

**Response to the ALP's White Paper on
Higher Education, Research and
Innovation - *Australia's Universities:
Building our Future in the World***

September 2006

Contact Details:

Vicki Thomson, ATN Director

Telephone (08) 8302 9107

Email vicki.thomson@unisa.edu.au

Postal GPO Box 2471, Adelaide SA 5001

**BUILDING
PARTNERSHIPS
FINDING
SOLUTIONS**

INTRODUCTION

As a consortium of five of Australia's leading universities, the Australian Technology Network of Universities (ATN) is committed to ensuring that our national higher education system is one which is geared toward an agenda of fairness, accessibility, innovation and competitiveness.

The ATN welcomes this opportunity to contribute to the deliberations of the Federal Opposition in framing its policy for Higher Education in Australia and to comment on the efficacy of the ALP White Paper in supporting a policy setting which is in the best interest of the sector, and therefore the nation.

With almost 20 percent of Australia's student population attending one of the five universities of the ATN, we seek to ensure that the policy debate continues to argue the best interests of higher education in Australia. Maintaining the quality of our sector must be at the forefront of any consideration by the nation's policy makers.

It is in this context that the ATN provides comment on the ALP's White Paper.

OVERVIEW

Building our Future in the World sets out the broad directions for higher education under a Labor government. As an overall observation, the ATN believes the Paper sets out a policy framework which covers most of the critical areas for higher education policy in Australia.

In particular we welcome the recognition of the diverse missions of individual universities. The ATN supports diversity which meets the needs of the knowledge economy, addresses the skills shortages currently facing our nation and contributes to the social and economic prosperity of our country.

We strongly endorse the recognition of the problems created by the lack of meaningful indexation to the government elements of university funding, and the focus on matters of student support, skills shortage, access and participation. This is particularly relevant to the ATN which enrolls 19% of low SES students, 14% of disabled students and 17% of indigenous students. Our retention rate across the

ATN of low-SES students is above the national average.

The ATN response considers the issues raised by the White Paper in detail and also looks at areas not covered in the policy document which we believe are critical to the future of a vibrant higher education system in Australia.

HIGHER EDUCATION QUALITY STANDARDS

The paper asserts that “there are no systems in place in Australia for assuring the standards of degree quality” and that “AUQA is not providing the assurance the community expects and needs about the quality of Australian higher education.”

Whilst the ATN supports the view that maintenance of the current high standards of Australian higher education is reasonable if the sector is to expect significant additional public investment, care should be taken not to attempt too sweeping and unnecessarily intrusive changes to the current overall strong system of quality control. There *are* existing measures in place for assuring the standards of self-accrediting degree programs. Institutions have a range of systems that assure the quality of their degrees including program approval and review, professional society accreditation and extensive mechanisms of program evaluation. External mechanisms to ensure quality include the Australian Qualifications Framework, AUQA, MCYEETYA, the National Protocols, Acts of Parliament, State accreditation authorities, professional and disciplinary accreditations, national surveys and the Learning and Teaching Performance Fund. Together these internal and external mechanisms, which collectively reflect international best practice, have helped establish Australian higher education institutions and their graduates as being among the most highly rated in the world and provide credible evidence of this.

The proposed *Australian Higher Education Quality Agency* seems to be driven by an assumption of the need to know “whether minimum acceptable standards of a degree are achieved” and the comparative performance of graduates of different institutions. The substantial and very costly effort required to

accomplish the very complex task of making these sorts of relative judgements in any meaningful way is unlikely to achieve a significant return on investment. In our view the substantial funding required would achieve better outcomes by being used for more direct investment in the teaching and learning endeavour.

Also, although the stated focus is to bring consistency to accreditation assessments and evaluations of higher education quality, there is a very strong potential for this to lead to ‘one-size-fits-all’ requirements for student outcomes within disciplines. This would act directly against the values of diversity being promoted within the paper. Such tendencies could only be strengthened if the findings of the Agency, which by necessity would only reflect the judgments of a limited set of people, were linked to institutional funding. Under such circumstances, there would be pressure on institutions to retreat into safe and conventional forms of education at the expense of diversity, responsiveness to changing needs, and taking the necessary risks that innovation requires. This has been the experience of similar initiatives in the United Kingdom, whose oversights Australia should take care not to duplicate.

This proposed new Quality Agency initiative does not seem to be justifiable on grounds of either the present reputation of Australian universities and their graduates or the competition from current or future markets. The suggestion that a modified school certificate regime could supply a model for evaluating university level outcomes and standards of graduate attainment is unwarranted, and seems inappropriate given the achievements of many universities committed to developing generic skills embedded in teaching, learning and assessment.

STUDENT ACCESS AND PARTICIPATION

ATN universities share certain values, as apparent in their strategic plans, and their programs and actions as they relate to access and participation. For example, each of the ATN institutions have special admission schemes for disadvantaged students, most of the network is active on the temporary protection visa refugee issue, all maintain programs for women’s career development, and most have

undertaken substantial work in curriculum reform around Indigenous perspectives.

The ALP paper focuses heavily in this section on finance, yet research suggests that this is only one among many factors affecting student access to higher education and arguably not one of the major ones. There are many complex reasons why particular groups of people may or may not participate in higher education, fields of study or even types of university. Some of these are the result of educational disadvantage and some are the result of a wide range of other social factors, including cultural expectations, perceptions of status, family expectation, employment opportunities and so forth.

That said, the options of reducing HECS rates for all students; reducing band 2 HECS rates to band 1 rates in a number of disciplines; targeted scholarships; and strategic HECS debt remissions are all worthwhile initiatives in terms of reducing the funding burden on students and need not be mutually exclusive - a package containing elements of all four options could be developed. However any such reductions need to be fully offset by increases in Commonwealth contributions, resulting in no net reduction to the funding per student received by universities. We note that there is no commitment in the White Paper to undertake this. At any rate there is little evidence to support that such an approach will be effective in influencing course choices, particularly given the deferred nature of HECS debt. Research on student demand for courses by our members indicates that HECS levels play only a minor part in course choice. More direct forms of student support, such as increasing levels of scholarships and Austudy and Abstudy, are more likely to encourage higher levels of participation.

UNIVERSITY FINANCING

The proposal to lessen regulation of higher education financing, to remove workplace and governance conditions, to provide support for student services and to allow greater flexibility within the funding envelopes are all positive and welcome initiatives. However we do believe that some initiatives in the paper, such as the *Australian Higher Education Quality Agency*, have the potential to impose a compliance and reporting regime that would be more onerous than the present regime.

The White Paper states that “Labor is committed to increasing public investment in higher education and research, including through better indexation of university operating grants, linked to quality improvement.” However this then begs the questions about what is meant by ‘better indexation’ and goes to the heart of the broader questions about the financing of the ALP higher education policy. Clearly there is still to be some development of policy in this area, however it is a priority issue for the universities which are constantly engaged in a balancing act to maintain quality in the face of increased expectations and pressures, and declining real government funding.

It should also be recognised that Australia is currently in a position where demand for higher education is lower due to buoyant economic conditions and where ongoing pressures arising from inadequate indexation have been masked by growth in fee-paying (particularly international student) revenue. The over-reliance on the latter, the uncertainty of future demand and a looming wave of academic staff retirements pose substantial challenges for public funding of higher education.

The ATN looks forward to the ALP providing a clearer indication of its proposals around indexation in the next iteration of its Higher Education policy.

RESEARCH AND RESEARCH EDUCATION

The ATN believes strongly that increased investment is needed for Australia’s innovation system to be globally competitive. A greater investment in Australia’s innovation system, to build the percentage of GDP invested into research and development to a level comparable with our OECD counterparts, is clearly required if we are to compete effectively.

The ATN supports the ALP policy of maintaining and enhancing the dual system for funding for research, but awaits further detail on how the ALP will address the current formula-based model for the Institutional Grants Scheme and the Research Training Scheme.

The ALP’s proposal mirrors the emerging Research Quality Framework with its focus on research

concentration and quality measurement and its implied links between research funding and quality ratings. The proposed restrictions on the allocation of research training funds for students in disciplines not evidencing ‘high quality’ research evidences an emerging link between research funding and quality ratings. Therefore any determination of quality needs to ensure that research funding reflects not only traditional research outcomes and metrics, but also the less quantifiable social and economic impacts of research.

The Paper also proposes to explicitly take into account the ‘impact’ of research by the use of ‘indicators of research application and impact’ and statements of usefulness of research by end-users of the research as key evidence. The ATN would strongly support this and indeed undertakes its own assessment of research impact with its partners. The ATN attracts a large percentage of its research funding from industry sources. To this end, members of the ATN have conducted an annual survey of clients over several years which rates performance on client service quality attributes considered important in the delivery of ongoing high quality service. These attributes include those relating to ease of contact with each ATN university, employee knowledge and experience, understanding of customer requirements and delivery of results.

Participating universities receive a customised report detailing their survey results and those of the combined ATN data set. The reports identify service quality strengths, areas for improvements and suggestions for the continuous improvement of research services provided by members of the ATN. A similar policy position by a Labor government would be welcomed by the ATN.

However we are concerned that, whilst the Paper acknowledges the significance of research impact, it suggests that assessable material to be evaluated for university assessments is already available and embedded in university information systems. This in turn suggests that the evidence of quality will largely focus on traditional research metrics that fail to capture the broader social impacts of research outside the academic community. If this is the case, then institutions outside the traditional research universities (such as the ATN) will find it difficult to compete for research funding despite clear

evidence of the valuable industry and community based research being undertaken. The potential reduction in research funding to such universities will undermine the ALP's claim that all academic staff will have opportunities to research under the proposal.

A further key issue for the future of Australia's science and innovation agenda is that of building our research workforce to meet the challenges of the future.

However when it comes to research training the proposed process appears to be heavy-handed, requiring universities to notify the *Australian Higher Education Quality Agency* of each of its academic staff who are authorised by the university to supervise a PhD student in a field of research, along with the current and recent (last five years) research activity of each such person, including research grants, research outputs, and indicators of esteem (such as membership of academies, invitations to give keynote addresses or distinguished performances). Such a process would generate vast volumes of data, which would be difficult to audit and maintain in a timely fashion, and incorrectly presumes a direct relationship between supervisor characteristics and PhD quality. Effort could be better directed to policy mechanisms and funding schemes that support institutions' initiatives to strengthen review and benchmarking of doctoral outcomes.

Attention must also be given to the expansion of our research base from undergraduate to trained researcher. There is currently a lack of interest in key disciplines for the science and innovation sector at a secondary school level. The Researcher Retention and Renewal initiative aimed at addressing the "major gap in Australia's human capital base caused by our inability to retain and replace research skilled personnel in Science, Engineering, Technology and Mathematics fields" is a critical initiative, particularly for ATN universities who teach 26 percent of Australia's engineering students.

Physics, mathematics and chemistry, the traditional precursors for science and engineering studies at a university level, are suffering negative perceptions within schools and this affects the uptake of undergraduate students. Domestic enrolments in science, engineering and technology (SET) courses as

a proportion of total enrolments have declined from 15.8 percent in 1989 to 14.0 percent in 2004. Much of this decline occurred in engineering, agriculture, environment and related studies, while the proportion in natural and physical sciences has remained static. Increasing the flow of students into SET courses within universities will be crucial if Australia is to build its research capacity for the future. Individual universities and networks are all struggling with these issues and attempting to address them.

The ATN, for example, is currently looking to change the perception of careers in the sciences/engineering and examining alternate pathways into these degrees. However major attention at a national level needs to be focused to address these issues, as they are systemic and can only be addressed in a relatively minor way by individual institutions. This, combined with the ageing workforce within universities, has the potential to create significant shortages in these fields. Internationally, there has been strong growth in investment in science, engineering and technology. With this growth creating a greater demand for skilled researchers, Australia cannot simply rely on being an ‘attractant’ for overseas researchers. We need to develop these skills internally, understand the demographics for University appointments required over the next 20 years, and determine how the training base can be expanded.

Additional investment is proposed for “major scaling-up investment” in particular research areas. This should be approached carefully, and it is not clear in the document what processes would be used or how decisions would be made. The grounds for picking particular areas are not clear, and the proposal is grounded only in the vaguest terms of international competition.

Priority setting for research investment is appropriately pitched at a broad level, given the wide range of research needs for Australia and the complexity of factors involved in delivering good value for additional investment. The Paper floats a mixture of areas including technologies (nanotechnology), industries and outcomes which might be the beneficiary of additional research investment, but the different sources and issues cited merely illustrate the difficulties involved. Any area will have its advocates and can mount plausible cases for additional research investment. The level of public

benefit, where it is able to be assessed objectively, needs to be weighed against the potential for expanding excellent research, including considerations of infrastructure and international competition.

It is far better for the government to identify and deal with structural issues rather than research areas. In this respect Australia suffers from one outstanding, chronic research deficiency, and that is in the linkage of academic research with external private and public agencies. Australia has made some worthy efforts to address these connections, including ARC Linkage Grants and CRCs, and these should be strengthened. The proposals under the Innovation section of the paper, including the Knowledge Transfer Partnerships, would be a welcome addition to the suite of policy responses designed to strengthen the capacity of business to engage with researchers and to contribute to productive innovation.

INTERNATIONALISATION

The ALP White paper fails to recognise the critical importance of the international education industry. ATN universities account for around 20% of Australia's total student load and almost a quarter of international students, 43% of whom study offshore, making the ATN responsible for over 36% of *all* transnational students. This makes the ATN the largest collective provider of transnational education in Australia. The ALP White Paper does not set out how a Labor Government would value and grow this industry sector and the ATN is keen for further dialogue in this area.

In particular we seek the ALP's position on current initiatives such as:

- active pursuit of recognition of Australian qualifications in bilateral trade agreements
- investing in re-branding/marketing Australian education
- engaging in the Bologna issues and implications for Australia
- connecting international education to national skills shortages and population policy
- funding outgoing Australian student mobility to enhance the international and intercultural competence of our graduates
- expanding the Endeavour Scholarship scheme to build key strategic relationships in key

markets, for example in China, India and Indonesia, to underpin research collaboration and student exchange.

CONCLUSION

As stated at the outset and at our recent meeting with the Deputy Opposition Leader, the ATN believes there are many strengths in the proposed policy framework put forward by the ALP. In this submission we have highlighted the issues we have concerns with and we now look forward to the next round of consultation as the Federal Opposition refines it policy platform.