Overview

This seminar will be in workshop format and is tailored to those relatively new to the Australian higher education policy environment. It may also be of interest for those already familiar with these issues who are interested in revisiting some of the basics in an interactive workshop environment.

It is presented in two parts:

Section 1: Overview of Higher Education Policy and Practice in Australia

Section 2: Workshop exercise
Overview of Higher Education Policy and Practice in Australia

There are different ways of summarising salient aspects of educational systems.

- **Economic perspective** – Inputs and outcomes for educational systems
  - Generalizable across contexts
  - Focus on quantitative estimates and projections

- **Theoretical perspective** – The intersection of theory and practice
  - Focus on explanatory and, potentially, predictive power of theoretical accounts
  - Generalizable in different ways

- **This seminar will look at the intersection of policy and practice**
  - Takes account of both theoretical and economic perspectives and tests their assumptions through practical application – in this case with an emphasis on governance frameworks and stakeholder perspectives.

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Is there a ‘thesis’ to this?

I propose that in practice the nature of higher education systems largely comes down to three things:

- The kind of providers you can have;
- The kind of courses you can enrol; and
- Where the money comes from (and what you need to do to get it).
Section 1 - Overview of Australian Higher Education

Key elements:

- Relevant agencies
- Legislative and Regulatory Framework
- Program funding

Key processes:

- The policy cycle
Section 1- Overview of Australian Higher Education

Key elements:
• Relevant agencies
• Legislative and Regulatory Framework
• Program funding

Key processes:
• The policy cycle

Overview of Australian Higher Education

Legislative framework


Overview of Australian Higher Education

Other relevant legislation and guidelines:


- Others...

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**The Australian Qualifications Framework (AQF)**

Summary of Australian Higher Education Qualifications as per the AQF

<table>
<thead>
<tr>
<th>Biennium cycle</th>
<th>AQF Level</th>
<th>Aus. Qual. Description</th>
<th>Characteristics of attainment</th>
<th>Typical duration and prerequisites</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cycle 1</td>
<td>7</td>
<td>Bachelor (Honours)</td>
<td>Broad and coherent knowledge with depth in the underpinning principles and concepts in one or more disciplines.</td>
<td>3-4 years following a senior secondary certificate or with comparable evidence of academic ability and progression.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bachelor (graduate entry)</td>
<td></td>
<td>2-3 years following completion of a bachelor degree.</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>Bachelor Honours</td>
<td>Advanced knowledge in one or more disciplines, including research principles and methods. Ability to plan and execute independent research or project work.</td>
<td>1 year (may also be embedded in a bachelor degree as an additional year).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Graduate Certificate</td>
<td>Acquisitions and application of specialist and advanced knowledge and skills in a particular discipline or professional area.</td>
<td>0.5 to 1 year following a bachelor degree.</td>
</tr>
<tr>
<td></td>
<td>9</td>
<td>Graduate Diploma</td>
<td></td>
<td>1 to 2 years following a bachelor degree.</td>
</tr>
<tr>
<td>Cycle 2</td>
<td>Masters by Research</td>
<td>Knowledge of developments in a discipline or professional area, including research principles and methods. Planning and execution of a substantial piece of research.</td>
<td>Prior qualifications in the same discipline; 2.5 years following a level 7 qualification.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Masters by Coursework</td>
<td>Knowledge of developments in a discipline or professional area, including research principles and methods. Planning and execution of a substantial research project, repeat experience or place of scholarship.</td>
<td>Prior qualifications in a different discipline; 2 years following a level 7 qualification; 1.5 to 2 years following a level 8 qualification.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Masters (Extended) Doctorate by Coursework*</td>
<td>Extended knowledge of developments in a discipline and its professional practice, including research principles and methods. Planning and execution of a substantial research project, repeat experience or place of scholarship.</td>
<td>3-4 years following completion of a level 7 qualification.</td>
<td></td>
</tr>
<tr>
<td>Cycle 3</td>
<td>10</td>
<td>Doctoral Degree</td>
<td>Knowledge of a new field, including of research principles and methods. Presentation of cogently prepared original research for external examination against international standards.</td>
<td>3-4 years (prior completion of the equivalent of a level 9 or B9 qualification is a typical prerequisite).</td>
</tr>
</tbody>
</table>


* Qualification, unless otherwise stated is a level 7 qualification unless otherwise stated as a level 8 qualification.
Section 1 - Overview of Australian Higher Education

Key elements:

- Relevant agencies
- Legislative and Regulatory Framework
- Program funding

Key processes:

- The policy cycle
Australian Higher education program funding

This table shows the major higher education subsidies from the Australian Federal Government for 2010-11 (From Norton, 2012).

This summarised the main recurrent public subsidies to higher education excluding capital grants (which roughly amount to an additional $550 million) (for full details see Norton, 2012, p.35).

### Program funding - The Commonwealth Grants Scheme

The Commonwealth Grants Scheme (CGS) supports the provision of undergraduate and some coursework postgraduate higher education places for domestic higher education students.

Higher education providers listed in Table A of the Higher Education Support act (HESA) receive the majority of CGS funding. Each higher education provider receiving funds under the CGS must enter into a funding agreement with the Government (now known as ‘Compacts’). They must also meet a range of other conditions described under HESA.
Some related questions:
• **What is ‘base funding’?**
• **What is a ‘CSP’?**
• **What is a ‘demand driven’ system?**

In one sentence?

‘Base funding’ refers to funding for universities supported through the current Commonwealth Grants Scheme (CGS) in the form of Commonwealth Supported Places (CSPs), which from 2012 will be allocated to institutions on a ‘demand driven’ basis.

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More on base funding in a demand-driven system

• Base funding is delivered through what is effectively a tuition support framework through ‘CSPs’.
• ‘Base funding’ refers to funding for teaching and base research capability in ‘appropriately resourced’ facilities, and is therefore regarded as supporting teaching, research and capital development to an acceptable minimum standard system-wide.
• Given the current regulatory arrangements for student enrolments, this covers domestic undergraduate and some Commonwealth Supported coursework postgraduate places. It does not cover international students, fee paying coursework postgraduate or research higher degrees.
• A move to a ‘demand driven’ system therefore only applies to domestic undergraduate students, as CSPs are not used for research higher degrees, and both domestic coursework postgraduate and all international enrolments are effectively ‘demand-driven’ already, as they are both effectively deregulated.
• The CGS effectively uses student enrolments as an indicator for the resource needs of each institution. This has the effect of directing funding to institutions in line with scale, and lends some transparency to the relative proportion of the costs of education shared between students and the Australian Government.
### CGS funding via CSPs

The following table shows the total CSP amount payable to providers per EFTSL (including both Commonwealth contribution and maximum annual student contribution amounts).

<table>
<thead>
<tr>
<th>Band</th>
<th>Funding cluster</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Humanities</td>
<td>$10,816</td>
<td>$11,227</td>
<td>$11,654</td>
<td>$12,096</td>
<td>$12,556</td>
</tr>
<tr>
<td>3</td>
<td>Law, Accounting, Administration, Economics, Commerce</td>
<td>$11,286</td>
<td>$11,715</td>
<td>$12,160</td>
<td>$12,622</td>
<td>$13,102</td>
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<tr>
<td>1</td>
<td>Mathematics &amp; Statistics</td>
<td>$13,662</td>
<td>$14,181</td>
<td>$14,720</td>
<td>$15,279</td>
<td>$15,860</td>
</tr>
<tr>
<td>1</td>
<td>Behavioural Science, Social Studies</td>
<td>$14,790</td>
<td>$15,352</td>
<td>$15,935</td>
<td>$16,541</td>
<td>$17,169</td>
</tr>
<tr>
<td>1</td>
<td>Education</td>
<td>$15,160</td>
<td>$15,736</td>
<td>$16,334</td>
<td>$16,955</td>
<td>$17,599</td>
</tr>
<tr>
<td>1</td>
<td>Clinical Psychology, Foreign Languages, Visual and Performing Arts</td>
<td>$16,891</td>
<td>$17,533</td>
<td>$18,199</td>
<td>$18,891</td>
<td>$19,609</td>
</tr>
<tr>
<td>2</td>
<td>Computing, Built Environment, Other Health</td>
<td>$17,192</td>
<td>$17,845</td>
<td>$18,523</td>
<td>$19,227</td>
<td>$19,958</td>
</tr>
<tr>
<td>1</td>
<td>Nursing</td>
<td>$18,200</td>
<td>$18,892</td>
<td>$19,609</td>
<td>$20,355</td>
<td>$21,128</td>
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<tr>
<td>2</td>
<td>Allied Health</td>
<td>$19,293</td>
<td>$20,026</td>
<td>$20,787</td>
<td>$21,577</td>
<td>$22,397</td>
</tr>
<tr>
<td>1</td>
<td>Science</td>
<td>$20,503</td>
<td>$21,282</td>
<td>$22,091</td>
<td>$22,930</td>
<td>$23,802</td>
</tr>
<tr>
<td>2</td>
<td>Engineering Surveying</td>
<td>$24,033</td>
<td>$24,946</td>
<td>$25,894</td>
<td>$26,878</td>
<td>$27,900</td>
</tr>
<tr>
<td>2</td>
<td>Agriculture</td>
<td>$28,334</td>
<td>$29,411</td>
<td>$30,528</td>
<td>$31,688</td>
<td>$32,893</td>
</tr>
<tr>
<td>3</td>
<td>Dentistry, Medicine, Veterinary Science</td>
<td>$29,709</td>
<td>$30,838</td>
<td>$32,010</td>
<td>$33,226</td>
<td>$34,489</td>
</tr>
</tbody>
</table>

### CGS funding via CSPs

Maximum student contribution amount – Projections on current arrangements (per EFTSL)

<table>
<thead>
<tr>
<th>Band</th>
<th>Funding cluster</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Law, Accounting, Administration, Economics, Commerce</td>
<td>$9,425</td>
<td>$9,783</td>
<td>$10,155</td>
<td>$10,541</td>
<td>$10,941</td>
</tr>
<tr>
<td>1</td>
<td>Humanities</td>
<td>$5,648</td>
<td>$5,863</td>
<td>$6,085</td>
<td>$6,317</td>
<td>$6,557</td>
</tr>
<tr>
<td>2</td>
<td>Computing, Built Environment, Other Health</td>
<td>$8,050</td>
<td>$8,356</td>
<td>$8,673</td>
<td>$9,003</td>
<td>$9,345</td>
</tr>
<tr>
<td>1</td>
<td>Behavioural Science, Social Studies</td>
<td>$5,648</td>
<td>$5,863</td>
<td>$6,085</td>
<td>$6,317</td>
<td>$6,557</td>
</tr>
<tr>
<td>3</td>
<td>Mathematics &amp; Statistics</td>
<td>$4,520</td>
<td>$4,692</td>
<td>$4,870</td>
<td>$5,055</td>
<td>$5,247</td>
</tr>
<tr>
<td>1</td>
<td>Education</td>
<td>$5,648</td>
<td>$5,863</td>
<td>$6,085</td>
<td>$6,317</td>
<td>$6,557</td>
</tr>
<tr>
<td>2</td>
<td>Allied Health</td>
<td>$8,050</td>
<td>$8,356</td>
<td>$8,673</td>
<td>$9,003</td>
<td>$9,345</td>
</tr>
<tr>
<td>1</td>
<td>Clinical Psychology, Foreign Languages, Visual and Performing Arts</td>
<td>$5,648</td>
<td>$5,863</td>
<td>$6,085</td>
<td>$6,317</td>
<td>$6,557</td>
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<td>$6,085</td>
<td>$6,317</td>
<td>$6,557</td>
</tr>
<tr>
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<td>Engineering Surveying</td>
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</tr>
<tr>
<td>7</td>
<td>Science</td>
<td>$4,520</td>
<td>$4,692</td>
<td>$4,870</td>
<td>$5,055</td>
<td>$5,247</td>
</tr>
<tr>
<td>3</td>
<td>Dentistry, Medicine, Veterinary Science</td>
<td>$9,425</td>
<td>$9,783</td>
<td>$10,155</td>
<td>$10,541</td>
<td>$10,941</td>
</tr>
<tr>
<td>2</td>
<td>Agriculture</td>
<td>$8,050</td>
<td>$8,356</td>
<td>$8,673</td>
<td>$9,003</td>
<td>$9,345</td>
</tr>
</tbody>
</table>

Sources:

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Sources:
Proposed changes to CSP funding

Student Contribution Proportion of the total annual CSP payable per EFTSL Based on Lomax-Smith Recommendation 23 (Lomax-Smith, 2011).

<table>
<thead>
<tr>
<th>Band</th>
<th>Funding cluster</th>
<th>Commonwealth (60%)</th>
<th></th>
<th></th>
<th></th>
<th>Student (40%)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Curr contrib</td>
<td>change</td>
<td>impact</td>
<td>Curr contrib</td>
<td>change</td>
<td>impact</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Humanities</td>
<td>48%</td>
<td>+12%</td>
<td>+26%</td>
<td>52%</td>
<td>-12%</td>
<td>-23%</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Law, Accounting, Administration, Economics, Commerce</td>
<td>16%</td>
<td>+44%</td>
<td>+264%</td>
<td>84%</td>
<td>-44%</td>
<td>-52%</td>
<td></td>
</tr>
<tr>
<td>Nat Priority</td>
<td>Mathematics &amp; Statistics</td>
<td>67%</td>
<td>-7%</td>
<td>-10%</td>
<td>33%</td>
<td>+7%</td>
<td>+21%</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Behavioural Science, Social Studies</td>
<td>62%</td>
<td>-2%</td>
<td>-3%</td>
<td>38%</td>
<td>+2%</td>
<td>+5%</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Education</td>
<td>63%</td>
<td>-3%</td>
<td>-4%</td>
<td>37%</td>
<td>+3%</td>
<td>+7%</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Clinical Psychology, Foreign Languages, Visual and Performing Arts</td>
<td>67%</td>
<td>-7%</td>
<td>-10%</td>
<td>33%</td>
<td>+7%</td>
<td>+20%</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Computing, Built Environment, Other Health</td>
<td>53%</td>
<td>+7%</td>
<td>+13%</td>
<td>47%</td>
<td>-7%</td>
<td>-15%</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Nursing</td>
<td>69%</td>
<td>-9%</td>
<td>-13%</td>
<td>31%</td>
<td>+9%</td>
<td>+29%</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Allied Health</td>
<td>58%</td>
<td>+2%</td>
<td>+3%</td>
<td>42%</td>
<td>-2%</td>
<td>-4%</td>
<td></td>
</tr>
<tr>
<td>Nat Priority</td>
<td>Science</td>
<td>78%</td>
<td>-18%</td>
<td>-23%</td>
<td>22%</td>
<td>+18%</td>
<td>+81%</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Engineering Surveying</td>
<td>67%</td>
<td>-7%</td>
<td>-10%</td>
<td>33%</td>
<td>+7%</td>
<td>+19%</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Agriculture</td>
<td>72%</td>
<td>-12%</td>
<td>-16%</td>
<td>28%</td>
<td>+12%</td>
<td>+41%</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Dentistry, Medicine, Veterinary Science</td>
<td>68%</td>
<td>-8%</td>
<td>-12%</td>
<td>32%</td>
<td>+8%</td>
<td>+26%</td>
<td></td>
</tr>
</tbody>
</table>

Sources:

Proposed changes to CSP funding

Proportion of University Revenue From Student Fees (from Norton, 2012)

Up-front fees (International)

Student Loans

Up-front fees & contributions (Domestic)

Note: Does not include ‘other fees and charges’
Source: DEEWR (1998-2011)
Section 1- Overview of Australian Higher Education

Key elements:
- Relevant agencies
- Legislative and Regulatory Framework
- Program funding

Key processes:
- The policy cycle

Phases in the policy cycle
The policy cycle - Policy announcements

There are three main ‘triggers’ for policy announcements:
• Federal election campaigns (roughly every 3+ years)
• Federal Budgets (annually each May)
• The release of a report from a review

Federal election campaigns
Broad policy undertakings (such as calls for an ‘education revolution’) are much more likely to feature in election campaigns than detailed policy announcements. Substantive reforms are therefore more likely to be announced in response to the report of a review, or to coincide with the annual Federal Budget.

The policy cycle - Budget announcements

The Budget Challenge:
The challenge of balancing the responsible management of the business of Government with the political imperative to strike a chord with the electorate (or segments thereof) through funding things (😊) or not funding things ( оборонь ).

Tensions:
The need for ‘top-spin’: Responsible management vs. ‘shock and awe’ budget announcements.

Drivers:
• Stated policy priorities of Government
• Political risk appetite
• Electoral environment
• Economic outlook
• Impact of previous policies
• Success of policy influencers

And of course, the over-arching political imperative: re-election
The policy cycle - Budget announcements

“Tough Budgets” are definitely in vogue;

Wayne Swan 2008-curr
Peter Costello 1997-2007
John Dawkins 1991-1993
Paul Keating 1983-1991

John Howard 1977-1983
Phillip Lynch 1975-1977
Jim Cairns 1974-1975

perhaps they never went out of style....

The policy cycle - Budget announcements

• The Australian Federal Budget has become the most prominent means for translating policy into programs.

• It’s also the principle means of adjusting or renewing existing programs, and is also used for responding to major reviews.

• Budget announcements are sometimes represented as new commitments where they are in fact repackaged programs, rebranded schemes or existing programs renewed under a different name.

• There is therefore limited scope for “out of the blue” Budget announcements, as in practice there may be implementation problems where there is poor alignment between announcements and existing policies and programs.
Phases in the policy cycle

- Review
- Announcement
- Implementation
- Consultation

The main stakeholders in higher education reform include:

- Education Minister
- Government Department(s) and other agencies
- Opposition parties
- Higher education providers
- Representative organisations
  - University lobby groups
  - Staff union
  - Student associations
- Media outlets
### All Higher Education Providers in Australia

**Higher Education Enrolments 2001 – 2009 by accreditation status and group**

![Bar chart showing enrolments by accreditation status and group from 2001 to 2009.](chart.png)


### Higher Education Providers in Australia ‘Listed’ in HESA

**Table A providers:**

<table>
<thead>
<tr>
<th>Central Queensland Uni.</th>
<th>Monash University</th>
<th>The University of Queensland</th>
<th>University of Southern Queensland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charles Darwin University</td>
<td>Murdoch University</td>
<td>The University of Sydney</td>
<td>University of Tasmania</td>
</tr>
<tr>
<td>Charles Sturt University</td>
<td>Queensland University of Tech</td>
<td>The Uni. of Western Australia</td>
<td>University of Technology, Sydney</td>
</tr>
<tr>
<td>Curtin University of Tech</td>
<td>Royal Melbourne Institute of Tech</td>
<td>University of Ballarat</td>
<td>University of the Sunshine Coast</td>
</tr>
<tr>
<td>Deakin University</td>
<td>Southern Cross University</td>
<td>University of Canberra</td>
<td>University of Western Sydney</td>
</tr>
<tr>
<td>Edith Cowan University</td>
<td>Swinburne University of Tech</td>
<td>University of Newcastle</td>
<td>University of Wollongong</td>
</tr>
<tr>
<td>Griffith University</td>
<td>The Australian National University</td>
<td>University of New England</td>
<td>Victoria University</td>
</tr>
<tr>
<td>James Cook University</td>
<td>The Flinders University of SA</td>
<td>University of New South Wales</td>
<td>Australian Catholic University</td>
</tr>
<tr>
<td>La Trobe University</td>
<td>The University of Adelaide</td>
<td>University of South Australia</td>
<td>Batchelor Inst. of Indigenous Tertiary Ed</td>
</tr>
<tr>
<td>Macquarie University</td>
<td>The University of Melbourne</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table B providers:**

- Bond University
- The University of Notre Dame Australia
- Melbourne College of Divinity

**Table C providers:**

- Carnegie Mellon University (a non-profit organisation established under Pennsylvania law)
- University College London (a non-profit organisation established under United Kingdom law)

Phases in the policy cycle

- Review
- Announcement
- Implementation
- Consultation

Australian Government Higher Education and Related Agencies

Phases in the policy cycle

- Review
- Announcement
- Implementation
- Consultation

The role of review in the policy ‘pipeline’

<table>
<thead>
<tr>
<th>Short Title</th>
<th>Announced Date</th>
<th>Reported Report</th>
<th>Date</th>
<th>Gov Response</th>
<th>Date</th>
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<tbody>
<tr>
<td>CRC Review</td>
<td>22/01/2008</td>
<td>Collaborating to a Purpose</td>
<td>5/08/2008</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Migration Disability Inquiry</td>
<td>13/10/2009</td>
<td>Enabling Australia</td>
<td>21/06/2010</td>
<td>(pending)</td>
<td></td>
</tr>
<tr>
<td>ESOS Re-Registration Bill</td>
<td>20/08/2009</td>
<td>Final Report</td>
<td>16/10/2009</td>
<td>Bill passed</td>
<td>22/02/2010</td>
</tr>
</tbody>
</table>

Phases in the policy cycle

Section 1- Overview of Australian Higher Education

Key elements:
• Relevant agencies
• Legislative and Regulatory Framework
• Program funding

Key processes:
• The policy cycle
Section 1- Overview of Australian Higher Education

Conclusion:

In practice - the nature of higher education systems comes down to three things:

• The kind of providers you can have;
• The kind of courses you can enrol; and
• Where the money comes from (and what you need to do to get it).

Overview

This seminar will be in workshop format and tailored to those relatively new to the Australian higher education policy environment. It may also be of interest for those already familiar with these issues who are interested in revisiting some of the basics in an interactive workshop environment.

It is presented in two parts:

Section 1: Overview of Higher Education Policy and Practice in Australia

Section 2: Workshop exercise
Section 2: Workshop exercise

1. Go around your table and introduce yourselves to one-another, and perhaps outline your experience with higher education systems (i.e. where you may have studied or worked).

2. Open the envelopes on your table and review the instructions.

Rules
• Each participant must assume at least one role (but may hold more than one).

Materials
• Role Summary
• Scenario overview and objectives
• Option cards

Objective
• Your objective is to collect option cards that match with your objectives. Objectives are scored and the group with the highest score wins.
Section 2: Workshop exercise

Evaluation:

• What were the key conclusions from the perspective of your stakeholder group?

• To what extent did the way that scenario unfolded fit with your experience of higher education systems? How was it different?

Australian Higher Education Policy and Practice

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