

COMMONWEALTH DEPARTMENT OF
TRANSPORT AND
REGIONAL
DEVELOPMENT

Our Reference: G97/0104

Your Reference:

Contact: Adrian Browne
(02) 6274 8015

Mr Roderick West
Committee Chair
The Review of Higher Education Financing and Policy
Location Code 728
GPO Box 9880
CANBERRA ACT 2601

Dear Mr West

In its policy discussion paper *Learning for Life*, the Higher Education Financing and Policy Review Committee asked for interested parties to provide comments to the Committee.

The Department of Transport and Regional Development is pleased to provide the attached submission in response to the policy discussion paper.

Yours sincerely

Stephen Hunter
Acting Executive Coordinator
Regional Development, Territories and Local Government
22 December 1997

DEPARTMENT OF TRANSPORT AND REGIONAL DEVELOPMENT

Further Submission to the Review of Higher Education Financing and Policy

HIGHER EDUCATION AND REGIONAL AUSTRALIA

The focus of this submission is on the conclusions contained in Appendix 12 to *Learning for Life*, the policy discussion paper released by the Review of Higher Education Financing and Policy.

Appendix 12 is a paper titled *Assessing the Economic Contribution of Regional Universities* commissioned by the Review and prepared by the Centre for International Economics.

The paper recognises that regional universities provide substantial economic benefits to the regions in which they are located. The Department of Transport and Regional Development believes that this should be a prime consideration in any examination of options for the financing of higher education teaching and research, and for providing Commonwealth funding to higher education institutions for these purposes.

Assessing the Economic Contribution of Regional Universities states that "regional universities provide economic benefits to the regions in which they are located -through a stimulus to income, output and employment in the regions".

In assessing the social and cultural effects of regional universities the paper identified that regional universities contribute to:

- more equitable access to education;
- more equitable distribution of Commonwealth spending on infrastructure;
- population retention in the regions; and
- improved income in the regions with universities.

The Department supports these conclusions.

The issue of access for regional students to higher education has two components: the total number of tertiary places available; and the location of tertiary institutions in regional Australia. Regional universities and other higher education providers help to address each of these elements, not only by increasing the total number of student places available, but also by making places available in locations where there is demand. This has served to improve the equity of service provision across the sector, and is one of the greater achievements of the growth of tertiary education in Australia.

The Department of Transport and Regional Development recognises that by funding most university places the Commonwealth has a key role in the provision of tertiary education and, by implication, the locational availability of tertiary student places.

Providing student places in regions helps to reduce the depopulation of regions, and contributes to the retention of income and purchasing power within regions. The retention of this economic activity, and the intellectual base provided through regional universities, can also help to ameliorate the perception that regions are in decline and are therefore not an attractive investment location. International best practice in regional economic development highlights that the most successful regions are those that have a strong tertiary base focussed on enhancing the region's competitive advantage.

The benefits of regional higher education institutions are such that economic and social development in regional Australia could be severely harmed if the tertiary sector was to significantly reduce its current level of involvement in regional economies and communities.

In addition to the direct government funding, universities also attract student and visitor expenditure. Appendix 12 concluded that for these reasons "it is difficult to think of any government activity that could deliver as big a 'bang per buck' of government spending for the region."

Given that there "is no prima facie evidence that the regional universities are any less, or more, efficient in delivering their product - research and education - than metropolitan universities" and that there "are few if any government activities that would be able to better universities in delivering a positive impact to a regional economy", the Department supports the conclusions of Appendix 12 on the important role played by universities in regional Australia.

DEPARTMENT OF TRANSPORT AND REGIONAL DEVELOPMENT

Submission to the Review of Higher Education Financing and Policy

HIGHER EDUCATION AND REGIONAL AUSTRALIA

Introduction

The focus of this submission is on themes one, two and four of the submission guidelines established by the Review of Higher Education Financing and Policy Committee:

- "The Role of Higher Education in Australia's Society and Economy;
- Factors Affecting the Demand for and Provision of Higher Education over the next 10 to 20 years;
- and Financing Higher Education teaching and research training."

It looks at the role of higher education in regional Australia, a role that is both diverse and significant. The submission also identifies the specific needs of regional and rural students in accessing higher education, and addresses the possible effects of changes in funding arrangements in the sector.

Essentially, regional universities and other higher education providers give better access to regional and rural students, assist regional and rural industry with research and development, and play a great part in the social and cultural life of regional areas. It is important that this role is acknowledged, reinforced, and maintained in future for the betterment of regional Australia. The barriers to access of higher education services by regional Australian's are a continuing concern and should be further addressed.

1. THE ROLE OF HIGHER EDUCATION IN AUSTRALIA'S SOCIETY AND ECONOMY

Background

With the increase in numbers of students enrolling in higher education, and a growth in the number, size and standing of regional universities there have been changing perceptions within regional communities regarding higher education. No longer are educational and social disadvantages accepted as inevitable and regional and rural students are increasingly aware of their right to access and succeed at higher education (National Board of Employment, Education and Training, 1996. p55).

The growth of the higher education sector in regional Australia has been rapid and an extensive coverage now extends across much of the nation. Various universities have established campuses in such diverse locations as Warnambool (Vic.), Townsville (Old.), Launceston (Tas.), Wagga Wagga (NSW) and Kalgoorlie (WA). This is a major achievement in social and cultural terms and significantly improves the economic prospects and quality of life in regional areas.

The Role Of Regional Universities Within Their Communities

A 1992 report of the Higher Education Council, *Achieving Quality*, stated that one of the principle purposes of higher education was "the application of knowledge and discoveries to the betterment of communities in Australia and overseas" (National Board of Employment, Education and Training, 1992). Regional universities in particular are achieving this goal by providing opportunities not otherwise available in those communities, through co-operative research with industry in regional areas, and by improving the cultural and economic capital of individuals and their communities.

The various regional differences within Australia are also reflected by the higher education system. Australian universities are not all alike, although all are centrally concerned with learning, and they have different regional roles and differing responsibilities. As a nation which has great geographical, social and cultural diversity, it is important to have a higher education system able to meet those distinct needs. Regional universities assist in this process by providing easier access and courses specifically relevant to their surrounding regions.

The issue of access for regional students to higher education has two components: the total number of tertiary places available; and the location of tertiary institutions in regional Australia. Regional universities and other higher education providers help to address each of these elements, not only by increasing the total number of student places available, but also by making places available in locations where there is demand. This has served to improve the equity of service provision across the sector, and is one of the greater achievements of the growth of tertiary education in Australia.

Regional universities are also major centres of employment within many regional centres. This has obvious flow on effects for regional economies, and can be an additional stimulus to growth. In addition regional universities, with their involvement in industry, commerce, public administration and culture can ensure that regional Australians keep pace with improvements in knowledge, skill and creativity in areas of importance. The benefits to surrounding communities, although difficult to measure, are significant in terms of economic prosperity and quality of life.

The links to local industry from higher education providers can be particularly strong. Initiatives such as the Co-operative Research Centres, of which 62 are established nationally, see universities and other providers work in partnership with industry to obtain mutual benefit.

While the investment of universities in regional areas is continuing, for example at Beechworth (Vic.) where La Trobe University has recently established a campus, there is no guarantee that this trend will continue. By funding most university places the Commonwealth has a key role in the provision of tertiary education. The benefits of regional higher education institutions are such that economic and social development in regional Australia could be severely harmed if the tertiary sector were to be forced to pull back from their current level of involvement by virtue of changes in Government funding.

II. FACTORS AFFECTING THE DEMAND FOR AND PROVISION OF HIGHER EDUCATION OVER THE NEXT 10 TO 20 YEARS

FLEXIBILITY

Many regions throughout Australia will experience considerable population growth throughout the next 10 to 20 years. Demand for higher education has also grown considerably right across Australia over the past decade, and much of this growth has come from regional and rural areas. As conditions change the provision of higher education must alter accordingly to accommodate the changing needs of the community at large. The higher education sector must be flexible enough to meet the challenges of change.

The Government is committed to ensuring that regional and remote communities have equitable access to services, including education. While the growth of new communications technologies for the delivery of education services may open up new possibilities for meeting the needs of students from remote areas, there are still deficiencies in communications services. For example certain communities do not have the necessary telecommunications infrastructure to access 'on-line' external courses, and individual families do not always have the financial means to obtain the necessary computer facilities, creating further barriers to accessing education services. Therefore while the use of such technologies may assist some isolated students, it must not be seen as a complete solution.

IV. FINANCING HIGHER EDUCATION TEACHING AND RESEARCH TRAINING

IMPLICATIONS OF FUNDING MECHANISMS - ACCESS AND EQUITY

Differing funding mechanisms have great implications for the access to higher education for regional and rural students, particularly those in isolated communities.

The Higher Education Council report *Equality, Diversity and Excellence: Advancing the National Higher Education Equity Framework* (1996) deals extensively with the experiences of students from rural and isolated backgrounds. They found that rural and isolated students were over-represented in only one field - Agriculture, and that the majority enrolled in sub-degree courses, possibly because of the predominance of associate diploma and diploma courses in the field of Agriculture. The question is also raised as to whether lower standards or subject choice in education at rural schools lead to them being less prepared for university study. Student support services become vital for such students. The higher patterns of external study in rural and isolated students, found to lead to lower retention rates, may indicate why they also tended to have a greater proportion of students withdrawing from higher education study (National Board of Education, Employment and Training, 1996. pp38-44).

It is important that students from regional Australia are encouraged to undertake higher education through specifically targeted programs or by altering existing entry mechanisms. It is also important for such students to be encouraged to participate in bachelor degree and higher level study, and to take on more diverse fields of study. A sufficient level of student support from institutions is necessary, particularly to ensure rural and isolated students make a successful transition to tertiary study, and programs to address the poorer retention rate of such students should be implemented.

The general trend towards the introduction of up-front fees is also a matter that requires examination. Current funding arrangements provide a reasonably equitable sharing of resources across the higher education system, and this balance should be retained in future. Moves to implement up-front fees may indeed produce positive effects for regional institutions and the education system as a whole. But full investigation of the impacts of introducing up-front fees in the tertiary sector are required, particularly in terms of their impact upon equity groups such as rural-and isolated students, and on regional communities where universities currently operate.

CONCLUSIONS

- The regional universities and higher education institutions of the nation need to be supported and nurtured as key agents for the economic, social and cultural development of regional Australia.
- Higher education must be flexible to the changing needs of Australian communities, reflected in population shifts and changes in demand at the regional level.
- The implementation of new technologies must be assessed, particularly in relation to distance education, and their implications for communities or individuals without the means to access 'on-line' services.
- The particular needs rural and isolated students have in accessing and participating in higher education need to be understood and addressed. Student support programs within institutions, and specific programs to encourage such students to undertake higher level study are required.
- The impact of the introduction of up-front fees in further sections of the higher education sector must be assessed in light of their implications for regional institutions and in turn the communities within which they are located.

Bibliography

Department of Education
Employment, Training and
Youth Affairs, 1996a

Higher Education in Australia, Australian
Government Publishing Service, Canberra.

Department of Education
Employment, Training and
Youth Affairs, 1996b

*Selected Higher Education Student Statistics,
1996 (Preliminary)*.

National Board of
Employment, Education
and Training 1996

*Equality, Diversity and Excellence: Advancing
the National Higher Education Equity Framework*
(National Board of Employment Education and
Training; Higher Education Council), Australian
Government Publishing Service, Canberra.

National Board of
Employment, Education
and Training 1992

Achieving Quality, (National Board of Education
Employment Education and Training; Higher
Education Council), Australian Government
Publishing Service, Canberra

[\[Return to Top\]](#) [\[Return to Index\]](#)