



REGIONAL UNIVERSITIES NETWORK (RUN) SUBMISSION ON REGIONAL AUSTRALIA INQUIRY, HOUSE OF REPRESENTATIVES SELECT COMMITTEE ON REGIONAL AUSTRALIA

Introduction

Regionally-based universities, such as the seven members of the Regional Universities Network (RUN) (Charles Sturt University, CQUniversity, Federation University Australia, Southern Cross University, University of New England, University of Southern Queensland, and University of the Sunshine Coast), are fundamental to growing regional economies, providing regional sustainability, facilitating digital transformation, and upskilling regional workforces to align with national priorities and goals. They enable the best use of human capital and resources, and contribute to the educational opportunities, economic development, innovation and community capabilities for the more than thirty per cent of Australians who live outside the capital cities. Commonly, they are the most internationally connected organisations in their regions.

The six original RUN members (the universities listed above apart from Charles Sturt University), spend over \$1.6 billion and students spend \$480 million in their campus regions¹. Furthermore, they deliver over an additional \$1.7 billion to real GDP in their regional economies through: growing the skilled workforce and increasing wages; driving demand through increases in private and government consumption and international and interstate exports; and contributing to industry through research and knowledge capital. A separate study on the economic impact of Charles Sturt University showed that it had a contribution of \$1.4 billion to Gross Regional Product in its regions of operation².

¹ 2018, Report for RUN by Nous Pty Ltd *The Economic Impact of the Regional Universities Network* <http://www.run.edu.au/resources/RUN%20Economic%20impact%20report%20final.pdf>

² 2018, Western Research Institute, Economic Impact Report, Charles Sturt University

The RUN universities teach around 160,000 students, or about 10 per cent of enrolments at Australian universities³. Seven out of ten of our graduates work in regional Australia, compared to a national average of two out of ten⁴.

However, despite their significant contribution to regional development, regionally-based universities have generally not been recognised in regional development funding or policy.

The release of the National Regional, Rural and Remote (RRR) Tertiary Education Strategy (the strategy)⁵, developed an Expert Advisory Group led by the Hon Dr Dennis Napthine, and released by the Minister for Education, The Hon Dan Tehan MP, in August 2019, provides an opportunity to better recognise the place-based importance of regional universities, including in regional development policy and programs.

Minister Tehan has accepted all the strategy's recommendations and actions. If implemented, they would stimulate education, training and research opportunities in regional Australia and drive job growth.

In particular, RUN considers that the following actions from the strategy should be prioritised for implementation:

- boosting regional economies through investing in human capital through more university places, prioritising areas of regional skills need;
- generating new regional jobs and improving community resilience through investment in research, and in infrastructure that improves research capacity, supports the engagement and partnership with regional industry, and provides broader social benefit to towns; and
- driving the strategy through a holistic and long-term commitment via an RRR Education Commissioner, who would pursue the strategy, and work across governments and portfolios to advance a holistic approach to embed regional tertiary education in broader policy.

Given the importance of regionally-headquartered universities to their regions, it is appropriate that at least some of the funding required, including for places in areas of regional skills need, research and infrastructure, is sourced from regional development funds. This could be achieved via broad regional development funds or programs, including regional or city deals, or via dedicated funds.

Investment is needed to match the growth that is occurring in many regional capitals e.g. all Charles Sturt University's campus cities (including Bathurst, Wagga Wagga etc.) are identified as growth centres in the NSW 20-Year Economic Vision for Regional NSW:

<https://www.investregional.nsw.gov.au/assets/Uploads/20-Year-Vision-for-RNSW-accessible.pdf>.

³ 2019, RUN <http://www.run.edu.au/index.php>

⁴ 2018, Report for RUN by Nous Pty Ltd *The Economic Impact of the Regional Universities Network* <http://www.run.edu.au/resources/RUN%20Economic%20Impact%20Report%20Final.pdf>

⁵ 2019, Napthine, D et al. National Regional, Rural and Remote Tertiary Education Strategy, <https://docs.education.gov.au/node/53035>

1.a The effectiveness of existing regional service delivery and development programs

Further recognition of the role of regionally-headquartered universities is needed in regional development policy and funding.

Australia's regional universities are engines of economic growth, catalysts for industrial productivity and vital civic anchors for community resilience. Excellence and innovation in education and research already exist in regional universities. Additional investment, via recognition in regional development program funding, would enable the effort to evolve, further supporting a vibrant community of students, scholars and industry partners, and facilitating further regional development.

Skills for the Regions

Students in RRR areas are "less than half as likely to gain a bachelor and above qualification by the time they are 35 years old" than those in metropolitan areas.⁶ The strategy recognises the need to improve access to study options for students in regional areas; and that demand must be met by appropriate supply to realise the strategy's ambition for increased participation.

The current funding freeze on Commonwealth Supported Places means that regional universities have found it difficult to grow bachelor places to meet areas of regional skills need e.g. in health (including nursing and allied health), agriculture and environmental science, teaching, social work and engineering. Sub-bachelors and enabling places, that act as pathways to higher qualifications, are capped, further restricting access to universities in RRR areas.

The strategy recommends that demand driven funding be provided for places in regional areas⁷. We propose that a step-by-step approach is adopted. The phased introduction of additional places could commence with a focus on enabling places, and sub-bachelor places, and on bachelor places in areas of regional skills need. At least some relevant funding could be included in regional development programs.

Research, Research and Other Infrastructure

Investment in research, and research and other infrastructure, is vital to enhance capacity in the regions, attract talented staff and students and catalyse innovation through research translation and knowledge-transfer. The gap between regional and metropolitan research is a significant issue. In 2017, RRR areas delivered 13.4 per cent of research students nationally, despite accounting for 28 per cent of the population.⁸

⁶ Ibid p11

⁷ Ibid p 62

⁸ Ibid p.40

The significant contribution of RUN group universities to regional and national economic performance results from relatively modest Commonwealth investment in research and infrastructure. For example, RUN group campuses are much less well-resourced than the regional, rural and remote campuses of large, metropolitan universities. Similarly, figure 1 below shows an estimate of the research funding that goes to different university groupings. On average, the RUN group receives much less funding than other university groupings including the Group of Eight and the Australian Technology Network. This could imply that focussed investment in regionally-headquartered universities may result in even better economic outcomes for regional Australia.

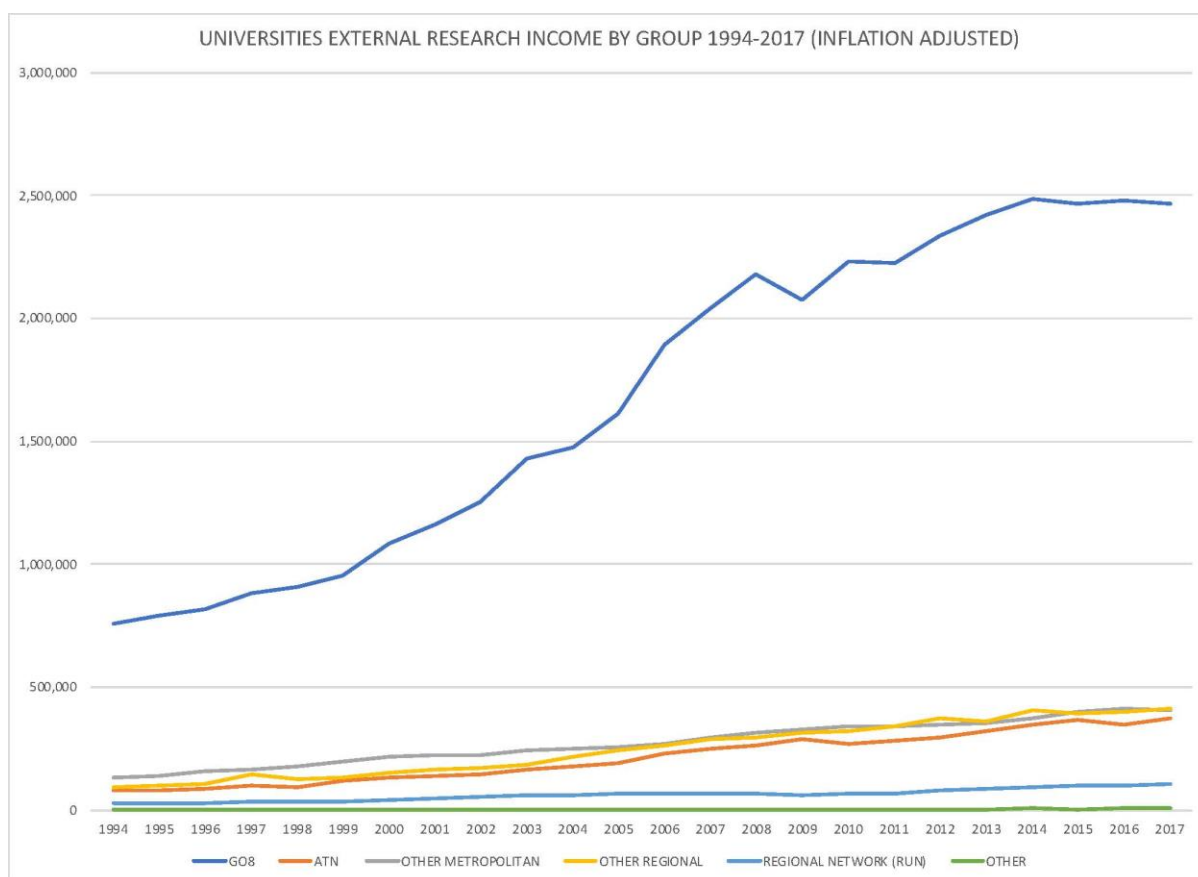


Figure 1 Universities External Research Income by Group 1994-2017 (data compiled by Charles Sturt University)

Recommendation 6 of the strategy⁹ is to strengthen the role of tertiary education providers in regional development and grow Australia’s regions, including by: increasing the research capacity of regional universities, including identifying opportunities to establish research infrastructure; and continuing to explore strategies to attract domestic and international students. Actions under this include: implementing a new grants program to enhance research

⁹ Ibid p 68

capacity in regional universities via collaboration with other universities; and identifying opportunities to establish national research infrastructure in RRR areas.

The research perspective of regionally-based universities differs from that at large, metropolitan universities – it is strongly connected to place.

Embedded in regional Australian communities, huge opportunities exist in regionally-headquartered universities in terms of research excellence and impact with respect to fields such as agriculture, environmental sustainability, mining, tourism, health, education, RRR supply chain, Indigenous knowledge etc. – all of which impact on economic sustainability/development and workforce development. The challenges for regional Australia are similar to many regional areas world-wide, and provide a basis for international research connections.

In its submission to the Australian Council of Learned Academies Review Enhancing Research Outcomes for Australia's Regional, Rural and Remote Universities¹⁰, RUN, suggested another round of the Commonwealth's Collaborative Research Networks (CRN) program, in which less research-intensive/newer Australian universities partnered with more established, research-intensive ones. The program helped establish a more robust and sustainable research base for regionally-headquartered universities. While regionally-headquartered universities are generally now not lacking the research leadership, management and engagement skills to develop world class research portfolios, they would benefit from receiving appropriate resources, including linkages, to pump-prime research strategies.

We propose another CRN-type program with a focus on research projects to drive regional development, funded via a regional development program. Projects would be conducted via collaborative partnerships between regionally-headquartered universities and other regionally-based or metropolitan universities in Australia, and with international universities which are strong in relevant fields of research.

Direct capital investment in research infrastructure is required to ensure that the facilities grow and meet the needs of students and researchers, and for working with industry. Other high-quality infrastructure is also needed at regional universities: students need affordable, high-quality local facilities¹¹, and where a regional university has a physical presence, there is an increase in educational aspiration and overall participation in higher education in the regional areas surrounding the campus¹². International students in particular have high expectations of the facilities and accommodation available: investment is required to meet their aspirations.

We therefore recommend that regional university infrastructure to meet local needs and build community resilience is funded via a dedicated regional development program.

¹⁰ 2019 RUN Submission to ACOLA's review Enhancing Research Outcomes from Australia's Regional, Rural and Remote Universities, <http://www.run.edu.au/resources/RUN%20Response%20to%20ACOLA%20Enhancing%20Research%20Outcomes%20from%20Australias%20RRR%20Universities%20FINAL.pdf>

¹¹ 2019, Napthine, D et al. National Regional, Rural and Remote Tertiary Education Strategy, <https://docs.education.gov.au/node/53035> p13

¹² Ibid, p40

Regional, Rural, Remote (RRR) Education Commissioner

A RRR Education Commissioner is crucial for securing sustainable long-term change for RRR communities through a cross-departmental and inter-governmental approach. The position should be appropriately resourced and have sufficient independence.

A Commissioner should operate in alliance with existing structures and organisations such as the National Skills Commissioner, the National Careers Institute and the National Rural Health Commissioner. The role would include embedding education and research initiative in regional development.

A RRR Education Commissioner would

- pursue the recommendations and actions in the RRR Strategy, coordinating responses across the country, industry sectors, portfolios and layers of government;
- unblock barriers by working across governments with a mandate to support the full breadth of RRR higher education provision including teaching, research and community engagement; and
- monitor progress, reporting regularly on the economic, social and cultural impacts of RRR education.

1.b The contribution and role of regional Australia to our national identity, economy and environment

The Australian economy is moving from a heavy reliance on mining and manufacturing to a new era in which skills, knowledge and ideas will become our most precious commodities. By improving opportunities for people to access higher education, the regionally-based RUN universities help unlock the full human and innovative potential of regional Australia (around a third of the nation's population) for the national good.

The jobs and industries of the future will need highly skilled university graduates who can connect regional Australia with the global, innovative economy. We need to generate new jobs and industries through innovation to make regional economies more resilient. Through university study and research, students become more highly skilled, and are better prepared to be creative, entrepreneurial and flexible to meet future job challenges.

RUN's regionally-headquartered universities make a major contribution to regional Australia through

- their graduates, seven out of ten who work in RRR Australia¹³;
- the impact of their regionally-relevant research on regional communities and industry, which addresses key issues of importance to regional Australia and the nation e.g. agriculture, regional health, environmental management, tourism, Indigenous knowledge etc.;
- their international links, through staff, students and alumni;

¹³ 2018, Report for RUN by Nous Pty Ltd *The Economic Impact of the Regional Universities Network*
<http://www.run.edu.au/resources/RUN%20Economic%20impact%20report%20final.pdf>

- providing infrastructure such as facilities for sports, creative arts, libraries etc. that are used by the community; and
- by assisting communities in time of crisis (e.g. as evacuation points in times of fire/flood) etc.

Strengthening our regionally-headquartered universities will therefore positively impact on RRR Australia more broadly, and the nation as a whole.

1.c Promoting the development of regional centres, cities, towns and districts, including promoting master planning of regional communities

For national cohesion and prosperity RRR Australia cannot be left behind.

Initiatives such as regional or city deals enable the development of regional centres, cities, towns and districts.

Universities, and, in particular, university infrastructure has been recognised in some of the first tranche of city and regional deals, but more of these place-based initiatives need to be rolled out to further develop RRR Australia. Funding for regional university infrastructure and places should be included in future deals.

Guidelines and transparent process for new city and regional deals would be of assistance.

1.e Examine the key drivers for unlocking decentralisation opportunities for both the private and public sectors

Governments have a role in facilitating innovation, regional development, and the growth of professional and highly skilled jobs in the regions. This can be achieved including via program or infrastructure funding, or through the relocation of government agencies or bodies to regions. Where the investment is focussed in an area with a regional university, the prospect for long term benefit is magnified.

While essentially all government initiatives involve upfront expenditure and cost to the taxpayer, the investment pays off in the long term. In many cases, Commonwealth government initiatives leverage other funding, including from state and local government and private business. Locating a government institute or agency at or near a regional university may act as a nucleus for the future growth, and the development of an innovation precinct. Other players may be attracted, including from the private sector. Synergies between the Commonwealth agency and a university's teaching and research profile could help guide co-location.

Locating Commonwealth bodies on or near regional university campuses will deliver many benefits: it will boost the aspirations of school students to pursue tertiary study, provide opportunities for internships and work integrated learning, and encourage research collaboration, including with regional business. It will increase the number and range of highly skilled jobs in the region, boost career opportunities for graduates in regional Australia, and encourage universities to diversify and tailor their course offerings to meet employer needs.

These outcomes are important not only for regional economies, but also the nation as a whole.