A Broad Tertiary Education and Training Sector:

What could we ask of a Higher Education review?

Conor King
Institutional Strategist
Victoria University
14 July 2008

1

VICTORIA UNIVERSITY | **A NEW SCHOOL OF THOUGHT**

This Talk

- Why should we think about a Tertiary sector as the starting point?
- Who is it for - and does that help social inclusion?
- How could we shape it?
- How could we resource it?

VICTORIA UNIVERSITY | **A NEW SCHOOL OF THOUGHT**

Why look to a tertiary sector

- The system needs to work
  - for the student, trainee, worker
  - for those who want educated and skilled graduates
- Array of demand for education and training
  - various ways in which it could reasonably be met
  - these will continue to change and fragment
- Greater likelihood that individuals require/want multiple episodes of post school education and training
  - More individuals looking for education across multiple sectors
  - Common systems, especially for charges, enhance ease of choice, access
- Industry desire for education, training, and research to meet suite of needs
  - Increase expectation of direct investment
- Growing number of providers working across sectors
  - Make easier to operate this way

WWW.VU.EDU.AU
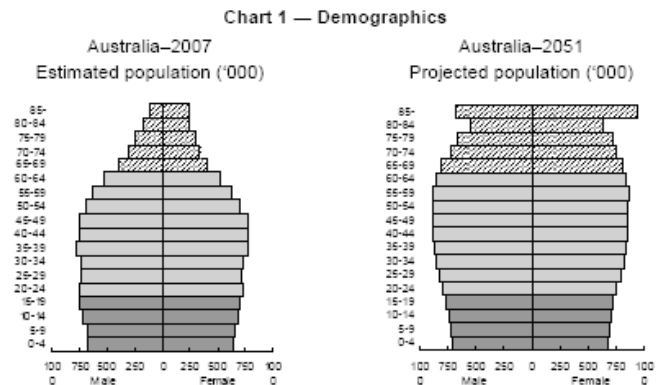
VICTORIA UNIVERSITY | A NEW SCHOOL OF THOUGHT

A choice based system

- Governments focus turned to 'demand driven' systems
  - An emphasis on choice, on individuals
  - Response to growing complexity of possible demands and needs
  - Create the opportunity, don't attempt to set every option

- Easier to understand one rather than many systems

- Hence those who want distinction need to justify why..
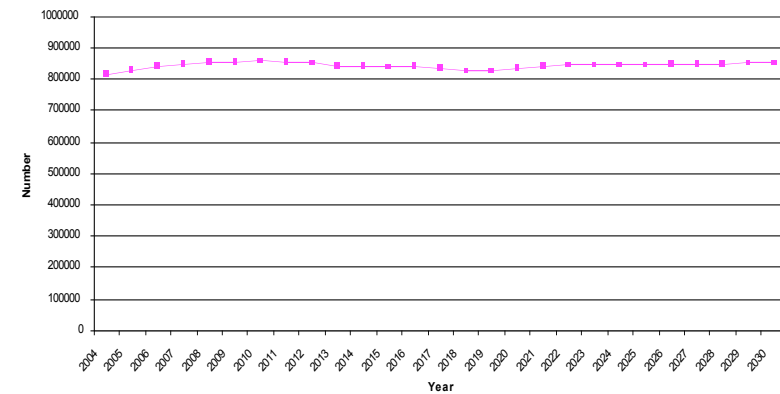 - Distinctive natures of current sectors??

WWW.VU.EDU.AU

VICTORIA UNIVERSITY | A NEW SCHOOL OF THOUGHT

Australia's population 2007, 2051

Chart 1 — Demographics

Australia–2007
Estimated population ('000)

Australia–2051
Projected population ('000)

VICTORIA UNIVERSITY | A NEW SCHOOL OF THOUGHT

Young people 2004 to 2030

VICTORIA UNIVERSITY | A NEW SCHOOL OF THOUGHT

ENTER scores and University applications and offers

Legend: Applicants, Offers, Acceptances
X-axis (ITI Score): 90.05 +, 90.00-80.05, 80.00-70.05, 70.00-60.05, 60.00-50.05, 50.00-40.05, 40.00-30.05, 30.00-20.05, 20.00-10.05, 10.00 or less, Not Scored
Y-axis: Percentage

VICTORIA UNIVERSITY | A NEW SCHOOL OF THOUGHT
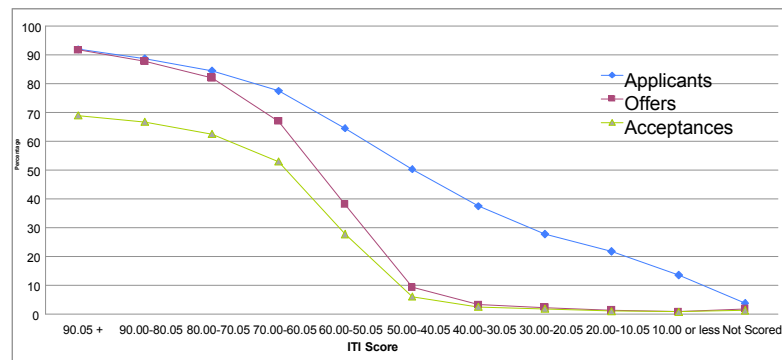
Who is it for - and does that help social inclusion?

- Many more people in 30 to 50 age range stimulate demand for 2nd 3rd etc awards and non award training
  - expectations for employees and the self employed increase
  - may not always need full awards – VE now, HE to grow
  - able to decide what is needed, meet the cost, monitor the value
  - on line and new alternatives to access learning
- Other older workers, unskilled, need to get skills
  - challenging group, need to develop learning skills
  - less able to decide what is needed, meet the cost, monitor the value
- School leavers are not dying out
  - 30% attend university immediately after school and 24% attend VE
  - 46% who are not but many of those will do so over the following years
  - 87% of people by 25 have enrolled in higher or vocational education
- Social inclusion is about fixing school outcomes imbalance and challenging rigid top down selection practices
  - a single system makes moving across levels of education more natural and reduces status stigma issues

VICTORIA UNIVERSITY | A NEW SCHOOL OF THOUGHT

What it means for a tertiary education and training system

- Continue to prepare the traditional post school group well
- Engage effectively more extensively with people who do not apply in the years after school
- Continued growth in second, third and subsequent awards (non award)

- People have:
  - have quite different requirements at different stages of life.
  - differing capacities to determine what is needed, choose which provider will best provide it, and pay for it
- Can we shape a system with common elements that yet supports those differences?

VICTORIA UNIVERSITY | A NEW SCHOOL OF THOUGHT

Underpinning elements

- Eligibility for Government funding
  - Cannot fund everyone
  - Education Learning Entitlement versus limit to higher award
    - set good limits
  - Extend to International students?

- Income support
  - relate to eligibility, income test

- Student Charges
  - National Education Loans Facility
  - Where the student is also being funded by Government the charge should be controlled and limited
  - Plus a full fee market with a limit to an individual's Government loan debt

VICTORIA UNIVERSITY | A NEW SCHOOL OF THOUGHT

Who provides what?

- Updated AQF as basis for awards
  - less hierarchy
  - potential extra awards (artisan)
  - include further education

- Providers
  - Approving an organisation initially course by course, offering by offering
  - Allowing organisations to take greater and then full responsibility for approving their own courses based on capacity, experience and trust
  - Organisations choose the needs they wish to service
    - TAFEs and degrees
    - University exceptionalism
  - Don't make typologies more than descriptive
  - Quality body to oversee adherence

VICTORIA UNIVERSITY | **A NEW SCHOOL OF THOUGHT**

Government funding and accountability

- Funding for outputs and outcomes (performance)
- Remove detailed input controls and reporting

- A way to fund by outcomes
  - There are no perfect measures
  - Any set of proxy measures will circle around the underlying outcome;
  - If the proxies are reasonably good different sets should produce similar results with the differences reflecting the approximate nature of the measures;
  - Changing the proxies regularly will tend to even out weaknesses
    - discourage universities from focusing on the proxy measures
    - encourage focus on what they think will deliver the best outcomes
  - Compare Learning & Teaching Performance Fund to research block grants

VICTORIA UNIVERSITY | **A NEW SCHOOL OF THOUGHT**

Towards a future resourcing system

Tier 1 is resources for product - having students
- Those with Learning Entitlement
  - Government funding to the provider (set by broad categories of level and field)
  - Government income support (likely subject to personal means test)
  - student payment at or up to set amounts (set by course level but not by field)
- Those without learning entitlement
  - Student payment on open market
  - Employer purchased courses
- Look for research equivalent

Tier 2 is funding tied to an assessment of outcomes (all providers)
- how well various objectives for a tertiary sector have been achieved
  - education quality (teaching and learning)
  - social inclusion
  - internationalisation
  - research quality
  - support for regional needs
  - engagement with industry

WWW.VU.EDU.AU

VICTORIA UNIVERSITY | A NEW SCHOOL OF THOUGHT

Overview

- An opportunity for significant reshaping tertiary education and training
  - a focus on common approaches to key questions
  - allowing for differences where needed
- Needed to meet future needs across the life cycle
- Governments should focus
  - regulation at ensuring providers are capable of what they offer
  - funding at the major outputs and outcomes achieved

WWW.VU.EDU.AU

VICTORIA UNIVERSITY | A NEW SCHOOL OF THOUGHT

Future students – initial award

- School leavers – who want more education and training
  - traditional market
  - greater capacity to choose provider but modest impact
- School leavers – who need to be persuaded
  - major target for the future:
    - keep them engaged
    - get in those who now avoid
- Older students seeking their first post school qualification
  - Will be less common in the future
  - Educational capacity will be lower

VICTORIA UNIVERSITY | A NEW SCHOOL OF THOUGHT

Future students – re-education

- Older students seeking renewal or upgrading of skills and change of career
  - Expectations of employees and the self employed increase
  - Population profile rebalances towards older age groups
    - more people aged thirty to sixty
  - the need to retrain older workers to retain them in the workforce intensifies

VICTORIA UNIVERSITY | A NEW SCHOOL OF THOUGHT