Towards an Australian tertiary education system

In September 2009, TAFE Directors Australia (TDA) and Universities Australia (UA) commissioned a project that might lead to a more cohesive national tertiary education system that augments the connections between the vocational education and training (VET) and higher education (HE) sectors.

The joint TDA/UA project was informed by expectations which the Deputy Prime Minister articulated early in 2009:

This is not about bolting on new policies to an already complex system. It is about fundamentally rethinking separate systems and institutions to create better connected learning for millions of individual students. ¹

The project sought to identify how the two organisations could facilitate an enhanced range of student pathways to support the attainment of the participation targets proposed in the Bradley Review of Higher Education and endorsed by COAG.

TDA and UA have worked collaboratively on this project over the past few months, with the assistance of PhillipsKPA.

'Tertiary' education qualifications

UA and TDA propose that:

'Tertiary' education qualifications are those at diploma level and above, including where these qualifications may embed pathways from the qualification level below.

This is generally consistent with the OECD’s ISCED definition and describes the point of intersection between the vocational education and training and university sectors. Additionally, the definition is compatible with the Government’s aim to increase the number of Australians with tertiary level qualifications.

UA and TDA acknowledge that, while the term ‘tertiary’ has generally been used to encompass all of VET and HE, there is now a need for more precision and to exclude, for instance, Certificates level 1 and 2 which relate more to equivalence to secondary school.

Tertiary education institutions

UA and TDA propose that:

Tertiary education institutions are those which have a broad educational mission and the capacity and capability to deliver a range of tertiary education qualifications.

¹ Speech to the Big Skills Conference, 5 March 2009 and also articulated at the Australian Financial Review - Higher Education Conference, 10 March 2009.
UA and TDA believe that their collective membership, which constitutes a large majority of tertiary education institutions across the nation, is now playing a major role in assisting the Australian Government to increase participation and raise qualification levels.

**National tertiary education protocols**

UA and TDA propose that the creation of a set of more unified tertiary education protocols could allow:

- due recognition for different types of organisations, permitting distinctive regulatory and funding arrangements;
- better information for potential students about the institutions offering tertiary qualifications; and
- a single approval process for institutions operating in both VET and HE and appropriate follow up scrutiny.

There are various criteria which could be considered in devising a range of potential organisational types to cover tertiary education including, but not limited to:

- financial, governance and management capacity;
- the commitment to education and training outcomes for students from all backgrounds and regions;
- the commitment to scholarship and free inquiry;
- the breadth of education and training to be provided in terms of industries and fields of education;
- the range of qualifications to be offered;
- the capacity of the organisation to self-accredit its qualifications as meeting the standards required for that type of qualification;
- the extent of research of national and international standard to be achieved by the organisation; and
- whether provision of tertiary education and training is the primary activity of the organisation.

**A student-centred policy and regulatory framework**

The dominant consideration in moving towards a single tertiary regulator should be to improve the opportunity for students to move in both directions between VET and HE study according to their capacities and aspirations at different stages of life. Regulations and processes that create barriers to such movement (however unintentionally) should be reviewed in this light.

While there are good reasons for the initial separation of TEQSA and the national VET regulator, there is a risk of ultimately developing two incompatible models which could hinder institutions operating in both sectors and which may impact on students wishing to move across sectors. TEQSA and the VET regulator will therefore need to work closely together to ensure they achieve consistent outcomes which would optimise the chances of later combination under one body. This may in turn be assisted by appropriate organisational arrangements such as overlapping Board membership, compatible statutory objectives and consistent conditions of service.
Funding tertiary education

The creation of a set of more unified tertiary education protocols could provide the Australian Government with a mechanism to expand its student demand driven funding system through a staged extension of eligibility for student based funding.

The objectives for funding tertiary education would be:

- to provide funding at rates that represent a reasonable estimate of the required cost of provision;
- to ensure similar amounts are provided for similar education and training outcomes;
- to ensure that, across the tertiary education system, funding supports students to choose the best course of study of combination of courses for their particular circumstances and aspirations; and
- to use performance funding elements in an effective and consistent way.

UA and TDA believe that the Commonwealth should also consider options for tertiary funding that would encourage stronger linkages between levels of study, for example specific funding for VET courses outside Industry Training Packages designed to articulate into higher education qualifications

Information collection in VET and higher education

The separate reporting requirements for VET and higher education are a significant impediment to greater collaboration across the sectors. For example, there is currently limited comparability of HE and VET data and these two sectors do not share a common ‘data dictionary’ for the information collected. While it is not likely in the short term that the two collections will be unified, a more common language could significantly assist tertiary education institutions and the Government. This is one of the issues that require further consideration to support clarity and transparency of information for consumers.