



**MINISTER FOR EDUCATION AND TRAINING
WESTERN AUSTRALIA**

REVIEW OF AUSTRALIAN HIGHER EDUCATION

KEY OBJECTIVES FOR WESTERN AUSTRALIA

To adequately address identified State skill shortages

- Skill shortages are a key issue for Western Australia and nationally. An adequate and timely supply of higher education graduates is essential to the WA economy and a coordinated approach to their supply is required.
- Forecasting future demand for high-level skills is not an easy task and the best general approach is to develop structures which allow market mechanisms to operate effectively to determine supply and demand. However market mechanisms do not always work effectively and where the market significantly fails to address severe State skill shortages, the State government must work closely with the Commonwealth government, universities, and industry to find effective ways to address the shortfall in key areas.
- Addressing skill shortages requires a collaborative approach to ensuring that students and schools receive high quality and timely information about State skill needs and there is a clear role for the State in promoting skill networks between employer groups and universities as a source of information and strategies for action.
- In Western Australia collective efforts must be made to develop strategies to attract more students into specific courses such as teaching, nursing, engineering, geology and to ensure the required graduates are available generally to support our booming mining industry and strong economy. Some of these strategies may well require initiatives in the compulsory schooling years e.g. to ensure more students have a sound grounding in mathematics and science. Other strategies may need to involve the allocation of scholarships, the reduction of HECS payments or the provision of government bursaries or cadetships. In this regard I would urge that a review of student support systems generally be undertaken including an investigation of Centrelink requirements for independent learners, scholarship programs and how the Fringe Benefits Tax guidelines impact adversely on State and university scholarships.
- Addressing State skill shortages will not be best achieved by a centralised formula driven higher education system. Addressing skill shortages effectively must involve the State directly in discussions with the Commonwealth and the universities and the proposed university 'compacts' provide an appropriate vehicle for State involvement and input. The State is a significant consumer of the outputs of the universities both in terms of professional training and research. However the State's needs are not being adequately addressed as can be seen from emerging skill shortages in teaching and nursing in Western Australia.

To develop effective linkages between vocational education and training and the universities to promote a more comprehensive and responsive tertiary education system

- It is considered that the Review should give close attention to cross-sectoral matters and seek avenues to improve coordination between the sectors. Separate policy development, funding and jurisdictional control of the sectors have contributed to problems for students moving between the sectors, for effectively dealing with skills shortages and particularly for regional development.
- Promoting better linkages between the higher education and vocational education and training sectors will ensure more effective pathways for students and improve services to employers and industry. A key reason to promote improved linkages is that the demand for professional qualifications and skills in the future will require expansion in both sectors and competition for a limited and overlapping pool of available students could lead to a waste of scarce resources. Demand will increase in both sectors related to employment growth, the need to replace an ageing/retiring population and to up-grade and extend existing skills. The emerging skill shortages are not well served by separate development of the sectors.
- Nationally, consideration should be given to promoting a comprehensive and responsive tertiary education system which values the distinct missions and contributions of the different sectors. Issues for the future include:
 - A need to investigate barriers that hinder the development of a harmonised tertiary education sector,
 - Improving the flexibility of movement of students including the further development of credit transfer arrangements between the sectors and allowing for a variety of access pathways/articulations between the individual sectors with flexible entry and exit points for students, and
 - Developing consistent approaches to quality assurance arrangements.
- To fully reshape tertiary education in Australia would require a reassessment between the Commonwealth and States of jurisdictional frameworks/controls over the sectors, a restructuring of funding systems and cost structures and a reassessment of student fees and funding support systems. On the current evidence it is not clear whether such a major undertaking is warranted.

To foster the development of international education and enhance its contribution to the development of a globally focussed and competitive Australian higher education sector

- International education has been a source of private funding and growth for universities and has introduced a significant international dimension and awareness into Australian higher education. Education services are now Australia's third largest export and higher education contributes about 60% of the total value. The development of the trade in education services has been remarkably successful and indicates the capacity of the universities to respond to new initiatives and to contribute to key Government objectives.
- The Review should acknowledge the significance of the role of universities in supporting and developing international education and recommend policy settings

which sustain and promote its development. International education has skilled manpower, international contacts and export income dimensions. Increased government funding which improves university infrastructure will have significant benefits in promoting Australia in international education.

- While the export of education services has been very successful to date this has been the result of Australia annexing a percentage of a rising international market. To remain successful Australia must establish clear objectives for the industry. These objectives should include the capacity of the industry to contribute to and strengthen Australian research and development, to contribute to addressing professional skills shortages and to strengthening and enriching Australian institutions and the Australian educational experience.
- Greater attention will need to be paid to the contribution that international students can make to addressing State skills shortages and the sort of strategies that are required to ensure that such students are readily employable. Such strategies should include additional English language support and exposure to work experience programs.

To promote strategies to increase access to higher education with specific strategies for regional, remote and indigenous students

- The Review's Discussion Paper does not give extensive consideration to regional and remote education issues. This is seen as a serious omission as Western Australia considers that a high priority should be given to addressing tertiary education participation and attainment in regional and remote areas.
- Addressing regional and remote education matters has equity and access dimensions. Australia must ensure that all those who can benefit from tertiary education have a reasonable opportunity to do so. This issue is important as tertiary education opportunities confer significant individual benefits in terms of personal development, social standing, career possibilities and lifetime earnings. Increased tertiary education participation is also important nationally in terms of producing a more equitable, cohesive and economically successful society.
- Higher Education participation and educational attainment in regional Australia are significantly lower than in metropolitan Australia. For example the participation in higher education in regional Western Australia is about a third of that of the city. In a society that claims to be inclusive and equitable this situation is unacceptable.
- Metropolitan based universities in Western Australia are not funded adequately for the regional delivery of higher education and the current approach to incorporate a regional loading into the Commonwealth Grant Scheme (CGS) for students enrolled at regional campuses provides insufficient funds to meet costs and no motivation to universities to increase enrolments.

In essence our concerns with the regional loading scheme are as follows:

- A regional loading is calculated and paid to universities for students enrolled at recognised campuses/centres in regional areas, based on a rating given for each university campus related to distance from the capital city and the size of the home university based on weightings associated with five bands.
- Despite Western Australia having many of the most disadvantaged regions in Australia, we have received little benefit from the Regional Loading Scheme as presently structured. For example in 2005, WA received only about \$600,000 out of a budget of \$28 million or about 2% which provides



- little incentive for universities to expand their regional delivery of higher education. WA universities argue they are cross-subsidising their regional operations by up to 50% and are therefore reluctant to expand them.
- WA considers that the Regional Loading Scheme should be restructured to provide an incentive for universities to offer more courses and places in regional centres and for the loading to primarily reflect distance from the parent university and the size of the regional student population and not primarily the size of the parent university as is currently the case. WA is a very large State with a relatively small regional and remote population which is thinly spread across the State.
 - WA has been disadvantaged by how the regional loading is calculated but also by the loading applied to the different bands. For example the regional loading for Broome is 7.5% whereas the Northern Territory receives 30% and we would argue that on most criteria the Northern Territory is not more remote than Broome.
- The previous Commonwealth Government intended to review the Regional Loading Scheme in 2009. Funding and support of regional participation in higher education should be a matter of high priority for the Review of Australian Higher Education and for the new Commonwealth Government and the proposed review should be undertaken as a matter of some urgency.
 - To increase regional student access and participation in higher education, a comprehensive review is required of appropriate regional models of delivery, associated costs, and the specific needs of students. A comprehensive review of the issue would specifically address:
 - Year 12 students who can move to a city university – with the right financial and support framework.
 - Mature age people who cannot move and need access to local academic support, mentoring and face-to-face learning, and
 - Aboriginal and Torres Strait Islander students with special needs for bridging and foundation programs and general academic support.
 - Western Australia has a keen interest in raising higher education participation in regional and remote areas and has a track record in developing models of regional post-secondary education delivery based on collaborative efforts between the education sectors and the community. While additional funding incentives should be provided to universities, a prime element of successful future regional strategies must involve promoting and supporting the network of regional VET Colleges working closely with universities.
 - Part of the under-representation of regional people in higher education is the extremely low participation rate of Aboriginal and Torres Strait Islander peoples. Recent statistics indicate that participation by Indigenous Australians in higher education actually fell from 2001-2006. The Review should explore new ways for government to work together with communities to address the education and training needs of Indigenous Australians. Achieving increased participation in higher education is a complex problem which must be supported by whole of government and partnership approaches aimed at changing the economic, health and social circumstances of disadvantaged communities. Western Australia has had some successes in promoting and supporting Aboriginal and Torres Strait Islander peoples such as at the KK Centre (Kurungkurl Katitjin) at Geraldton, graduating cohorts of teachers. Such programmes provide successful models which can be built on in other regional communities addressing the issues of low participation and shortages of skills in regional Australia.