



Charles Sturt
University

Australian Universities Accord – Response to interim report

1 September 2023

Office of the Vice-Chancellor
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1 September 2023

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

Australian Universities Accord interim report

Charles Sturt University welcomes this opportunity to provide feedback on the interim report from the Australian Universities Accord Panel. We are particularly pleased to see continued attention on widening access to higher education, and ensuring that more people from rural, regional and remote areas, from First Nations communities and families, and from disadvantaged backgrounds have the opportunity to attend and succeed at university.

The interim report has outlined a path to achieving ambitious targets for increased higher education participation and attainment. It is the kind of bold vision not seen in higher education policy for some time, and it will take bold action to realise that vision. Charles Sturt University believes the following are essential to achieving the Government’s equity goals: an immediate increase in funding for academic support services, to meet current demand and accommodate growing participation by equity students; a gradual increase in the number of Commonwealth Supported Places, with funding that matches the actual cost of delivery; medium- and longer term funding certainty, to allow universities to plan for growing participation; and institutional as well as system-wide targets for equity participation and attainment, to ensure that all universities contribute to meeting the goals of the Accord.

The Government’s wider plans for the higher education system and universities’ vital roles in supporting social and economic development will also require renewed investment in infrastructure for teaching, learning, and research, and in research itself.

Charles Sturt University will work closely with the Government, the Department of Education, regulatory and funding agencies, with our stakeholders, and of course other universities, to ensure the implementation of the Accord delivers the best possible outcomes for regional students, communities, and employers.

Thank you again for the opportunity to continue this conversation.

Yours sincerely

A handwritten signature in cursive script, reading "Renée Leon".

Professor Renée Leon PSM
Vice-Chancellor and President



Response to the Australian Universities Accord interim report

Executive summary

The interim report from the Accord Panel is a step along a journey. Charles Sturt University welcomes this opportunity to contribute to the on-going conversation.

This submission is focused on the ten 'system shifts' outline in the interim report. We suggest some of the steps that may be needed to achieve those system shifts as well as some issues with each that may warrant further discussion. The submission also includes more detailed consideration of key topics including participation and attainment targets, funding models, student support, and teaching and research infrastructure. By way of summary, we offer the following reflections, discussed at more length in the Attachment below.

First, achieving the Accord's goals for increased participation and attainment, especially among equity groups, will require more Commonwealth Supported Places, spread across all universities and courses, but delivered over time to match growth in the pipeline of under-represented groups from school. Similarly, the Accord's stated goals for research will require additional public and private investment.

Second, expansion of the higher education system and participation by students from a wider range of backgrounds, and entering university via different pathways, will require corresponding expansion of academic support services including scaffolding to support learning at university level. Universities with a high enrolment of equity students, including Charles Sturt, are already experiencing increased demand for these services, a consequence in part of well-known problems in school education. Immediate investment in academic support services would help lay the foundations for expansion of the higher education sector.

Third, implementation of the Accord will require measured steps over several years, with adequate provision for structural adjustment and careful monitoring. The Government, the Department of Education, TEQSA and other agencies will need to be cautious in developing the regulatory and reporting framework for the Accord.

Each of these points is addressed in the Attachment, along with the following:

The sector's experience with the Bradley Review suggests that system-wide targets for equity students' participation and attainment will need to be underpinned by institutional targets, aligned to each universities' profile and mission, and involving some effort to achieve (page 7). An appropriate mix of incentives, rather than penalties, will ensure all universities do their part in boosting participation.

Achieving the main goals of the Accord will require more Commonwealth Supported Places, phased in over time, with funding that matches the true cost of delivery, increased investment in student academic support services (page 10) – an immediate need – and direct financial support for more students, with a priority on providing financial support for those undertaking compulsory professional placements (pages 15-16).

These arrangements may form part of a new, student-centred and needs-based funding model, but this should form only part of the overall funding framework for universities (page 11), which will need to include separate funding streams for research and research training, teaching and research infrastructure (page 12-13), and industry and community engagement. Targeted investment in physical and digital infrastructure should be seen as an essential enabler for many of the Accord's equity goals.

The broad funding principles outlined in the interim report should also take into account universities' differing capacities to attracting funding from other sources, higher operating and delivery costs in regional locations,



and the need for per capita funding for academic support services (pages 11-12). Equity should be a guiding principle (page 14) and justifies immediate reform of the student and Commonwealth contribution arrangements introduced under Job-ready Graduates, which are penalising some students with disproportionately high debt and placing some national and regionally critical courses at risk (Page 14).

Some of the goals of the Accord might require the creation of new kinds of university, including specialised or teaching-focused universities. The interim report suggests that goals for increasing higher education participation and attainment among those from rural, regional and remote areas might require the creation of a National Regional University. Charles Sturt University suggests that these goals could be achieved by better resourcing of existing regional campuses and establishing new campuses or study hubs, rather than diverting funding and effort toward setting up a new university (pages 8-9).

Other goals of the Accord will be very difficult to achieve without greater investment in research (page 17) including a boost to PhD stipends (page 18). The Accord should set out a clear path toward and timetable for reaching full cost funding for university research, with the principle to apply to all research project funding, regardless of the source. Public funding for research should support a wide range of basic, strategic and applied research, and broad national capability rather than greater concentration. Research at scale should involve more collaboration between universities and across different sectors of the economy.

Recent public comment on universities' role in initial teacher education, their employment conditions, the safety of students and staff, and their reliance on the income from international students all suggests that governments and regulators could be tempted to take a more interventionist stance on the sector. Charles Sturt University hopes that the Accord will encourage a more balanced approach, proposing regulatory and reporting requirements that are proportionate, cost-effective, and do not impede universities achieving the Accord's goals.

One current unknown is the timetable for implementing the recommendations of the review of the AQF: universities and other providers will require time and some structural adjustment funding to adapt courses to the new framework (page 20). Implementation of the new AQF and other outcomes of the Accord will require some security and predictability in funding for universities, so Charles Sturt again recommends the introduction of multi-year funding agreements covering a mix of base operating grants, project and competitive grants, and separate funding for infrastructure, academic support for students and other activities (page 20). A Tertiary Education Commission could be an effective way to monitor the implementation of the Accord and ensure its goals are achieved (page 21).

Finally, Charles Sturt University does not support the introduction of a levy on international student fee income (pages 13-14), and we are not yet clear on the viability or utility of a Universal Learning Entitlement (page 13), or the need for third-party brokers in student employment and research.



Responding to the interim report

General comments

The release of the Accord Panel's interim report was a welcome step in the on-going process of setting out a path for Australia's higher education sector over the next decade and beyond. After so much delay in addressing critical national policy challenges in recent years it was particularly gratifying to see the Government respond promptly to the priority actions in the interim report. We hope to see similarly prompt action in response to the Accord Panel's final recommendations when they are released later this year. There are many challenges and opportunities ahead for the nation, and Australia's universities will play a vital role in how we respond to climate change, an ageing population, and the complexities of regional and global security, and ensure the wellbeing of all Australians.

In particular, the University welcomes the Accord's continuing attention on boosting participation and attainment by people from First Nations, low SES, regional and disadvantaged backgrounds. The need to bridge this gap is urgent. In their comments on the drivers behind the Accord, Minister Clare and the Accord Panel have often focused on projections that "90% of jobs created over the next five years will require a post-secondary qualification and 50% a higher qualification"¹ and that "by around 2050 approximately 55% of all jobs will require higher education qualifications"². The Intergenerational Report released on 24 August noted that labour force participation in regional areas is persistently low³. Without increasing and improving the education opportunities in regional areas the situation will only get worse, with concomitant effects on regional economies, public services, and population and individual health and wellbeing.

Taken together, the goals of the Australian Universities Accord and the challenges posed by the Intergenerational Report – in particular the need for a more highly educated and skilled workforce – then many more Australians must be given the opportunity to go to university, participate in campus life, succeed in their studies, go on to rewarding careers and enjoy the many other benefits of education. Further, the opportunity of university study can't be limited to those who live in major metropolitan centres. Australian needs comprehensive universities in regional towns– providing education and undertaking research that meet the needs of regional communities and employers and the aspirations of regional students while offering a wide range of courses and services for students and communities.

¹ Interim report, page 1

² Interim report, page 3

³ Intergenerational Report, page 73-74



A way ahead

The interim report identifies ten 'system shifts' essential for bringing about positive changes in the way Australian higher education operates, providing signposts (but not a map) for how the system will evolve over the next decade. In this submission Charles Sturt University addresses each of those system shifts in turn and outlines some of the steps necessary to create a higher education system that will evolve in line with the country's needs, has firm foundations, and works in partnership and dialogue with students, communities, employers, and governments.

Ten system shifts

- 1. *It will be an integrated tertiary system, with a commitment to access for everyone with the potential and application, achieving significant growth in pursuit of ambitious national skills and equity targets.***

If Australia is to rise to the social, economic, scientific and environmental challenges of the future, the nation will need a diverse, robust and sustainable higher education system – one that includes a mix of public and private institutions, universities and vocational/technical colleges (and a mix of the two), some offering a comprehensive range of courses (and undertaking research) and others focused on high-quality teaching and training, perhaps only in a few fields. What they will all have in common is a commitment to meeting not only economic, social, and other needs and priorities, but individual aspirations. Students would be guided in their choice of course and provider by readily available data on the kind of education experience they will have, the skills and knowledge they will gain, and the career paths they could follow.

In fostering the development of new types of higher education institution, such as teaching only institutions, providers, governments, and regulators would need to take care that they are not creating anew a two-tiered higher education system, one that places a high status on 'traditional' universities and affords access to them only to a privileged few. Moreover, it would be important that any teaching-only universities are established to complement rather than replace comprehensive research and teaching universities in any given area. This is particularly important in regional areas where the loss of a research and teaching university would leave a whole region without local access.

Ideally there would be strong links within and across the higher education system, with collaboration on national needs and priorities as a core characteristic of the system. Flexible pathways between different kinds of institution would accommodate changing student goals and career plans. Funding arrangements would encourage innovation in teaching and learning, research and its application, and collaborations between different kinds of providers, with industry, and with communities and governments.

The Australian higher education system already has many of these elements, but a complex regulatory and funding environment means they often do not work well together.

Targets for equity students

As Minister Clare and others have observed, while most of the system-wide targets established in the wake of the Bradley review have been achieved, some – arguably the most important – have not. Even when the demand-driven system was still in place there were wide variations between universities' proportions of low-SES, First Nations, and disadvantaged students. Enrolments at non Group of Eight universities grew by 43 per cent under the demand driven system, compared to only 12 per cent in the Group of Eight. By the end of the demand driven system the latter still showed a much lower share of equity student participation than other universities⁴.

⁴ Productivity Commission, *The Demand Driven University System: A mixed report card* (2019), page 35-36, 61.



When the older ‘sandstone’ universities did take on equity students, they tended to focus their recruitment efforts on high-performing students who were already on the path to higher education and “otherwise would have attended and succeeded at other universities.”⁵ Despite their size and resources, their efforts, such as they were, did not significantly increase the number of equity students in the higher education system, and the poor equity performance of that handful of universities means “that people from low SES backgrounds, first in family students and regional or remote students are under-represented in the university system almost entirely because they are under-represented at [‘sandstone’] universities.”⁶

This experience suggests that any participation and attainment targets arising from the Accord, or even those that have already been embraced by the Government, will be difficult to achieve without an effort by all universities, meaning that system-wide targets will need to be underpinned by **targets for each university**. These would need to be specific to each university’s mission and historic profile of students, as well as local and regional demographics, and ramp up over time as school achievement improves.

They would also need to take into account that some universities already enrol high numbers and proportions of equity students. For example, First Nations students make up more than three per cent of enrolments at Charles Sturt University, compared to an average of about two per cent in other universities and around the same for the sector as a whole. The Accord interim report observes that Indigenous students would need to make up approximately three per cent of all students to be at population parity. For some universities that goal would require a doubling or even tripling of their Indigenous enrolments, something that might not be achievable in the short term, or even prudent if they do not have appropriate support systems and policies in place. Other universities might be tempted to rest on their laurels.

Instead, a future compacts process could involve looking at each university’s historic enrolment profiles, their ‘catchment areas’, to the extent that it is appropriate, their strategies and their resources, and use that information to set ambitious but achievable targets for equity student enrolments and completions that gradually increase over time. Reaching those targets would require universities to make deliberate efforts, for example by building relationships with schools where there are low levels of higher education aspiration, by establishing satellite campuses or study hubs in disadvantaged or underserved areas, by expanding their academic support for students, or other strategies. These targets would need to be monitored annually with an end goal to be achieved over several years, giving universities scope to build their resources, and to try different tactics and refine as required. They should also share the goal of increasing the number of equity students at each university and in the system as a whole.

The Accord interim report also suggests that consideration should be given to “creating research training targets for equity groups”⁷. Charles Sturt University supports this idea. While the Department of Education does not appear to publish equity data for postgraduate and research training students, it is likely that First Nations peoples, and those from low-SES or otherwise disadvantaged backgrounds are underrepresented in postgraduate courses too. The University suggests that the same principle could be extended to specific undergraduate and postgraduate courses, such as medicine.

The policy and funding mechanisms to boost equity participation and attainment should be based on incentives rather than penalties. Boosting participation and attainment among demographics that have hitherto missed out on the opportunities provided by higher education should be seen as a core part of every university’s mission, not a risky burden. This involves more than simply attaching extra funding to some students, although that should form part of any student-centred funding system: incentives such as additional places, funding, awards, and other forms of recognition would flow to universities that meet targets early, or exceed them; or, for example, provide exemplary academic support as evinced by surveys or completions

⁵ Productivity Commission, page 16.

⁶ Productivity Commission, page 60.

⁷ Interim report, page 72.

and other outcomes. Moreover, providing incentives that are not attached to an individual student is essential to avoid equity students being treated as simply a source of extra income with the risk of creating perverse incentives.

Setting and evaluating participation and attainment targets might also involve:

- developing new equity categories, such as students or demographics with low levels of higher education aspiration,
- places and funding to follow need, determined by ABS and other data, as well as historical enrolment and funding patterns,
- a better understanding of intersectionality and the cumulative effect of disadvantage, including marginalisation or discrimination,
- more refined analytics, with better use of existing data and collecting additional information only if there is no other option or where there is a clear gap in the available data, and
- integrating these targets with other actions arising from the Accord, such as the establishment of study hubs.

A National Regional University

In our submission in response to the Accord discussion paper, Charles Sturt University suggested there could be advantages to closer cooperation between regional universities, including some shared services and courses, potentially under a federated structure that would preserve each university's distinct identity and mission. The goal of such collaboration would be to free up resources that could be dedicated to teaching and research; to maintain the provision of high-cost and/or low enrolment courses, especially those aligned to critical regional workforce needs; and increasing the range of study options available to students. Closer cooperation would also extend to research, although this is already happening across many regional universities.

There are some risks to this idea: to achieve saving there may need to be an appetite for potential loss of jobs in some regional towns in finding shared services efficiencies; there are likely to be high transition and set-up costs, potentially greater than any savings that could be achieved.

Even with those cautions in mind Charles Sturt University suggests there is merit in looking at ways to bolster collaboration between regional universities.

The Accord's interim report considers going a step further with the creation of a National Regional University (NRU). This idea too has merits and risks.

A National Regional University could serve as a template for a new kind of multi-sector, multi-modal university, as well as extending access to higher education to hitherto underserved regions and populations. It could serve as a testbed for new course structures and new methods of instruction. However, to be successful, a National Regional University would need to overcome the existing challenge for all non-metropolitan universities: providing comprehensive course offerings in sub-scale contexts. While an Australia-wide University could, on paper, offer the full range of courses at scale by consolidating course offerings into fewer locations, this would have the effect of reducing the availability of courses in many locations, diminishing the comprehensive offer of regional universities and thereby their attractiveness to regional students.

Setting up a new university is an expensive undertaking, even if some physical infrastructure is in place. An NRU funded from the existing Commonwealth higher education programs (including CSPs) would starve other universities of resources at a time when the system is struggling to deliver on many of its core functions. The NRU could also become a competitor to existing regional universities, stretching thin markets even further and perhaps make some providers and courses less economically viable.

Charles Sturt University suggests that there are **ways to achieve the regional participation and attainment goals of the Accord** that do not involve the expense and risk of setting up a new university. These include:

- a regional loading mechanism that takes into account the costs of operating in thin markets, and of running multi-campus institutions,
- dedicated infrastructure funding for regional universities,
- incentives to create study hubs or shared campuses in underserved areas,
- incentives for major research projects to include regional universities, and targeted research funding for regional universities so that they can continue to meet the needs of regional industries and communities.

2. First Nations will be at the heart of higher education.

Charles Sturt University supports the goal of having First Nations at the heart of higher education. The unique and deep knowledge of Australia's First Nations people offers a different way to look at the world and how to build a more sustainable and inclusive country. Our belief in the value of First Nations knowledge and culture is exemplified in the University's choice of a Wiradjuri phrase, **yindyamarra winhanganha**, as the best way to express Charles Sturt's ethos and mission: the wisdom of respectfully knowing how to live well in a world worth living in; to develop and spread wisdom to make the world a better place.

Making First Nations the heart of Australian higher education will, however, require change at all levels of the education system and across all sectors of the economy, to improve recognition and understanding of the value of Indigenous knowledge. In the university sector it will require deliberate and targeted investment in First Nations education and research to increase participation and attainment by Indigenous students, build the careers of First Nations teachers and researchers, and engage more effectively with Indigenous communities. The Australian Government's prompt action on the interim report's recommendation to extend demand driven funding to all First Nations students is a welcome and essential first step toward this goal.

3. There will be population parity in participation by 2035, supported by student-centred, needs-based funding.

Charles Sturt University supports the goal of achieving population parity in participation and attainment. The Regional University Network's proposal for a **Universal Higher Education Access Commitment** provides a useful conceptual framework for achieving this goal.

Reaching population parity will not be easy, and it may not happen soon. Inequities in school education mean that many of the barriers that prevent students from reaching and benefitting from higher education will persist for some time. Even if, under the best possible scenario, those barriers are removed in the next five years, the students who start primary school under a more equitable education system will not start university before 2040.

The latest NAPLAN results have highlighted significant concerns about literacy and numeracy, and broader skills essential for progress at any level of education. Further, a NSW Auditor-General's performance audit of the state's regional, rural and remote education programs found that they had fallen well short of best practice and that "The [NSW Department of Education] rural and remote education strategy is unlikely to achieve its vision that every child in regional New South Wales has access to the same quality of education as their metropolitan peers."⁸

⁸ NSW Auditor-General's Report, *Regional, rural and remote education* (2023), page 2



As a result of these compounding challenges, universities that currently educate a greater proportion of low SES and regional students need to dedicate extra resources to ensure incoming students have access to the teaching and learning support they require to succeed. The need for those additional resources is immediate and will only grow over time as the higher education system expands in the wake of the Accord. Charles Sturt University therefore suggests that **increased investment in academic support services should be an immediate priority** for government following the Accord, to meet the needs of current students and those who will come to university in the next few years, and to build the capabilities required for greater and broader participation in higher education over the next decade. Additional resources for academic support services would also help achieve some 'quick wins' in the form of higher retention of equity students and therefore a stronger pipeline of equity graduates and would provide an early indication that new arrangements are working and that the Accord is achieving its goals.

While some of this investment could flow through the Higher Education Participation and Partnerships Program, to encourage innovation, a purely competitive approach to funding academic support services may not be the best way to achieve the Government's goals for greater participation and attainment as it could leave some universities short of the resources they need. Ideally, HEPPP would complement guaranteed base funding, and, for academic and pastoral support services, would be provided on per capita rather than per EFTSL. This combination would provide all universities with the means to provide the kind of student support services envisaged in the amendments to HESA currently before Parliament.

The foundations for growth

Achieving the Government's ambitious goals for boosting participation and attainment will require **more Commonwealth Supported Places (CSPs), with numbers growing over time** in line with growing aspiration and demand. There are, however, several things that governments and universities need to do to prepare for growing participation.

Increasing demand for higher education study is essential. At present there is some evidence that student demand for university education is at peak, with many universities under their enrolment cap and some struggling to fill the additional places provided by the Government in late 2022 and early 2023. There are several factors affecting current student demand including wider economic conditions such as high job vacancy rates and increasing costs of living, leading to many current and potential students electing to work rather than study, the availability of fee-free TAFE places, and a mismatch between the courses students are interested in and the courses in which places are available.

Growing demand for higher education depends on improving student performance in NAPLAN, PISA and against other measures, as discussed above. This will not only ensure that more students are ready for university but help build aspiration to go to university, as students will be more confident that they have the knowledge and skills required to succeed at university.

As an added benefit, targeted measures in school education will help build students' interest in, and aspiration towards further study in, STEM and other priority disciplines. While enrolments and completions in STEM are increasing at the university level, school enrolments have been steadily declining for some time⁹, creating a pipeline problem for future higher education enrolments. The latest data published in the STEM Equity Monitor shows that the biggest factors leading to students electing to study non-STEM courses are lack of interest, and a feeling that STEM subjects are not relevant to the career they want¹⁰. This situation will need to change to ensure that Australians have the broad range and knowledge and skills needed to rise to the challenges of the future, and to contribute to major national projects like AUKUS.

⁹ See Department of Education, '[What do STEM education initiatives try to achieve?](#)', accessed 31 August 2023.

¹⁰ Department of Industry, Science and Resources, '[STEM Equity Monitor – Youth perceptions and attitudes to STEM](#)', accessed 31 August 2023.

Finally, universities will need to expand academic support services, for the reasons outlined above. This will require additional investment from government.

Notwithstanding the need for more STEM graduates, the **additional CSPs will need to be distributed across all providers and all courses** and accompanied by **additional direct and indirect support for students**.

Increasing the number of CSPs over time is vital if Australia is to achieve a genuine improvement in the number of regional, First Nations, low SES and disadvantaged people going to university and successfully completing their studies – especially since the interim report canvasses the idea of allocating some CSPs to TAFEs. Without more places in the system, competition between providers will increase to an unhealthy degree. One likely outcome would be large metropolitan universities trying to meet equity targets by luring high-performing regional, First Nations and disadvantaged students from other universities, leaving less well-resourced providers to struggle for viability while doing the real work of boosting participation, as was the case under the demand driven system.

Spreading the additional CSPs across all courses is prudent given the needs for generic skills, such as critical thinking, in many careers, and the difficulty of predicting workforce skills and social needs more than a few years out. Graduate Outcomes Survey data shows that employment rates and salaries for Humanities, Culture and Social Sciences graduates are at least on par with many STEM graduates¹¹, indicating strong employer demand for the critical thinking, analytical, communications and creativity skills that are fundamental to HASS studies¹².

Broad distribution of extra CSPs does not preclude the possibility of prioritising places in line with national needs or to deal with chronic workforce shortages, though any prioritisation will need to take into account that students' choices about what to study are often determined well before they get to university.

The alternatives to more CSPs, such as limiting the number of places for non-equity students, deregulating student fees, or the Job-ready Graduates approach of spreading the same amount of funding across more places are all inconsistent with the ethos of Australian higher education – and politically risky.

The need for additional direct and indirect support for students is addressed below.

Student-centred funding

The interim report foreshadows the development of a student-centred, needs-based funding system. This shift in focus could be genuinely transformative for the higher education sector, as it would reinforce the primacy of the needs of the student and help re-emphasise the importance of quality university teaching. That said, **student-centred, needs-based funding should form only part of the funding framework for universities**. Other specific areas of need are addressed elsewhere in this submission. Universities need a broad and flexible funding framework: one that meets the cost of providing education, including the academic support many equity students need; of carrying out research; and of the other activities expected of comprehensive public universities. The 'Guiding principles for a new funding model' set out in the interim report¹³ are a good starting point for setting up such a framework, though Charles Sturt University suggests that future arrangements should also take into account:

- universities' differing capacities to attracting funding from other sources (international students, philanthropy, the private sector, state governments &c),
- factors like regional loading,

¹¹ QILT, '[Graduate Outcomes Survey – Longitudinal – National Report 2022](#)', accessed 31 August 2023.

¹² Australasian Council of Deans of Arts, [Social Sciences and Humanities, Humanities, Arts and Social Sciences \(HASS\) Degrees: Powering Workforce Transformation Through Creativity, Critical Thinking and Human Interaction](#), 2018.

¹³ Interim report, pages 124-125



- demand for academic and welfare support services, with a view to funding them on a per head rather than per EFTSL basis, and
- ensuring that regulation and reporting requirements are proportionate, cost-effective, and do not impede universities achieving the Accord goals.

Infrastructure funding

University infrastructure is a national and public asset that provides benefits to industry, government and the wider community. As noted in Charles Sturt University's submission on the Accord discussion paper, and in most other university and higher education peak bodies, there is at present no dedicated public funding stream for university infrastructure. Universities can compete with other organisations for infrastructure from some Commonwealth and state government programs – for regional universities, eligibility for the regional Precincts and Partnerships Program (rPPP) is particularly welcome – but as with competitive research funding, this approach to meeting the cost of building and maintaining essential infrastructure requires universities (and other organisations) to divert time and other resources to applications with uncertain outcomes. In addition, the matching funds requirements for many programs mean diverting funding from other critical and often under-funded activities.

This problem is aggravated by the fact that different universities have differing capacities to fund infrastructure from their own financial resources, to raise funds, including by borrowing, or to secure partners for joint projects. Large metropolitan universities have the advantages afforded by decades of public investment, extensive alumni networks, with many in senior positions in industry and government, and proximity to many large public and private sector partners.

Even among non-metropolitan universities there are inequities, with a few able to make use of large-scale public funding streams like the Northern Australia Infrastructure Fund.

Further, in regional areas the challenges of providing the necessary physical infrastructure are compounded by poorer digital infrastructure. This has been the case since the start of the digital revolution, as noted in the University's previous submission. Since then, both the Intergenerational Report¹⁴ and the Business Council of Australia's *Seize the Moment*¹⁵ plan have stressed the need to build digital skills in the Australian workforce, and to bridge the digital divide between metropolitan and regional Australia.

Inequitable funding for physical and digital infrastructure means students going to some universities cannot expect the same standard of teaching, learning and other facilities as their counterparts elsewhere, especially in metropolitan areas, affecting the quality of their educations and the opportunities open to them after graduation. Yet expanding higher education access and attainment will require new physical and digital infrastructure. Those expanded facilities will require staff, and the needs of part-time, mature age and other working students, as well as the embrace of life-long learning, will mean universities will need to be open for longer hours and to more people (and this extends to online services, too).

In the early 2000s the then government laid the foundations for substantial investment in research capability and the underpinning equipment by launching the National Collaborative Research Infrastructure Strategy. NCRIS involved extensive and patient consultations with the research sector on immediate and future infrastructure needs. That process, and subsequent investment decisions, gave primacy to scientific, technical, and subject matter experts, and, as the name of the scheme suggested, emphasised collaboration – shared ownership and use of infrastructure – over institutional desires to have the latest shiny kit.

¹⁴ Intergenerational Report, page 90.

¹⁵ Business Council of Australia, *Seize the Moment: A plan to secure Australia's economic future* (2023) Pages 4, 32 and 61.



Considering the scale of infrastructure investment that will be needed to achieve the goals of the Accord, Charles Sturt University suggests that the Australian Government launch an **NCRIS type process for higher education infrastructure**. This would include a consultative process to identify the new and upgraded teaching and research infrastructure needed to achieve the goals of the Accord and to support the expansion and diversification of the higher education system, funding options, drawing on a mix of private and public sources, and forward plans for access and maintenance.

The funding arrangements for teaching, research and other infrastructure should also:

- recognise universities' differing financial resources,
- encourage co-investment from other sources,
- encourage shared use, especially in metropolitan precincts,
- incorporate flexible fee-for-use arrangements where appropriate, and
- be integrated across different levels of government, for example by providing more flexibility around rules that bar Commonwealth funding for projects supported by state governments, and vice versa.

Universal Learning Entitlement

The interim report puts forward the idea of a Universal Learning Entitlement (ULE) as a way to achieve some of the Accord's goals, including boosting participation, supporting life-long learning, facilitating mobility between education sectors, and encouraging more private sector investment in education, training and skills development.

A recent analysis by higher education policy expert Professor Andrew Norton¹⁶ suggests that the ULE could operate as a kind of voucher system, a mechanism that, in his interpretation, could allow for greater centralised control of the higher education system, or a Job-ready Graduates type approach that values some courses more than others – although this would undermine the 'universal' character of the ULE. Voucher systems have been used to improve access for equity groups in some public and private school systems, with mixed results, but they have not been deployed for university education.

Even if the ULE does not operate as a voucher system, the idea will need a great deal of further development before it can form part of the policy, funding and regulatory framework for Australian universities.

International student levy

The interim report proposes consideration of a levy on international student fee income, to "provide insurance against future economic, policy or other shocks, or fund national and sector priorities such as infrastructure and research."¹⁷

Charles Sturt University does not support the introduction of a levy on international student fee income, for several reasons. A levy would spread the risks of volatility in the international student market, in a way that makes more universities more vulnerable to that volatility – a characteristic of the international education market noted and acknowledged as a risk by the interim report. Further, and as various higher education experts have said, a levy on income from international students would reinforce perceptions that Australian universities regard such students as 'cash cows'. Individual students might, justifiably, resent some of their fees being used to support activities at other universities. The levy would serve as a *de facto* penalty on universities that compete successfully in the international education market and make the challenges of setting up offshore campuses even greater.

¹⁶ Andrew Norton, '[The Universities Accord universal learning entitlement – how might it work?](#)', published 1 August 2023, accessed 31 August 2023.

¹⁷ Interim report pages 16, 139.

Primarily, though, Charles Sturt University believes that a levy on international student fee income is at best an ineffective substitute for more – and more stable – public and private investment in universities: in infrastructure, in academic support, in research. At worst it would be an excuse to reduce public investment in higher education.

Addressing the legacy of Job-ready Graduates

In the interim report the Accord Panel says plainly that Job-ready Graduates “decreased total base funding”, lowered the ratio between funding and estimated costs, and was based on models that “do not reflect the true cost of teaching and scholarship”. Moreover, the changes to the funding model have affected even courses deemed to be national priorities or leading to careers in fields experiencing chronic workforce shortages, as well as leaving some universities and disciplines underfunded. The interim report also notes that the increased student contributions introduced under JRG “are unfairly affecting female students and Indigenous students”, a situation described as “untenable”.

The interim report does not overstate the severity of the situation: JRG “needs to be redesigned before it causes long-term damage to Australian higher education”.

Unfortunately, the recommended priority action in the interim report, and its adoption by Government, falls short of what is required. The extension of the Higher Education Continuity Guarantee has provided some welcome certainty for universities, but it does not deal with the chief problems created by JRG. On current evidence the underfunding of various courses will continue for another two years and if standard grandfathering arrangements apply as many four or five cohorts of students will graduate with disproportionate debts resulting from poor policy decisions.

Charles Sturt University recognises that the Accord Panel and the Government have had to strike a compromise between what is needed and what is politically achievable. Nonetheless, there is, still, a clear need, set out in the interim report, to **increase funding per place to a level sufficient to meet the costs of delivery** (with loading for thin markets) and that ensures the quality and sustainability of university education.

4. *There will be systematic investment in student support and equitable, efficient HELP arrangements.*

Charles Sturt University supports this aim. The HECS-HELP system has enabled greater participation in higher education and, for the most part, it has always struck an appropriate balance between cost of provision, the private benefits of university study, and the public benefits that result from having a well-educated, highly skilled workforce, and healthier, more culturally aware, active, and engaged citizenry.

One factor that has assured strong public support for the HECS-HELP system is its equity: it is available to all domestic students who qualify for university entry, and, until recently, was based on the principle that student contributions should be aligned to likely future earnings. Policy measures that distort the equity of HECS-HELP, such as up-front payment discounts or student contributions based on the perceived ‘worth’ of a course, have never been well-received by students and voters – and consequently have never lasted long.

More recently, the Commonwealth and some state governments have taken steps to deal with workforce shortages in public schools and hospitals, especially in regional areas, by offering to pay the HELP debts of graduates who take up positions in the public system after graduation. Similar initiatives in the UK and Charles Sturt University’s experience with meeting regional workforce needs suggests that these initiatives, while welcome, do little to increase the number of students undertaking degrees in medicine, health or education, as HECS-HELP debt is at best a minor factor in what students decide to study. Moreover, having



their HECS-HELP debt paid off quickly matters less to many students than being able to pay their bills now. And, unfortunately, in many ways these initiatives add to a growing inequity in the HECS-HELP system.

A **return to the basic principle of equity** would be a happy outcome from the Accord, as would a renewed commitment to using the HECS-HELP system to defray and defer the cost of higher education to the student. That commitment should extend to ensuring that no student is unfairly disadvantaged by their choice of course: there is a net benefit to the country in supporting the full range of knowledge essential for a healthy and well-functioning society: communications and interpersonal skills, critical thinking, creativity, a love of knowledge, respect for learning, and the ability to contribute to community wellbeing.

In the past the HECS-HELP system has also been used to help students with cost-of-living expenses, with some unfortunate results. Charles Sturt University suggests that these needs would be better met through other mechanisms, such as public and privately funded stipends and scholarships, and greater flexibility around tax deductions for self-education expenses (to help more people upskill and retrain for the job they want).

There is also scope to boost philanthropic support for students and universities by providing a variety of incentives for donors and by re-examining regulations and rulings that make some donations tax-exempt, but not others. For example, while there are broad provisions for donations for the purposes of education, donations for research are treated differently: “only gifts for the purposes of scientific research in the field of natural or applied science are deductible.”¹⁸ One potential role for the Commonwealth – and state governments – is to prioritise scholarships for equity students, or at universities with less scope to draw on the largesse of wealthy alumni.

Student support

Many students already struggle to manage the competing demands of work and study. Like other Australians they are facing rising living costs including a struggle to find affordable accommodation. For students in compulsory professional placements, for example in medicine, nursing, health and allied health, teaching, and police and security services, the challenge is even greater. Extended practical placements are often required to complete a course and/or to gain professional accreditation. Completing these placements can mean lost income at a time of additional costs for travel, work-related clothing, accommodation away from home and family, and day-to-day expenses on top of the usual bills.

There is ample evidence that these cost pressures can mean too many people do not complete their studies. Among students who decide not to take up an offer to study at Charles Sturt University, 13 per cent cite financial issues as a factor (noting that students may indicate that there is more than one factor involved). Of those who start a degree and withdraw, as many as one in ten say the costs of subjects, textbooks, and residential schools are a challenge (though work commitments and changes in personal circumstances are much more significant factors). Mature-age students and students from underrepresented groups are much more likely than school leavers to cite financial issues as a factor in their decision to decline an offer or withdraw from study.

Conversely, there is also evidence that **direct financial support for students can help them complete professional placements, graduate, and take up positions in the workforce**. For example, Charles Sturt University is presently running two related programs intended to boost the teaching workforce in regional schools. The Collaborative Teacher’s Aide Pathway (CTAP) program and the Grow Your Own (GYO) program both funded by the NSW Department of Education, help teacher’s aides, Aboriginal Education Officers, School Learning Support Officers and gain or upgrade teaching qualifications. Program participants can complete a Bachelor of Educational Studies or Master of Teaching degree while, in many cases,

¹⁸ Australian Taxation Office, [Requirements for DGR endorsement for research categories](#), accessed 31 August 2023.



remaining in their current roles. Both programs involve financial support for students who need to undertake extended placements away from home, and the Grow Your Own program also offers a training allowance of up to \$10,000 per year. Student feedback from both programs confirms that for many, this kind of financial support is critical for the successful completion of their studies.

Charles Sturt University agrees with the interim report's implication that more direct financial support needs to be made available to students undertaking work integrated learning, especially those on compulsory placements linked to course completion or accreditation. As there is a benefit as well as a cost for employers providing WIL placements, future arrangements should include an expectation that they will make a meaningful contribution to any WIL financial support arrangements. This may be easier to achieve if there are appropriate tax arrangements in place.

The framework for providing financial support for students should take into account that there is a cost for universities in organising and managing professional placements.

The interim report also suggests consideration of WIL opportunities for more students. Charles Sturt University supports the idea of expanding WIL opportunities, though it might be useful first to develop a map of the skills that students develop through various courses. This would help employees understand the benefits of work integrated learning, as well as provide useful information to students on the range of careers open to them once they finish their studies. A skills map could be particularly useful to students in courses that provide good generic skills but not a clear professional pathway – which would include most science and humanities courses, and many social sciences courses. The goal here should not be to organise placements – or part-time work – narrowly defined by students' fields of study, as the interim report proposes. This might be a challenge for students of, for example, history. Instead, the goal should be to find WIL opportunities or paid work that fits a student's aspirations and goals.

Work integrated learning arrangements should also:

- recognise that many students will come to placements with prior work experience and skills,
- help students get ready for work, regardless of what that work is,
- provide good information to students and employers about what is expected of them,
- help alleviate barriers to participation such as travel costs, medical insurance,
- maximise participation in and of SMEs, and
- minimise the reporting burden on all involved.

5. Research will be reprioritised, to strengthen its foundations and bring about widespread impact through translation and use.

The interim report acknowledges that funding for research in Australia has become precarious and is low not only by comparison to international benchmarks but also, on most measures, well below previous Australian levels of investment. Since the publication of the interim report the Australian Bureau of Statistics has released updated data on business investment in R&D and a revised estimate of gross national expenditure on R&D¹⁹. Unfortunately, while business investment in R&D is improving, it is at best static relative to GDP²⁰ and national investment, particularly in research in universities, is at its lowest level in almost 20 years²¹. While recommendations on the level of public investment in R&D might be outside the remit of the Accord, Charles Sturt University hopes the Panel will make it clear, in its final report, that **achieving the Accord's goals for research and research training will require greater public and private investment in**

¹⁹ Australian Bureau of Statistics, [Research and Experimental Development, Businesses, Australia](#), accessed 31 August 2023.

²⁰ InnovationAus, ['Business R&D gets moving again amid spending 'free fall''](#), published 26 August 2023, accessed 31 August 2023.

²¹ Times Higher Education, ['Australian R&D investment hits 17-year low'](#), published 26 August 2023, accessed 31 August 2023.



research. Further, genuine transformation of Australia's universities and research system cannot be achieved by increasing concentration of research funding (and capability) in a small number of institutions.

In addition to the pressures created by insufficient funding – which is a major contributor to employment precarity for researchers – Australian Government and some state government funding for research has been increasingly skewed towards applied research and commercialisation, putting at risk the broad national capabilities in basic research that underpin the entire research and innovation system. There is no reliable way to predict which research projects will produce the best outcomes, whether assessed in terms of impact on the field or impact on the economy. The best guarantee of such outcome is a good core capability across a wide range of fields, supported by appropriate infrastructure, with strong links between research partners and a variety of outcome pathways – whether to publication, translation, commercialisation, or further research.

Research funding

The interim report indicates the Accord Panel is giving further consideration to a range of research issues, some of which, such as investment in infrastructure, have already been discussed in this submission. Charles Sturt University offers the following observations on three critical issues: full cost funding, overall national investment in research, and research training including stipends for PhD students.

'Full cost' funding of research, and the related idea of more funding for on-costs (at around 50 cents per grant dollar), have been goals for research policy and funding for more than 20 years. Achieving these goals was part of the rationale for setting up the ARC as an independent statutory authority, for significant increases to ARC and NHMRC funding (under *Backing Australia's Ability* and in response to the Wills and McKeon reviews, respectively), and part of the rationale for establishing the Medical Research Future Fund.

Yet in more than 20 years neither goal has been achieved. In most respects the situation has in fact deteriorated, with ever-lower success rates for key research funding schemes, grants that cover a diminishing proportion of the research they are intended to support, static or falling provision for indirect costs, and universities and other research organisations expending more time and resources for uncertain funding outcomes.

Part of the reason for this failure is that these goals have never been embedded in a national plan. The first step in achieving full cost funding for research is to develop a national, multi-sector strategy that commits to achieving **full cost funding for university research projects within ten years**. The principle of full cost funding would be underpinned by better and more transparent information about the costs involved rather than a single costing model. It would extend to indirect costs and apply regardless of the source of funding: Commonwealth and state governments, industry, or philanthropic sources. General application and acceptance of the principle would help **lift national investment in research as a proportion of GDP to at least the OECD average** over the same period.

Even as R&D funding grows – and especially if it does not – universities will still rely on research block grants to support core capabilities and research training. Charles Sturt University therefore welcomes the interim report's suggestion that any new funding model for universities should include continued support through research block grants. This kind of non project-specific funding provides a mechanism for both accelerating Australia's transformation to a knowledge economy and addressing regional challenges through STEM such as climate neutral agriculture, food production, bio-secure regional economies and ecologies and agri-innovation to enable prosperous, circular, and digital communities.

The double hit of COVID-19 and climate change has also demonstrated the increasing importance of human-influenced and human-created systems and by implication social sciences have a heightened role to play across a large range of policy areas particularly in recovery processes aimed at removing barriers to social, economic, and political participation. Balanced social and economic development underpinned by



equality of opportunity is not only critical in maximising community prosperity but in achieving wellbeing and social cohesion.

Research block grants are also the primary means of support for research training in universities, and through partnership arrangements with research institutes and organisations like CSIRO. The interim report notes that stipends provided through the Research Training Program have not kept pace with inflation and are now below the minimum wage. The low level of financial support is a deterrent to many students and is likely to be a factor in low completion rates and extended times. Targeted stipends for First Nations HDR students would also go some way to addressing the critical shortfall of indigenous academics needed to make First Nations knowledge pervasive through the higher education system.

Raising the PhD stipend would ensure that Australia can continue to produce the research capable graduates it needs for a variety of roles, in universities, certainly, but also in industry and the public sector. Better financial support would also make the PhD pathway more attractive to a wider range of students and therefore support the equity, participation, and attainment goals of the Accord.

Recent UK experience suggests it would be imprudent to raise PhD stipends by reducing the number available. There is increasing interest in the PhD as a pathway into careers in industry: demand for the new Industry PhD program, for example, far exceeds supply, suggesting, as the interim report notes, that there is scope for developing new models for research training including in industry, with/for industry, or options for industry partners to bolster their own research and innovation capabilities by supporting staff who undertake PhDs while staying in their industry roles. All these steps would also offer a way to improve the persistently low level of innovation in many Australian businesses.

Research in regional areas

Universities are amongst Australia's most trusted institutions particularly in regional Australia²². At a time when trust in most sources of information is declining, universities have proven resilient, retaining their status as super trusted institutions with the public.

Universities are uniquely placed to perform five key roles in community governance:

- fostering critical educated citizens,
- combating 'truth decay',
- providing safe spaces for enabling community participation on historical, social and environmental issues,
- ensuring that the perspectives of Aboriginal and/or Torres Strait Islander peoples are represented, and,
- delivering programs of various kinds to help integrate marginalised groups into the community and give voice to their current needs and aspirations for the future.

Community cohesion funds could be created to enable universities to do this important work.

Regional universities also have a vital role in driving innovation and economic diversification in regional industries. In *Seize the moment: A plan to secure Australia's economic future*, the Business Council of Australia suggests that regional universities could form the nucleus of precincts that would help their regions respond to a range of 'structural forces' including "demographic change, technology, climate and changing patterns of trade and investment." To realise this potential, they suggest "a regional university precincts infrastructure fund that embeds large and small businesses on regional campuses to deliver skills, scale up and adopt new technologies"²³ – though this would also require targeted investment in regional research capabilities, such as is provided by the Regional Research Collaboration Program. Research

²² Evans and Stoker, *Saving Democracy*, Bloomsbury, 2022.

²³ Business Council of Australia, *Seize the Moment*, page 61.



capabilities in regional areas could also be bolstered by regional rounds in other funding programs, a requirement for regional partners in major research projects, regional university representation on Commonwealth research bodies, and the development of a rapid applied research capability focusing on specific areas of concern to regional Australia e.g. crisis management and recovery, cyber, food and water security.

Charles Sturt agrees that research funding and activity should be both curiosity and demand-driven, and our profile of world class applied research in the above areas reflects this. However, to make this work Government needs to offer greater incentives for industry to invest in research collaboration with universities. The majority of Australian businesses are SMEs without a history of strong R&D investment. We need to create an environment where SMEs in particular are encouraged to engage in long-term partnerships and funding compacts.

6. *Learning and teaching will be transformed, with an ambitious commitment to student experience and use of technology.*

Australia's experience with COVID-19 has confirmed the real and potential benefits (and risks) of technology in education – though as Australia's largest and most experienced provider of online education Charles Sturt University is already well aware of, and well-practiced in, technology-supported education, as evinced by our sector-leading student satisfaction and graduate employment outcomes. Improvements in learning and teaching technologies and their use will not only help students at university: they will underpin life-long learning.

The best tools in the world, however, are of little value without good content, developed by highly trained teaching professionals informed by the latest research. Genuine transformation in teaching and learning will require the re-centring of teaching in universities regardless of whether they are comprehensive, research intensive, teaching focused or teaching only institutions. **Training in pedagogical theory and method needs to be a core part of academic career pathways**, including for those aiming for a career solely in research as a grounding in pedagogy would also improve the quality of research supervision. Charles Sturt University therefore welcomes the suggestion in the interim report that universities provide their staff with accredited professional development in teaching.

The interim report suggests that “New and more collaborative approaches to learning and teaching” could be encouraged by “establishing a National Learning and Teaching Committee (within the Tertiary Education Commission)”. Charles Sturt University suggests this may be unnecessary: many universities already have their own centres and programs in teaching and academic method, all of which could be given an enhanced role through better recognition of the importance of good teaching in funding, performance metrics, employment conditions, and accreditation. Other options include programs to support innovation in and evaluation of university teaching, or a national Centre of Excellence with nodes in each state, potentially offering some common content as part of an accredited professional development framework.

7. *Higher education and vocational education will be connected through pathways, partnership and an up to date qualifications framework.*

Charles Sturt has had some success in developing pathways into university education for students and graduates of TAFE, including, for example, both CTAP and GYO, discussed above. While these pathways are not without hiccups – some vocational and technical education students switching to university are unprepared and unready for the time commitment of university subjects and lack the core academic skills



that other students in later years already have – they are well-established and have become a significant source of commencing students for the University.

The University also has a Recognition of Prior Learning framework in place, and research is under way to expand and adapt this framework to include other states' TAFE and VET systems. It is likely that similar initiatives are under way at other universities, so it may be that the primary challenge for the Accord will be coordinating disparate efforts towards a common goal.

That said, implementation of the review of the AQF, including an update to accommodate microcredentials, could identify gaps and opportunities for the Accord to address. And while there is good evidence of how pathways from TAFE into university can work, and how AQF qualifications level 7 and above, offered by universities, can 'stack' onto AQF certificates, Diplomas and Associate Degrees, there is less information about movement from university to TAFE – though anecdotal evidence indicates some university graduates are electing to pursue the kind of hands-on qualifications provide by TAFE to boost their employment prospects. Better data on university-to-TAFE transitions would be useful.

Developing a more unified higher education system will involve universities, TAFE and VET providers, employers, industry and professional associations, and various levels of government. The experience of dual-sector institutions will be vital. There are significant challenges associated with accreditation – including costs and duplication – as well as recognition of prior learning, placement requirements, and academic support. However, an integrated system offers significant benefits, including the potential for new approaches to education for the professions and new models for research training.

Achieving this system shift will require providers to be notified as quickly as possible of the **timetable for implementing the recommendations of the review of the AQF**, as well as some **structural adjustment funding** to support the transition to the new framework, or the creation of new dual or multi-sector institutions.

8. *Re-skilling and lifelong learning will be provided through more modular, stackable qualifications, including microcredentials, with full scaffolding and pathways.*

There is a role for short courses or microcredentials in professional development, retraining and reskilling, and life-long learning, though when explicitly tied to career pathways or goals they may need to be formally accredited and should form part of a revamped AQF. Furthermore, it is not yet clear how microcredentials and stackable qualifications will interact with a student-centred funding model and/or a Universal Learning Entitlement. Charles Sturt University suggests, therefore, that this is a system shift that requires further consideration.

9. *A new approach to mission-based compacts will address future planning, distinctive place-based impact, and institutional governance responsibilities.*

Mission-based compacts have been a useful planning and reporting tool for universities. As public documents they help inform discussions about the role of universities and how they can support the goals of communities, industries, and governments. This kind of public reporting is even more important in a time of transition, so that all stakeholders, including university students and staff, can see what commitments have been made, what resources have been promised, and what outcomes have been achieved, or not.

Charles Sturt University has previously suggested that the introduction of **multi-year funding agreements** would provide greater certainty for universities and support better strategic planning. While some university funding is calculated and announced on a year-by-year basis there is in fact little annual variation in



allocations to each university from many programs. That may change with the introduction of a more student-centred funding model, but not quickly.

The University therefore suggests the kind of systems shifts set out in the interim report, and the goals of the Accord, would be best served by 'locking in' some funding over the life of an agreement. A **guaranteed level of base funding** would allow universities to determine how to make use of all the resources available to them to meet the needs of their students and deliver on local and regional priorities, needs and goals, as well as national ones (including targets for equity student participation and attainment). Base funding would be supplemented by project and competitive grants, as well as separate funding for infrastructure, academic support services, and other purposes. Annual reporting (including, ideally, to state governments) would be light touch, with more detailed information required only every few years to support compact evaluation and TEQSA accreditation.

10. National governance will be coordinated and forward-looking through a new Tertiary Education Commission.

In our submission in response to the Accord discussion paper Charles Sturt University suggested that the university system as a whole could benefit from a mechanism for on-going consultation and review to monitor outcomes from the Accord, evaluate and set targets, identify and make recommendations on opportunities for policy and regulatory reform, and light-touch strategic oversight. A Tertiary Education Commission is one way to achieve those outcomes.

A Tertiary Education Commission would need to operate in line with the following principles:

1. Its primary role would be managing and monitoring the implementation of the Accord, providing annual reports (and recommendations, if required) to the Minister. It may therefore have a fixed lifespan.
2. Its primary focus would be the health of the higher education system as a whole, rather than what individual universities are doing. This could extend to having responsibility for evaluation of research quality and impact.
3. It could provide advice to governments on funding priorities, opportunities, gaps, and drivers, but would not have a role in determining funding allocations.
4. It would have a limited pool of funding to support strategic initiatives such as achieving equity goals or maintaining provision of strategically important but low enrolment or otherwise unviable subjects (e.g. regional languages).
5. Regulation, including standard setting, would remain the role of TEQSA.
6. It should be independent of government, with governance arrangements should reflect the breadth and diversity of the higher education sector.



Measures of success – how will we know all this is working?

The interim report prepares the ground for an ambitious set of recommendations and actions. Whatever they are, the final report from the Accord Panel will need to lay out a realistic timetable for achieving the systems shifts discussed above. Political realities are a factor: new funding arrangements are likely to come into place from 2025 at the earliest, with a federal election making even that timeframe uncertain. Implementation from 2026 onwards seems more probably, with many measures requiring phased implementation over several years and some of the more ambitious goals achievable only over a longer time frame – at least a decade. Fortunately, universities are patient, persistent, and always have one eye on the future.

Nonetheless, the detailed work on the Accord to date provides some guidance on how we will know whether this Great Work is on track.

In the short term – by 2025 – all the legislative and regulatory reforms driven by the Accord should be in place, along with the main elements of a new funding model and initial steps towards new governance arrangements for universities. If the requisite funding is in place, we should also see better student teaching and learning support arrangements commence, and a measurable increase in participation by regional, First Nations, low SES, disadvantaged and other equity students. Some universities will have new mission-based compacts in place. A Tertiary Education Commission will be ready to begin work.

By 2030, we will see increased investment in research. Collaboration between universities and with industry partners, already an essential characteristic of the higher education system, will become the default, and will be driven by a range of quality and impact indicators. Academic careers will be more secure even as more staff undertake secondments outside the university. A better and simpler system for student financial support will be in place, and available to more students, with a measurable increase in completion rates and a significant drop in the number of students dropping out for financial reasons. The Tertiary Education Commission will have released its first tranche of reports, evaluations, and recommendations. Student numbers will be significantly higher than they are now, with many students completing their degrees via multiple modes of delivery including work integrated learning. Strong growth in equity student participation and attainment coupled with good employment outcomes will attract even more students to higher education.

By 2035 Australia will have an anywhere, everywhere, for everyone higher education system. Participation and attainment among equity students, and especially among First Nations people, will be on target to reach parity with the wider population, and stay there even as more people choose university study. Early dividends from increased investment in research and greater collaboration across the economy will boost research funding and innovation activity to the top tier of the OECD, with Australia a recognised world leader in various fields, and in research translation. Above all, Australian higher education will involve standards of teaching and learning, academic support, community and industry engagement, and sustainable operations that set the benchmark for the rest of the world and underpin a thriving economy and society.