



Jon Stanhope MLA

CHIEF MINISTER

MINISTER FOR TRANSPORT MINISTER FOR TERRITORY AND MUNICIPAL SERVICES

MINISTER FOR BUSINESS AND ECONOMIC DEVELOPMENT

MINISTER FOR INDIGENOUS AFFAIRS MINISTER FOR THE ARTS AND HERITAGE

MEMBER FOR GINNINDERRA



The Honourable Senator Fiona Nash
Chair
Senate Rural and Regional Affairs and Transport References Committee
Parliament House
CANBERRA ACT 2600

Dear Senator Nash

Thank you for your letter of 21 September 2009 regarding the *Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009* [Bill].

The ACT supports the changes to income support arrangements outlined in your letter. I note that the amendments broadly reflect the direction of the ACT Government's submission to the *Bradley Review of Australian Higher Education (Bradley Review)*. A copy of ACT's Submission to the *Bradley* is attached, for your information.

The extension of income support to low wage earning apprentices is particularly pleasing. The ACT Government welcomes initiatives to increase the pay of Australian Apprentices which should have a positive impact on the take-up rate. The ACT Government is also supporting ACT Australian Apprentices who are at risk of losing their jobs as a result of the economic downturn through the *ACT Out of Trade Register*. This service provides advice to Australian Apprentices and employers on ways to continue employment and off the job training and retains workers.

Registered Training Organisations in the ACT are also funded to support Australian Apprentices who would not otherwise be successful in their studies. This includes additional support in areas such as literacy and numeracy.

I welcome the opportunity to provide input and look forward with interest to the outcomes of the Rural and Regional Affairs and Transport References Committees' Inquiry.

Yours sincerely

Jon Stanhope MLA
Chief Minister

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Andrew Barr MLA

MINISTER FOR EDUCATION AND TRAINING
MINISTER FOR CHILDREN AND YOUNG PEOPLE
MINISTER FOR PLANNING
MINISTER FOR TOURISM, SPORT AND RECREATION

MEMBER FOR MOLONGLO

The Hon Julia Gillard MP
Minister for Education
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Minister

Thank you for your letter of 22 December 2008 seeking a response to the Final Report of the Review of Australian Higher Education prepared by the review panel chaired by Emeritus Professor Denise Bradley. I welcome the opportunity to comment on the Report at this stage. My comments are informed by consultations with ACT tertiary education stakeholders.

The ACT is supportive of the attention that the Australian Government is giving to the higher education sector through the Review of Higher Education. The ACT shares the Review's vision of a diverse and high quality tertiary education sector which promotes increased access for a range of Australians.

The ACT strongly supports the notion of assessment of students' individual financial circumstances for funding support strategies and for data collection on students. The previous reliance on student home postcodes to determine their socioeconomic status impacted negatively on Canberra universities. Because people of low socio-economic status tend to be spread across postcodes in the ACT, individual students with low socioeconomic status are not counted in access statistics. This has an impact on access indicators and funding levels for student access in ACT universities.

The ACT agrees with the Bradley Review vision for enhancing the international profile of Australian tertiary education and welcomes strategies which can enhance the provision and quality of international programs. However, the proposal for consistent policies for school-fee waivers for dependents of international research students would have funding implications for the ACT Government. These fees are not currently waived and ACT universities, particularly the Australian National University, have a relatively high proportion of international research students.

The Bradley recommendation for a review of the Australian Qualifications Framework (AQF) is also endorsed because there is an urgent need for a reconceptualisation of qualifications especially at the Masters level, where there is some ambiguity.

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The ACT supports a rigorous, evidence-based approach to reform and is concerned that the Review process as indicated by the Final Report has not always provided adequate evidence for some of its recommendations and sometimes fails to effectively analyse assumptions made. For example, there is an assumption that a tertiary authority at a national level will enhance registration, accreditation and quality assurance of tertiary education. Our experience, and that of our colleagues in other jurisdictions, is that extensive work completed on National Protocols and in harmonising procedures and quality assurance enhances quality and consistency. Consultations and decision making by such groups as the Joint Committee on Higher Education, the National Protocols Working Group and the Higher Education Recognition Officers enhance quality by promoting opportunities for collaboration between jurisdictions at Australian Government and state and territory levels. The ACT contends that this work should be completed before alternative strategies, including a national authority, are considered.

In addition, the case that a market driven funding system for tertiary education would promote educational outcomes for students has not yet been made. The ACT has consistently promoted a tertiary education planning system which promotes diversity in institutions permitting local and regional strategies and institutional collaborations to respond effectively to labour and industry priorities. This is supported by the 2008 Australian Government's Cutler Report into Innovation which suggests policy priority for innovation '*at the point where business enterprises and workplaces engage with their markets and customers*'. This implies that tertiary sector innovation can be most effective if engaged in at the institutional level where educational providers can engage more effectively with stakeholders including industry and students. A market driven funding system based on student choice would be counterproductive to a planned approach.

For tertiary education to effectively meet labour and industry needs and priorities requires an effective consultation processes. A more centralised tertiary education system is at risk of receiving advice only from major stakeholders. This could lead to local and regional stakeholder opinions and interests being underrepresented in decision making.

The ACT has many concerns, in common with other jurisdictions and tertiary education stakeholders, about the roles of states and territories in the planning, provision and governance of tertiary education in a Bradley Review model. The new model proposes a much more dominant role for the Australian Government, setting aside the current federated structure, without building in positive elements of the existing system such as the capacity for local and institutional initiatives to respond to local priorities.

The Bradley Review proposals for quality, governance and regulation similarly reduce the roles of the state and territory jurisdictions without evidence that collaborative relationships on regulation and governance are not currently effective. The ACT is also concerned that it would be difficult for a single authority to take responsibility for both regulation and quality assurance across multiple sectors of VET, and higher education including university and non self-accrediting institutions. The regulation and quality assurance functions have fundamental differences in that regulation makes decisions based on minimum standards while quality assurance promotes and supports high quality operations. Conflicts of interest can result when the regulation and quality assurance functions rest with a single authority. In addition, the considerable contribution, often made 'in kind' by local academic professionals, to the process of accreditation and registration could easily be lost if the functions were centralised in a national authority.

The ACT has long supported the principle of a 'tertiary education' system which combines the vocational education and training (VET) and higher education sectors. The establishment of a Ministerial Council for decision making across the sectors is an important element of this system. However, such elements operating at a macro level need to support, rather than prescribe, institutional and local partnerships to promote tertiary education initiatives and pathways for students.

The ACT strongly supports the Bradley initiatives to promote diversity of the student population through increasing target groups' access to higher education. The national targets of a bachelor qualification for 'mature' aged students and increased participation of low socioeconomic status are commendable. However, the upskilling and reskilling of older workers (35 +) are ignored and they have a high need for skills, especially in the current economic climate. Any initiatives to promote access will need to manage the risk that setting specific numerical targets can result in institutions merely recruiting directly from the target groups and/or possibly lowering university entry scores in order to meet those targets. Such a strategy will not serve the needs of either students or institutions, resulting in failure because students are unprepared for academic studies and necessitating increased expenditure on institutional student support systems. Outcomes which emphasise greatest support for educational pathways across VET and higher education providers could minimise this risk by ensuring that students are more likely to have the prerequisite academic skills for tertiary study.

ACT tertiary education providers and business and community stakeholders, while supportive of increased and equitable access to education, are universally and clearly opposed to a funding system for tertiary education based on a 'voucher' concept for students. Apart from conflicting with a planned approach which takes account of professional and skills priorities at a national and local level, such a system appears to favour higher education providers in metropolitan areas where student demand is high because of population density.

Several of the Bradley Review recommendations would benefit from more clarification and information before a considered comment can be provided. For example, Recommendations 33-36 in regard to funding and tuition fees imply that further research is required into specific options and approaches to levels of fees, the balance of fees across students and disciplines and the levels of public funding versus fee income. However, this research would become redundant were a student market driven approach to funding introduced.

I look forward to the response by the Australian Government to the Review and further consultations on strategies to address the Review recommendations.

Yours sincerely

Andrew Barr MLA
Minister for Education and Training