

Professor Mary O’Kane
Chair, Australian Universities Accord Panel
Department of Education

via: Department of Education submission portal

21 December 2022

Dear Mary,

Re: Consultation on the Universities Accord Terms of Reference

I refer to your letter dated 24 November 2022.

University of Canberra welcomes consultation on the Universities Accord and is keen to participate. We refer to the Terms of Reference outlining seven key priorities and are pleased to provide a submission to the panel.

The University is a member of the Innovative Research Universities (IRU) and has provided input to its submission. You may be aware that I will be commencing as Chair of the IRU from January 2023. No doubt this will involve a greater participation in Accord matters.

We note that the Terms of Reference are quite broad and consultation far-reaching.

While broadly agreeing with the terms of reference, we do have concerns that the scope of the Accord consultation has now shifted to review each and every policy and program that intersects with universities.

First and foremost, the Accord must maintain a high-level focus around ‘resetting’ the relationship between universities and Government.

Attached is our submission offering our comments and specific priorities for the panel to explore.

Please contact [REDACTED] if you have any questions regarding our submission.

Yours sincerely,



Professor Paddy Nixon
Vice-Chancellor and President

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Australian Universities Accord

Consultation on the Accord Terms of Reference

Submission from the University of Canberra

December 2022

University of Canberra welcomes consultation on the Universities Accord and is keen to participate in discussion. We refer to the Terms of Reference outlining seven key priorities and are pleased to provide a submission to the panel. We look forward to ongoing consultation as design of the Accord progresses.

We are a member of the Innovative Research Universities (IRU), with our Vice-Chancellor Professor Paddy Nixon commencing as Chair of the network from January 2023. We have provided input to their comments and support the IRU submission.

We are a member of Universities Australia (UA) and support the positions set out in Universities Australia's submission on this matter. We note there is much agreement across the sector, and indeed the Department of Education, around themes and issues for the Accord.

Higher Education Reform

Key reforms over the last 70 years have resulted in the expansion of Australia's Higher Education System and align with punctuated increases in student enrolments.

In 1951 the Menzies Government university scholarships program commenced. In 1974 the Whitlam Government gave the Commonwealth responsibility of university funding, abolished student fees and introduced student income support. In 1987 then Education Minister Dawkins introduced significant reform, re-engineering the sector to form new universities, and introducing the Higher Education Contribution Scheme (HECS). In 2003 then Education Minister Nelson introduced the Higher Education Support Act, funding clusters for Commonwealth Grant Scheme funding, mission-based compacts, and funding agreements. In 2008 then Education Minister Julia Gillard welcomed the findings of the Bradley Review, to enact the Demand Driven System.

When history is written how will the Universities Accord be remembered? What will have changed? And will the nation once again have questioned 'who gets to go to university?'

Need for a 'resetting'

There is a strong need for an overall 'resetting' of the expectations and working relationship between universities and the Government. This was raised by then Shadow Education Minister Tanya Plibersek ahead of the 2019 election and is still pertinent today.

This resetting starts with mutual respect between universities and the Government. That is, respect for each other's objectives and needs, and to a practical extent, high-level operations and business processes.

This respect should be whole-of-government and result in a deeper shared understanding of the objectives and needs of students, staff, industry, and communities. This task alone would be a monumental undertaking within a 12-month period.

The Accord must maintain its high-level vision. While broadly agreeing with the terms of reference, we do have concerns that the scope of the Accord consultation has now shifted to review each and every policy and program that intersects with universities.

It is our expectation that the Accord will contain a shared mission and national goals for universities, Government, and the Australian people.

It is also our hope that that the Accord will contain agreement on the high-level approaches to working together to achieve the mission and goals. This should be bipartisan and well beyond any term of government.

Policy setting and programs could then sit beneath the Accord, to realistically allow change over time, however, always in the context of the broader societal agreement.

For these reasons we make the following recommendation.

Recommendation 1

We strongly recommend that the Accord maintain a high-level focus around ‘resetting’ the relationship between universities and Government.

Australian universities

Australian universities are world-class and there is much to be preserved and celebrated.

In 2019 and 2020 TEQSA and Professor Peter Coaldrake undertook extensive consultation on the Provider Category Standards within the *Higher Education Standards Framework (Threshold Standards)*. One outcome was a revised definition of ‘Australian University’, that came into effect mid-2021.

During this consultation, University of Canberra argued that Australia has one of the best university systems in the world. The term ‘university’ is emblematic of the reputation for excellence that our higher education system enjoys. To an external audience, the term ‘Australian University’ represents the sum of the elements of all Australian universities – student-centric, regulated, high-quality, research-informed higher education. It is well-understood and trusted.

In considering a revised definition, Australian universities unreservedly reaffirmed their commitment to research-informed teaching. That is, under the threshold standards an Australian university must conduct both research and teaching across a range of disciplines. In fact, the sector welcomed strengthened thresholds around the quantity and quality of research.

Universities are the only institutions in Australia where the education they provide is informed by the latest research. At the University of Canberra, the teaching-research nexus is central to our core mission. That universities are institutions where knowledge is created, not just shared, is a foundational principle that drives what we do.

We encourage the panel to acknowledge and retain the definition of ‘Australian university’, particularly the teaching-research nexus.

As part of the consultation, University of Canberra was pleased to advocate for inclusion of ‘civic engagement’ within the definition. This was legislated and the expanded *Threshold Standards* now state that an Australian university “demonstrates strong civic leadership, engagement with its local and regional communities, and a commitment to social responsibility.”

We encourage the panel to retain the definition of ‘Australian university’, including the remit around ‘civic engagement’.

Income contingent loan scheme

In the Higher Education Loan Program (HELP), Australia has an income contingent loan program that is the envy of the world. Tuition costs are subsidised, and student contribution fees may be deferred and are not an impediment to going to university. While most students graduate university with a HELP debt, this is nowhere near the levels of some countries, such as the United States of America. Debt balances are not indexed beyond CPI and have no real interest rate applied. Graduates need only repay when their income meets certain thresholds.

We encourage the Accord panel to recognise the significant work of Professor Bruce Chapman in designing the Higher Education Contribution Scheme and its ongoing value. We strongly encourage the Government to preserve the key features of the income contingent loan program to ensure that access to higher education in Australia is not hampered by background.

Higher education policy ‘churn’

In the MYEFO December 2017 then Education Minister Simon Birmingham capped Commonwealth Grant Scheme funding for universities and introduced a freeze on indexing, including any CPI. This effectively pulled the brakes on the demand-driven system.

Since that time universities have experienced higher education sector policy churn. Many programs are in a pilot stage, some are in a transition phase, and some are still hanging around yet never fully implemented.

Some measures under the Job-ready Graduates (JRG) Package have yet to be worked through. JRG replaced Performance-based Funding, introduced by then Education Minister Dan Tehan to reignite some increase in funding, albeit below CPI.

Performance-based funding is technically still in place and appears as ‘at -risk’ amounts in the appendices of current funding agreements. This is of concern and unresolved.

There has been successive reworking of legislation, particularly guidelines. Transition funding under JRG was re-worked after errors were identified in the relevant legislative instrument. There are errors in a new legislative instrument to introduce funding for the micro-credentials pilot. We have been told this will have to be re-worked next year.

Funding Agreements are frequently being revised. Agreements contain no indication of version, or what has been changed, other than an execution date. In recent years some funding agreements have been executed retrospectively.

In recent years some notice around additional funding for teaching has been allocated very close to commencement of delivery. Yet quality controls and processes in all universities mean that a new course might take at least 18 months to create.

We recognise that there have been good intentions behind the Government’s higher education programs. Many have followed reviews and consultations led by panels of eminent persons including vice-chancellors.

However, this reactive environment is not conducive to long-term planning and viability of any business, let alone a large enterprise such as a university.

The Government’s policy objectives for the nation must be met in a sustainable way for universities.

For these reasons we make the following recommendations.

Recommendation 2

We recommend that the Government extend current funding arrangements for the Commonwealth Grant Scheme, and related programs, into 2024 to allow for funding certainty and continuity. This should be announced as soon as possible, and ahead of the May budget.

Recommendation 3

Any new funding models be well-considered and evidence based, with economic modelling and testing. These should be designed in consultation with academic experts, rather than just within the Department of Education.

Specific priorities to explore

The University of Canberra encourages the panel to consider the following priorities in developing an Accord.

First and foremost, we urge the Accord panel to envisage a higher education system fit for purpose, that adequately funds and supports all Australian universities, taking into account diverse missions, size, location and communities. This includes

Acknowledging diversity in the sector: Australian universities have distinct missions. Models and programs must take into account this diversity and should provide equitable support.

Fully costed research: The Government should commit to the full and separate funding of research to remove cross-subsidisation and ensure student and government contributions to teaching drive quality and improvement. However, a model to fully fund research must not be to the detriment of smaller universities. We support the investigation of a model for funding the full cost of research, but only in the context of increased funding being available and not resulting in fewer research projects being funded.

Infrastructure funding: The Government should consider a replacement infrastructure fund to maintain Australian universities as world-class. The closure of the Education Investment Fund (EIF) and its predecessor the Higher Education Endowment Fund (HEEF) left a \$4-5 billion hole in university infrastructure funding. These funds were established to 'future-proof' capital investment in universities. By its very definition the future fund was designed as a long-term investment, to secure the future for universities and Australians.

Other priorities to explore

Regulatory environment: The accord should include a commitment to review the regulatory environment and evaluate its impact on student outcomes balanced against expanded compliance costs.

Teaching quality: To enhance the student experience and produce quality future work ready graduates the Government should consider a Teaching Excellence Framework (TEF) similar to that which is embedded in the UK system. Building on the QILT concept, and taking lessons from the UK TEF, this system could engender a rigorous process and culture around excellence in learning and teaching.

Reimagining degrees: Consider new degree models, including appropriate funding arrangements, such as expanded support at the commencement of study and expanded learning in industry as an integral part of degrees.

Micro-credentials: The accord should incorporate micro-credentials and non-award study as key mechanisms for life-long learning, including how to encourage and fund their uptake, and finalise arrangements for certification and recognition by industry and across the sector.

Soft-skills: Future workforces will be more reliant on soft-skills. Universities fund work-integrated learning placements via the NPILF program. A similar scheme could be explored whereby higher education qualifications can demonstrate that students acquire a minimum 'soft-skills threshold' such that they can solve complex problems, develop critical thinking and creativity. These skills need to be more explicitly embedded in undergraduate curricula.

Pathways: Consider appropriate funding for enabling places and pathways to higher education to improve equity and access.

Identifying disadvantage: Measures of disadvantage need to be reviewed to ensure barriers to access and opportunity are genuinely addressed. In the ACT there are no low-SES postcodes. This reflects urban planning policy, with public housing embedded across all areas of Canberra. While there are no Low SES postcodes, forms of disadvantage do exist with many students facing challenges to enter university. It is pleasing to see the Higher Education Participation and Partnerships Program (HEPPP) recent change in funding formula to rely less on the low-SES measure.

Financial pressures on students: University of Canberra recognises that cost of living pressures on students can be a barrier to both commencing and continuing studies. This can include loss of income while on placements or work-integrated learning. This is distinct from student contribution fees that can be deferred.

Research and knowledge and skills: Research should be included in the first item in the terms of reference 'Meeting Australia's knowledge and skills needs, now and in the future'. The panel should consider the connections between 'quality education' and research in universities.

Research translation: We acknowledge that commercialisation of research outputs is important to the economy. However, the Accord must recognise that research translation or 'knowledge transfer' is much broader than commercialisation.

Commercialisation should not be the primary driver of research priority setting. Further, our industry partners can include local government, for example University of Canberra Hospital and Canberra Health Services.

Research grant processes: A better balance between block funding and competitive grants is needed. While competitive funding is important, applying for research grants is timing consuming and inefficient. Top researchers can spend 30-35% of their time on grant applications that have a very low success rate. Application for and administration of grants is a significant workload that could be better used elsewhere. Consideration should be given to a 2-stage grant application process similar to that of other countries (e.g., NZ's Marsden Fund). An artefact of this system means that excellent post-doctoral academics have no job or career security. Some of the University's best researchers are in the most precarious positions.

Funding for health places: Commonwealth contributions in selected health courses should be increased to reflect workforce shortages and/or HECS-HELP should be reduced for those students who on completion of their studies work in rural or remote locations.

Clinical placements: Clinical placements, the availability and cost thereof, limit universities from producing more graduates to meet workforce demands. Funding of clinical placements needs to be reviewed in parallel with a review of health services clinical placement models. Targeted funding for students and incentivising of placement providers to increase placement in selected professions will help to meet workforce demands. Specific initiatives should focus on rural and remote placements.

Joint appointments university and industry: Permeability between universities and industry partners would be better supported by arrangements for joint roles or secondment funding models. Under such arrangements employment might stay with the home institution, with the employee working across both university and industry roles. Commonwealth support to incentivise joint roles, and more permeable collaborations between industry and universities would be beneficial to generating industry-relevant research solutions. We are pleased to note the recent introduction of the ARC Industry Fellowship Scheme as one initiative towards this.

University of Canberra

The University is incorporated under the University of Canberra Act 1989 of the Australian Capital Territory.

We are committed to serving the people of Canberra and the region through professional education and applied research.

University of Canberra is ranked among top universities globally by both Times Higher Education (THE) and QS World University Rankings and appears in the 2020 THE rankings as one of the top 300 universities in the world and one of the top 20 young universities under the age of 50 years.

The University has released *Connected*, a decadal strategy that sets out the long-term ambitions and objectives for our university. It has at its core explicit commitment to our staff and students, to our place in Canberra and the region, and to the Ngunnawal people.

Our ambition for the coming 10 years is to be a global leader in driving equality of opportunity. A commitment that ensures we are the most accessible university in Australia; building an international identity for University of Canberra that celebrates, and is built upon, the importance of our place, one of national and international decision making. We proudly embrace our role as the university of the nation's capital.

The University of Canberra has had long-standing excellence in both teaching and mission-oriented problem-solving research and continues to be influential in a range of areas including health and wellbeing, nursing, education, information technology, communications, architecture and design, sport, and science.