



Pre-Budget Submission 2022

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2022 Pre-budget submission

As Australia's oldest regional university with a long tradition of multi-modal higher education, the University of New England is recommending five policy and funding initiatives for the 2022-23 Budget to support Australia's regions and the resilience of higher education as a vital export market for the nation. These recommendations are informed by our history as the founding beacon university to regional Australia and our ongoing commitment to serve these communities through our decadal strategic plan, [Future Fit 2021-2030](#), which provides a blueprint for engagement and growth with our communities locally, nationally and internationally.

Australia-wide drought, fire, floods and the COVID-19 pandemic have resulted in major upheavals to our way of life as individuals, the social fabric of our towns and cities and local, regional and national economies. Regional, rural and remote Australia has borne the brunt of many of these which have highlighted some significant shortfalls and risks in terms of both economic and social resilience and preparedness. Provided policy settings are tailored to support and reinvigorate education as a key driver for the ongoing development of Australia and its regions as a thriving knowledge-based economy, there is a real opportunity for recovery, recalibration and growth.

Moving into the upcoming Budget cycle UNE offers the following policy themes for consideration:

1. Diversity in Higher Education

- Support for Regional Education Commissioner
- Recognising Diversity

2. Workforce of the Future

- Support for the University-Industry collaboration in teaching and learning
- Incentives for regional place-based employers to support the re-skilling and up-skilling of staff from sub-degree to industry-based research qualifications
- Tax and HECS-HELP incentives for regional students who study in community

3. Regional Economic Activation

- Investment in STEM infrastructure across regional Australia to develop and capture the economic benefits to regional communities through research impact and commercialisation

4. Social impact

- Reducing regional health inequity

5. International Reach

- Support for elements of the Australian Strategy for International Education 2021-2030
- Minimising risk

1. Diversity in Higher Education

Consideration must be given to the unique higher education and post-secondary needs of regional Australia as we look to a phase of post-pandemic economic recovery.

The Commonwealth's Napthine Review¹ identified that individuals from regional, rural and remote (RRR) areas are "less than half as likely to gain a bachelor and above qualification by the time they are 35 years old, compared to individuals from metropolitan areas" and recommended the goal to half this disparity is the central target of the Commonwealth's National Regional, Rural and Remote Tertiary Education Strategy. The inability of the status quo to meet the needs of current communities indicates that regional economies and communities have distinct education and training needs which may be impeded by current policy settings.

Support for the Regional Education Commissioner

UNE commends the Commonwealth on the appointment of the Hon. Fiona Nash as the inaugural Regional Education Commissioner, and is pleased to see that this role has a particular mandate to encourage post-secondary study in the regional areas as part of the response to meeting regional need.

Recognising Diversity

UNE would urge the Commonwealth to ensure that higher education and research funding take into consideration the nuance of regional economies and communities in terms of access, impact and development priorities.

From our engagement with our communities UNE is aware that in many regional communities the focus is on building ambition, aspiration and pathways into higher education, an endeavour which is often intergenerational in nature. Our potential students are often less prepared for higher education than those that attend our metropolitan counterparts, are often mature age, working in some capacity and studying online – all risk factors for attrition, progression, and completion. As noted in the Review of Regional, Rural and Remote Tertiary Education² identified equity groups, including low socioeconomic status (SES) students, Indigenous Australians, students with disability and those from more remote areas, require additional support due to the cumulative challenges they face, which impact on their learning³.

Whilst UNE supports the Government's allocation of additional CSP and Indigenous, Regional and Low SES Attainment Fund allocations to meet the recognised need to improve participation rates in regional communities, the current allocation does not go far enough in meeting the demand for access to government supported higher education.

Recommendation 1: *Request tied CSP to RRR and equity group participation in recognition of the diverse student base and needs of regional communities.*

In addition, access to knowledge and training through contemporary coursework leading research universities are a critical asset for urban and regional economies, but research has found that this in itself is not sufficient to stimulate industry/university research and commercialisation. Regional employers and industries with the capacity to co-invest in research are 'thinner on the ground' than in peri-urban and metropolitan areas and are often disadvantaged by distance between industrial knowledge bases and need³, limiting valuable knowledge exchange and collaboration.⁴

Recommendation 2: *To ensure that high-impact research continues to deliver positive outcomes for all Australians, and in particular to effect change across our regional economies, UNE urge that the Commonwealth ensure that regional universities are not disadvantaged in terms of the measurement of impact and outcomes by criteria which overlook the needs and priorities of Australia's regional communities.*

1 Review of Regional, Rural and Remote Tertiary Education

2 [National Regional, Rural and Remote Tertiary Education Strategy - final report - Department of Education, Skills and Employment, Australian Government \(dese.gov.au\)](#)

3 [Advancing regional innovation systems - What does evolutionary economic geography bring to the policy table](#)

4 [Location, Competition, and Economic Development: Local Clusters in a Global Economy](#)

2. Workforce of the Future

Remote and dispersed workforce models and automation have changed the nature of not only individual roles, but also of many sectors. In order to ensure that current and future generations of Australians continue to enjoy the benefits of a strong and resilient economy our workforce needs to be empowered to seek new skills and knowledge in a flexible and responsive manner.

Regional universities play a crucial role in developing the workforce of the future in regional communities, nationally and internationally. The Economic Impact of the Regional Universities Network (RUN) analysis undertaken by The Nous Group⁵ found that RUN member universities secure 11,300 jobs and increased real wages by 1.3 per cent in their regional campus areas, and 69 per cent of RUN graduates educated in regional campuses stay to work in regional Australia, and increases undergraduates' earnings by \$235,000 over their lifetime.

In spite of this contribution, finances continue to be an impediment for many regional students and equity groups with unfavourable finances "identified as an impediment to equity groups accessing higher education, both in terms of direct costs such as tuition fees and significant opportunity costs associated with foregone earnings from reduced participation in the labour".⁶

Support for the University-Industry collaboration in teaching and learning

In principle, UNE supports the recently released review University-Industry collaboration in teaching and learning which highlights the need for change, a new approach to post-secondary education in Australia, and the need to respond flexibly to the post-pandemic stressors on the national and global economy by the way of a joined-up approach to post-secondary workforce skills development. Indeed, the responses to the COVID-19 pandemic have reshaped the way in which the Australia workforce functions at both a micro and macro level. UNE supports the extension of short course funding to include a wider range of micro credentials on an ongoing basis.

Incentives for regional place-based employers to support the re-skilling and up-skilling of staff from sub-degree to industry-based research qualifications

In a tight fiscal environment UNE recognises that the burden of cost of higher education needs to be shared between individuals, industry and government. Adding to the pool of CSP, outside of tied allocations is potentially not the only answer.

Recommendation 3: *UNE suggests that the Government consider expanding incentives to empower employers to upskill their existing workforce in order to meet regional jobs challenges – at all AQF levels. Such a model for workforce development would require thinking beyond a school-leaver service model, it should retain a place-based focus and could be facilitated through a scheme of industry incentives and levies.*

3. Regional Economic Activation

Significant investment in regional capacity to undertake vital research is needed, to ensure that the needs of regional communities and economies are met with appropriate, evidence-based solutions. In 2021, UNE commenced the consultation and development of [New England North West \(NENW\) STEM Quarter \(STEM_Q\)](#), a unique multi-port regional STEM 'precinct without walls'. Maximising value by encouraging industry-university co-location has been shown to generate significant benefits in terms of research commercialisation, and industry co-investment in research.⁷ UNE proposes a new model of networked regional and rural precincts, and urges the Commonwealth to consider such model under the National Research Infrastructure Investment Plan, and to

5 [Economic Impact of the Regional Universities Network](#), Regional Universities Network

6 [Work and further study after university degree completion for equity groups](#)

7 [Australian Universities: Creating Successful Precincts](#), PWC, May 2019, accessed 10 January 2022.

consider incentivising industry to co-locate with regional universities. A prime example of the benefits of industry collocation and collaboration is the research conducted in partnership with NSW DPI and Meat and Livestock Australia on animal genetics which has been commercialised by UNE and built into genetic selection software tools, which are being applied by breed societies around the world. The application of “Breedplan” has resulted in an improvement in global herd productivity estimated at \$1.18 billion.

Recommendation 4: *UNE suggests that the Government expand investment in STEM infrastructure across regional Australia to develop and capture the economic benefits to regional communities through research impact and commercialisation.*

4. Social Impact

The health challenges and inequities of RRR residents are well documented and the need for new models of place-based health care has been well argued. The development and implementation of a new adaptive health care model requires both workforce development and technology adaptation; the University of New England (UNE) and partners are seeking funding to extend the pilot of the New England Virtual Health Network (the NEViHN), an innovative model of education and healthcare which addresses these issues. The NEViHN is a transformative solution to the ‘rural doctor crisis’, which will see the development of education, training and translational research to advance improved health education, health outcomes and clinical research opportunities in RRR communities. The “niche” toolkit utilized by the NEViHN offers an integrated healthcare solution that digitally connects and interconnects patients to healthcare tools and services, affords secure patient data sharing pathways for online patient management, and emergency support at any time, from any location. It will incentivise greater collaboration and positive connections between university, business, local community and industry, to drive innovation and commercialisation and deliver positive outcomes for community. NEViHN will transform the health system in RRR Australia.

5. International Reach

UNE is supportive of the Government’s refocusing of international education, with scope for universities to diversify their education offerings into online and offshore delivery. Embracing digital delivery as a central component of our approach to international education will position Australian education providers as being able to deliver teaching and learning and student services that provide students with the flexibility to study with an Australian university in the way that best suits their personal circumstances. It will also enable Australian providers to maximise their investment in educational technologies and new delivery models that support domestic delivery.

In our response to the consultation paper *Connected, Creative, Caring: Australian Strategy for International Education 2021-2030* UNE outlined a number of ways Government could assist in the transition to diversification of the international student market for Australian providers. Transnational education (TNE) in particular requires upfront investment in physical infrastructure and/or education technology in often risky, highly regulated in-country environments with a cost structure that is not conducive to attractive returns on investment. TNE/online offshore can be expensive and needs continuous improvement for a quality student experience. It is a longer-term strategic option to supplement traditional modes of delivery.

Recommendation 5: *UNE recommends consideration of a collaborative approach to growth in TNE through supporting Australian micro-campus hubs and a streamlined approach to accreditation of micro-campuses and facilitated in country regulatory approvals. Regulatory barriers for online/TNE in various markets will be a significant hurdle for Australian universities to overcome without government assistance.*

UNE would welcome further discussion on any of the above. Please contact Vice-Chancellor and CEO, Prof Brigid Heywood vc@une.edu.au



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