nursing or Engineering.
  More broadly, greater cooperation between VET and HE could provide for more seamless movement across sectors to allow students to capture the benefits of each sector for their specific career path.

Sustainable Development Goals

- Alignment to SDGs and Commonwealth carbon emissions reduction targets should be considered in the context of individual university strategies.
  It is important that funding mechanisms do not compromise universities' ability to meet sustainability goals.
  For example research funding that provides universities with block grant funding that provides the ability to allocate funds to SDG priorities in line with institutional strategies.
  Murdoch has a strategic commitment to sustainability, including zero carbon. This will be compromised by reduced funding, both CSPs and research block funding, and a reliance on international student income.

Please do not hesitate to contact me if any further information or clarification on our submission is required.

Yours sincerely,

Professor Andre J Deeks
Vice Chancellor