



## Designing and delivering hybrid and work-backed qualifications for working Australians

### 1. A PROPOSITION FROM AUSTRALIA'S DUAL SECTOR UNIVERSITIES

The future of work in Australia will not be solved simply by more vocational *or* higher education: it will require both; and this will include blends of skills and education that are acquired and renewed over a lifelong journey through learning experiences that will be unique for every Australian.

Dual sector universities call on the Australian Universities Accord Panel to consider the development and design of a consistent and nationally recognised spectrum of work-based-learning qualifications. This spectrum of qualifications will combine the practical skills taught in vocational education with the analytical knowledge acquired in higher education, co-designed and delivered with industry.

If developed, engineers operating in our defence and space industries will enjoy advanced technical skills in composite metals, welding, and electrical systems among other areas. Our vocationally oriented social service professionals will increasingly utilise complex and critical thinking capabilities drawn from higher education learning experiences, while our teachers will apply ever more specialised digital skills. Each will be more productive, with more resilient and adaptive careers and career pathways.

For students/employees, these qualifications will have practical, tangible benefits from the outset: a guaranteed wage and employment contract alongside the longer-term benefit of professional networks and a recognised tertiary qualification(s), giving learners at all points in their life the best possible opportunity to prosper and contribute meaningfully to the economy and their community.

### 2. A SHARED PERSPECTIVE

Dual sector universities are the only public institutions operating across the full spectrum of Australian qualifications for both domestic and international students<sup>1</sup>.

The dual sector universities in Australia are:

- Charles Darwin University
- CQUniversity
- Federation University
- RMIT University
- Swinburne University of Technology
- Victoria University.

Collectively these universities enrol over a quarter of a million<sup>2</sup> students across the higher education and VET systems.

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<sup>1</sup> Acknowledging many institutions operate across the VET and higher education systems. Some universities and many other higher education providers own and operate RTOs and some RTOs - including TAFE institutes - with primary roles in the VET sector are also accredited to offer higher education programs.

<sup>2</sup> Dawkins, Peter, et al. *Reforming post-secondary education in Australia: perspectives from Australia's dual sector universities*. 2019, p. 8. <https://www.vu.edu.au/sites/default/files/reforming-post-secondary-education-australia.pdf>



Dual sector universities are in effect the only ‘full-service providers’ with legislative mandates and obligations to meet community and industry needs across both the vocational and higher education systems.

Each dual sector university has its origins in institutions designed to meet the growing and changing needs of Australian industry, and the increasing skills requirements of the Australian workforce. They are characterised by strong industry partnerships and a strong focus on applied learning and research.

Through these roles, dual sector universities are uniquely placed to understand the strengths, weaknesses and interface between the vocational and higher education systems.

Dual sector institutions already practice — and are in a position to deepen and spread — methods and structures which are increasingly important to the future of tertiary education.

This includes their ability to operate horizontally across ‘eco-systems’ of learning and innovation, to design and deliver programs of learning that can be integrated with a range of different pathways and partnerships.

### **3. A COMMON CHALLENGE**

Australia has a persistent challenge to build a larger, higher-skilled and more productive workforce, while maintaining high incomes and living standards to create more opportunities for more Australians.

This challenge is only growing in salience, as Australia experiences a tightening labour market, resulting in a third of current occupations experiencing skills shortages<sup>3</sup>.

Compounding this, the pace of technological change now makes skills increasingly mismatched or repeatedly redundant across a lifetime. As a result, two thirds of Australian workers today are employed in non-resilient occupations<sup>4</sup>, as technological change, global challenges and macroeconomic trends place new demands on the labour market.

The result is industries with more persistent and entrenched skills shortages, and workforces that face increasing precariousness and vulnerability in work.

More of the same will not solve this challenge.

Whilst additional growth in undergraduate and postgraduate education is necessary to meet demographic changes and economic growth ambitions, simply adding more places will not solve these complex and adaptive challenges.

There is a significant structural gap in the provision of high-quality work-based learning in the Australian context that will form pathways to skilled employment at the mid-tier, para-professional level of skills and knowledge application.

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<sup>3</sup> National Skills Commission, 2022 Skills Priority List Key Findings Report.

<sup>4</sup> National Skills Commission. *The shape of Australia's post COVID-19 workforce*. 2020, p. 27.



There is an opportunity to bridge this gap and to offer a new form of hybrid qualifications which cross the vocational and higher education divide.

Whilst dual sector institutions have the capacity to offer these qualifications, differences in qualifications design; delivery and assessment requirements; accreditation standards; the approaches of system regulators; eligibility for public funding; access to income contingent loans and accountabilities to government agencies; all hamper their capacity (with other institutions in the system) to design and deliver these 'in demand' programs and qualifications.

Furthermore, the fragmentation, complexity and sluggishness of the wider systems of accreditation, funding and regulation currently stand in the way of developing more innovative, relevant and cost-effective tertiary education activities of this kind.

### **A UNIFYING PROPOSITION**

Dual sector institutions believe there is enormous potential to design and deliver a new spectrum of hybrid and work-based qualifications for Australians of working age; that seeks to connect, blend and integrate the very best of vocational and higher education.

With 74% of businesses expressing support for employing university or TAFE students as higher-level apprentices or cadets<sup>5</sup>, dual sector institutions understand the strong appetite for new apprenticeship-style training contracts beyond the traditional trades. This offers real, applied learning and pedagogical benefits for students, whilst supporting employers to have ready access to workers more quickly.

### **BENEFITING THOSE WHO NEED IT MOST**

This spectrum of mid-tier 'learn-and-earn' qualifications will improve workforce transitions; increasing the efficiency and effectiveness in which skills investments can be translated into application, and thus the speed at which workers can enter the workforce or move between industry sectors and address workforce shortages.

The inclusive design of these qualifications is also of critical importance. Operating at the mid-tier or para-professional level of knowledge, skills and application<sup>6</sup>, this expanded spectrum of qualifications provides a more inclusive and accessible pathway for learners with less academic preparation, and for more diverse (often mature) learners who face intractable opportunity-cost barriers to workforce transition.

Analysis of ABS data suggests that the most significant barrier to participation in tertiary education for mature students (over-25 years old) are financial reasons and issues balancing study with existing work or personal commitments<sup>7</sup>. This finding was stronger for survey participants interested in enrolling at a sub-bachelor level of study (ibid). This cohort of workers, previously disengaged from

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<sup>5</sup> AiGroup. *The Workforce Development and Skills Survey*, November 2022.

<sup>6</sup> As per the AQF framework and reform agenda.

<sup>7</sup> Analysis drawn from census data: ABS, 2021 Census – employment, income and education; Boston Consulting Group, "Willingness to reskill" *Decoding global trends in upskilling and reskilling*, 2019.



tertiary education, can be provided with access to skills without forcing a choice between re-training and income, through an expansion of these qualifications.

**RECOMMENDATIONS**

- **Develop a flexible higher education work-based learning program** combining an employment contract and a learning program that has the opportunity to combine vocational and higher education
- These could include, but not be limited to, short ‘transition to work’ and ‘career-change’ programs (with micro-credentials) and ‘sandwich course’ cadetships (as part of a degree), along with longer, multi-year programs (with diplomas, associate degrees, or degrees)<sup>8</sup>
- **Invest** in an early tranche of Commonwealth Supported Places (CSPs) in areas of workforce demand and government priority **to test these qualifications** (and the related industry partnership, self-accreditation, and student support structures) **with a view to scale**. Industry sectors could include, but not be limited to defence, renewable energy, early childhood education and social services
- Establish a reference group, with dual sector institution representation, to help review and advise on best practice in employment arrangements, curriculum and assessment, and **alignment of regulatory and funding structures in support of a more coherent and integrated tertiary education system** in the medium term

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<sup>8</sup> Review of university-industry collaboration in learning and teaching