

Address at Universities Australia Annual Higher Education Conference

Wednesday 3 March 2010

Address by Ms Lisa Paul PSM

Thank you Professor Alan Robson for that introduction.

I'd like to begin by acknowledging the traditional owners of the land on which we are gathered, the Ngunnawal people, and to pay my respects to their elders, past and present.

Earlier this year the Prime Minister said that the next decade would be the Building Decade—a time we must aim to build, 'the best educated, best skilled, best trained workforce in the world.'

The importance of higher education to the future of Australia cannot be overemphasised, as highlighted in Parliament when the Deputy Prime Minister and Senator the Hon Kim Carr used the first parliamentary sitting day of the year to issue a joint statement on the Higher Education Revolution.

This ministerial statement underlined the vital role of higher education in making Australia a smarter, fairer and more prosperous country. There is also the important contribution of education to improving productivity, a point raised in the recently released Intergenerational Report.

The Government's productivity agenda takes in diverse goals such as improving teacher quality in schools, giving Australians green skills to create a low-carbon economy, professionalising early childhood education, to mention just a few. These are issues on which higher education is well placed to help find solutions.

The Government has committed to increasing the number of Australians with undergraduate qualifications as well as making access fairer. We all want students to be served well and be able to identify what and where they want to study, to help them secure a meaningful career.

You are all familiar with the outcomes of the Bradley Review and the Government's response. You all know it sets out a bold agenda to drive comprehensive reform across the tertiary education system.

Central to the reforms is the issue of access and participation. This year and next universities can increase their enrolments by up to 10 per cent over their target allocation and receive Government support for these places. From 2012, as you know, the Government will fund a place for every student who is accepted into a public university.

Universities have shown their willingness to respond to student demand. Preliminary estimates show that over-enrolment will be up to 7.5 per cent in 2010 – a potential increase of 45 000 full-time equivalent students since 2008. This means that thousands more students will achieve their dream of going to university this year. I congratulate those of you who have offered this opportunity.

A key aim of the Government's agenda is to grow the sector without any drop in quality. An increased focus on quality will underpin the vision for Australia to be one of the most highly educated and skilled nations in the world. More than ever before, higher education institutions will need to focus on the quality of teaching and learning, and on the overall student experience. This is especially crucial in a period of expansion, when government is asking higher education institutions to reach out to students facing barriers to university entry.

Institutions will be asked to demonstrate that their graduates have the capabilities that are needed for successful engagement in today's complex world. The Government is taking several steps to help institutions achieve this goal.

New quality assurance arrangements are being put in place so domestic and international students will

have better information about how our higher education institutions are performing. These arrangements will also help taxpayers see whether institutions are delivering value for money and whether the national interest is being well served. In addition, the new arrangements will provide greater national consistency for higher education providers.

A more robust and transparent approach to regulation and quality will make it easier to identify areas, activities or particular institutions that might need particular support.

There are four main elements to the new quality and regulatory arrangements. The first is the Tertiary Education Quality and Standards Agency—or TEQSA.

We have truly excellent universities in Australia. TEQSA will help maintain the conditions for an excellent higher education system where there are positive incentives for the highest quality performance. Universities will be encouraged to diversify and shine.

TEQSA will be an independent agency established by statute, combining regulation and quality assurance for our 41 Table A and Table B universities and our 160 or so non-university higher education providers.

In practice; TEQSA will:

- make sure that higher education providers meet clear standards in order to be registered.
- monitor the performance of all institutions against the standards framework, providing a contact point for queries and advice. Collaboration should be its modus operandi.
- provide independent advice on higher education standards to the sector, government and internationally.
- And where it identifies poor performance, it will have powers to act to ensure that providers lift their game. There should be no tolerance for sub-standard higher education providers in Australia amongst those 200.

We are of course, very aware of the need to provide a sensible solution to improving regulation for both vocational education and training and higher education through one national tertiary regulatory body.

Discussions are underway to establish, in the interim, a national regulator for the VET sector in parallel with work to establish TEQSA. The two agencies are being developed along complementary lines to enable future interconnection, envisaged to occur from 2013.

A single body should reduce administrative burden across the system, particularly for our dual sector providers and those institutions operating across state and territory boundaries. This single body will lead to a more nationally consistent approach to regulation. I know this will be welcomed by those of you who already operate across sector boundaries. Indeed, some of you would like to see it earlier than later and I appreciate that.

The second element of the new arrangements is a new single National Register of Higher Education Providers. This will cover both university and non-university higher education providers for the first time.

The national register, to be administered by TEQSA, will contain details about all providers, the programs or courses they offer and when they will be required to re-register. This will mean students and the general public will have a single place to check the authority of the provider with which they wish to study.

The third element is a new standards framework. The framework can be expected to include:

- standards that all institutions need to meet, in order to be registered to operate as a higher education provider
- the need to take the Australian Qualifications Framework into account
- teaching and learning standards
- research standards, and
- information standards, which exemplify the Government's belief in the importance of transparency. This element is particularly important as it will ensure that students will have access to clear information about the education offered by each provider.

As the Deputy Prime Minister noted this morning, this is not about standardisation of providers. In fact, the Government's agenda actively encourages diversity in the sector and recognises the value of institutional autonomy.

What the standards framework will do is to reassure students that the education they are receiving is at the right standard.

The fourth element is transparency and empowering students to make well informed choices.

The Deputy Prime Minister this morning announced "my university". This will focus on giving students clear information about courses, campus facilities, support services and, most importantly, the quality of teaching and learning outcomes. Students will be able to use this information to guide their choices.

The my school website has already empowered Australian parents, school students, teachers and principals. It has stimulated a worthy national conversation. It did, by the way, receive 160 million hits in its first week, representing almost 2 million separate users.

So, while acknowledging that these reforms are ambitious, it is interesting to ask: "what will stay the same?"

Australia's higher education sector is built on very strong foundations. AUQA has been evaluating the quality of Australia's higher education institutions for many years now and is a respected authority in Australia and internationally.

TEQSA will build on AUQA's achievements. This can be done by incorporating the best of what we have into the new arrangements under TEQSA.

University autonomy will remain of central importance to our system. The reform agenda actually provides unprecedented scope for universities to determine their own direction, especially through the introduction of demand-driven funding.

In the 2009–10 Budget announcement made in the Bradley Review response the Government made a commitment to develop the new arrangements, quote:

'in close consultation with the sector... within the academic traditions of collegiality, peer review, pre-eminence of disciplines and, importantly, academic autonomy'.

I also expect that self-regulation by universities of their academic governance will continue to be the norm.

So, what will change?

Well of course the quality reforms bring under one umbrella current regulatory activities of the States and Commonwealth.

We will see a shift from a fit-for-purpose approach to a standards-based approach. A fit-for-purpose approach ensured providers achieved their missions, but did not address issues such as ensuring that all students receive a threshold level of quality across the full suite of higher education providers, that is, the 200.

As part of the standards framework, providers will be required to meet threshold standards before they are registered to operate in Australia.

In terms of risk management, TEQSA's approach to regulation will be risk-based and proportionate. As I said, self-regulation by universities of their academic governance will continue to be the norm.

Our aim for TEQSA is to liberate high performing higher education providers from unnecessary over-regulation so they are able to excel. But there will be no room for poor practice and TEQSA will focus its efforts on ensuring that less robust providers meet minimum standards of quality.

A risk-based approach means there will be an appropriate level of attention to higher risk providers, to protect the reputation of the system. TEQSA will focus on fixing the problems that matter, not on already high performing institutions. And TEQSA will work collaboratively with providers to determine the right solutions.

The implementation of the reforms in general and the development of the new quality and regulatory framework can only be achieved by working together on a sensible transition. We have recognised from the very beginning that the process of establishing these arrangements must be consultative and so I am delighted that the sector wide conversation about the new arrangements has started in earnest. I heard that the debate yesterday amongst Vice Chancellors was indeed lively.

The Government will continue to work with the sector through various consultative bodies over the course of the year. Universities Australia is a very important contributor to that conversation.

To date, discussions have taken place with:

- the Australian Universities Quality Agency (AUQA)
- the Australian Learning and Teaching Council (ALTC)
- an Expert Reference Group whose members are vice chancellors and experts on the higher education sector and regulation
- a Stakeholder Engagement Group with representatives from all the university groupings that had its first meeting last week and
- the state and territory government departments of education and standards setting bodies.

And of course we have talked with a range of other existing regulatory organisations, including from the Health, Community Services and Finance sectors. In the months ahead discussions will continue.

The Department will also be meeting with Vice Chancellors and others including private higher education providers and students, providing a chance for smaller groups to consider the new arrangements in detail.

The Expert Reference Group will continue to provide advice and suggest approaches for engaging the different elements of the sector.

During the second half of the year a TEQSA Chief Executive Officer and a Board will likely be appointed. The agency will become operational in 2011.

Let me take this opportunity to thank the members of the Expert Reference Group for their role advising on the new regulatory arrangements —Vice Chancellors Peter Coaldrake, Jan Reid and Ian Chubb;

Professor Margaret Shiels; Chancellor Bill Scales; Mr Charles Litrell, Professor Meredith Edwards and Mr Ian Hawke. They have provided tremendous input about the needs of the sector in shaping our new framework and we look forward to the next steps.

I also want to thank you all for embracing the Government's agenda and for your insights, feedback and enthusiasm.

The new quality arrangements will mean that the system can be invigorated without a drop in quality.

By re-shaping our approach to higher education, we, as a nation, have an opportunity to harness the potential of a new generation of learners.

We are well placed to provide them with fantastic opportunities for personal growth and build the prosperity of Australia for future generations.

Thank you.