**To the Higher Education Reform Feedback**

**Higher Education Group**

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**EPHEA Response to the Discussion paper: Driving Innovation, Fairness and Excellence in Australian Higher Education, May 2016**

Equity Practitioners in Higher Education Australasia (EPHEA) welcomes the Government’s focus on ensuring fairness and excellence in the Higher Education and submits the following points for consideration in relation the discussion paper:

1. We welcome the Government’s ambition to position the goal of *excellence with equity* as the core challenge of reform and argue that this principle needs to be applied in the assessment of any reform proposal.
2. Higher Education policy settings implemented from 2010 are conducive to increasing participation by students from equity groups and have produced significant increases in the total numbers of students from educationally-disadvantaged backgrounds in Higher Education over recent years. However, changes over time under the Coalition Government have seen a gradual deterioration in the commitment to supporting participation of equity students in both funding and ambition.
3. EPHEA strongly opposes the significant cuts to equity funding foreshadowed in the forward estimates which would significantly reduce the sector’s ability to attract, retain and graduate students from backgrounds traditionally under-represented in Higher Education. At the same time, the HEPPP review is welcomed and timely as an opportunity to discuss what elements of the program should be retained or reformed.
4. There is an opportunity to widen equity target groups as part of the reform process.
5. Affordability of higher education for all students and value for money for taxpayers should be dual goals in the reform process.
6. An integrated tertiary education sector should be the outcome of major reform.
7. Potential for university study should be assessed in a variety of ways, taking into account the diversity of applicants and their experiences, account for disadvantage depressing achievement, and be clear and transparent to prospective students.

# About EPHEA

As the national body of equity practitioners in the Higher Education sector we wish to ensure the continuance of the essential work being undertaken by our members to support access and participation of disadvantaged groups into Higher Education. Our membership includes equity practitioners from all of Australia’s universities supporting all equity target groups – Aboriginal and Torres Strait Islander peoples; people from low socioeconomic status backgrounds (LSES); people from regional and remote areas; people with disabilities; people from culturally and linguistically diverse backgrounds; and women in non-traditional areas.



# To the question of driving innovation, fairness and excellence

EPHEA understands the ongoing issue in providing a high quality, sustainable Higher Education system which is accessible to all people. We welcome the Government’s ambition to position the goal of *excellence with equity* as the core challenge of reform and argue that this principle needs to be applied in the assessment of any reform proposal. Central to this principle is the impact of any policy and funding changes to the needs of equity target groups. Education is particularly transformative for people from disadvantaged backgrounds – it allows people to gain the necessary knowledge and skills to improve their financial position and that of their families and communities and make a significant contribution to the Australian economy.

The Higher Education policy settings implemented from 2010 are conducive to increasing participation by students from equity groups[[1]](#footnote-1). These include a demand-driven funding system, the world-leading HECS-HELP system, targeted equity funding through the Higher Education Participation and Partnerships Program (HEPPP) and, until recently, specific funding via the Indigenous Support Program (ISP) (including the Indigenous Tutorial Assistance Program (ITAS)) now replaced by the Indigenous Advancement Strategy; and income support provided through Centrelink (i.e. study support and Commonwealth Scholarships).

Together, these policy settings have produced significant increases in the total numbers of students from educationally-disadvantaged backgrounds in Higher Education over recent years. Between 2007 and 2013, participation of students from LSES backgrounds increased by 37.4%, by 45.6% for Indigenous students and 57.6% for students with disability[[2]](#footnote-2). While overall demand for Higher Education is starting to level out, the impact of HEPPP-funded outreach activities will only be fully felt in the next academic year, as the sector started to work with students in Years 5/6 in 2010, so that increases in equity group participation are likely to continue.

It is important to note, especially in the evaluation of HEPPP, that Indigenous and regional and remote students were not included as explicit target groups in the 2009 reforms. The Bradley Report suggested LSES, Indigenous and regional and remote students as target groups[[3]](#footnote-3) but the then-Labor government chose to focus exclusively on LSES. The LSES parameter does capture other equity groups and some HEPPP initiatives have focussed on Indigenous students and these other groups. We would argue that now is the time to explicitly widen the focus of equity interventions to all equity groups and change guidelines accordingly.

Changes over time under the Coalition Government have seen a gradual deterioration in the commitment to supporting participation of equity students in both funding and ambition. Such changes include:

* considerable reductions to equity funding (HEPPP) recently announced in the 2016-2017 Budget. Prior to this amalgamation of partnership and participation HEPPP funding (under 2014/2015 budget), cuts to National Priority Pool funding and attempts to introduce other costs savings have also contributed to an erosion of the funding and indicate a lack of understanding about the importance of this funding.
* a shift away from the 40/20 participation targets articulated in 2009.
* changes to the Indigenous Support Program (ISP) and Indigenous Tutorial Assistance Program (ITAS) which has now been replaced by the Indigenous Advancement Strategy which does not address the particular issues for Indigenous students in accessing Higher Education.
* changes to Commonwealth Scholarships (i.e. Start-up Scholarships are now loans and Relocations Scholarships have reduced eligibility criteria) which now reduce access for LSES and regional and remote students.
* reductions to study support through Centrelink (pensioner education supplements ceased).
* changes to HECS-HELP (removal of discounts, removing of priority study areas) and suggestions of increasing student contributions.
* a review of the Disability Support Program which does not recognise the insufficient funding provided to support students with disabilities.

If the Government is committed to continuing recent progress towards more equitable representations of disadvantaged groups in Higher Education, and achieve a system which pursues excellence with equity, these changes need to be reversed and other proposals carefully weighted.

# Preparing students for the future

The Government has recently adjusted its focus from access and participation to employment outcomes, and the paper proposes to hold universities accountable for graduate employment outcomes. We argue that while universities should conceptualise the student lifecycle from outreach work to graduation, and design interventions accordingly, universities should not be held accountable for employment outcomes as a result of labour market activity.

Most universities are highly conscious of employability as both a marketing strategy but also as their central mission. The focus most universities place on graduate capabilities, employability skills, work-integrated learning, targeted careers programs, industry partnerships and a commitment to address the specific employment needs of some equity groups should be highlighted but not be mandated.

# Recommendations for real change

The Government agenda for de-regulation, reductions to HEPPP, HECS-HELP and changes to Commonwealth Scholarships is short-sighted, putting economic rationalism ahead of principles and evidence. We recognise the Government’s need to be efficient and fiscally responsible but this should not be at the expense of prospective students from equity target groups.

We recommend the following strategies:

Proposal 1: HEPPP: review, retain and renew

HEPPP is essential in supporting students to realise the possibility of going to university and ensuring they are supported through the entire life cycle from outreach through to graduation.

HEPPP can be seen as a tool to overcome entrenched barriers and empower students to realise opportunities through Higher Education improving the economic prosperity of not only individuals but their families and communities to the overall benefit of the country. A recent report released by Universities Australia[[4]](#footnote-4) calculated that the graduates entering the Australian workforce in 2014-2015 created 25,000 new jobs (for people without a university degree) and resulted in $26.4 billion of economic growth (as measured by GDP).

We welcome the review of HEPPP which is timely and needs to consider the scope and scale of the program to evaluate its success with appropriate sector involvement including reviewing reported HEPPP outcomes, research and equity practitioner perspectives. It also needs to be as cognisant of what elements should be retained as it needs to explore potential for changes to the program. Most importantly, HEPPP should be retained as a national program and articulate an expectation of all publically-funded universities to increase equity group participation with support from the Government. On that principle, we submit the following points for consideration to inform HEPPP reform:

* **Reverse cuts to dedicated equity funding** (HEPPP), for this significant national program spanning the student life cycle outreach to graduation is contributing to the access, participation, retention and support of equity target groups. A market/demand-driven system can’t do it alone. Kemp and Norton[[5]](#footnote-5) maintain that demand-driven funding is a necessary, although not sufficient, condition of continued growth in LSES enrolments because the rationing of re-capped Higher Education places on the basis of prior education achievement structurally disadvantages students from LSES backgrounds due to the effects of an inequitable school system. Similarly, Universities Australia[[6]](#footnote-6), RUN[[7]](#footnote-7), GO8[[8]](#footnote-8) have also suggested a similar holistic approach to supporting LSES students which includes retaining HEPPP funding.
* **Set funding in three-to-five year cycles** to ensure continued and sustained work in outreach and retention. The practice of annual funding allocation and reporting severely limits the potential of universities to retain experienced and qualified staff and to be strategic and innovative in their program design.
* **Widen the target groups** beyond people from LSES backgrounds to include low-income people from other equity target groups i.e. low-income people from regional and remote areas, low-income people from culturally and linguistically diverse backgrounds (including recent migrants and refugees), low-income people with disabilities and Indigenous students – see Proposal 2 for more detail.
* **Ask each of the public universities to develop and implement a focused program of work** that will address conditions and quality standards outlined by the Government. This approach would require institutions to identify specific challenges to be addressed, contextualised in terms of institutional mission, student profile and geographic location, linked to load planning, strategically aligned with planned and existing engagement and retention initiatives, which have KPIs and a funding and planning horizon of 3 to 5 years.
* **Disentangle the partnership and participation components** to clearly delineate outreach and retention strategies. Currently, the bulk of funding is in the participation stream and has predominantly been used for retention activities by most universities – the outcomes of which are more immediate. Partnership work is still coming to fruition with many widening participation programs which started at Year 5 or 6 in 2010 only seeing the first students enrolling in university in 2017. Separating out the partnership and participation components allows institutions to make decisions on programming which best fits local needs, a more even distribution of funding covering both the outreach and retention space which allows for better support to equity groups across the whole student lifecycle and allows time to see program outcomes.
* **Adopt a national evaluation framework:** The lack of solid evidence of success was a key factor in the abolition of the UK’s Aimhigher initiative. Work towards a national evaluation framework is continuing in Australia. HEPPP funding has produced some ground-breaking studies[[9]](#footnote-9) through National Priorities Pool (NPP) projects and NCSEHE research grants. As these findings and frameworks get published, universities are enabled to revise and reform their programs based on new evidence. EPHEA advocates adopting recommended evaluation frameworks and approaches presented by the NCSEHE and continuing to consult with all relevant interest groups including EPHEA and other experts in the field.
* **Monitor program efficacy and value for money** **through a national benchmarking program** **with similar investment, duration and complexity of challenges to overcome to get a balanced assessment.** The objectives of HEPPP, and the limits on its capacity to transform, need to be better understood. What do we expect a $150m per annum program to achieve? Certainly it cannot compensate for the unequal outcomes from an unequal Australian school system. David Gonski and his expert panel said this would take a sustained $5 billion a year investment to accomplish. It would be useful to establish what similar programs have achieved in the same timeframe. We suggest that benchmark programs with similar investment, duration and complexity of challenges to overcome should be identified to get a balanced assessment.

Proposal 2: Broader focus on equity groups

* **HEPPP should be expanded to include a broader focus on equity groups.** Under previous funding models all equity target groups had access to support funds. When HEPPP was introduced the funding for other designated equity groups was removed and focussed on LSES students. Most institutions take a broader approach to the definition of LSES students by recognising the multiple disadvantage experienced by equity target groups who are also LSES, thus allowing them to customise programs across all equity target groups and allowing universities to cater to local needs and specific communities who meet not only the LSES criteria but other equity descriptors. This strategy should be explicitly encouraged in program design.
* **Additional funding under the Indigenous Advancement Strategy should be retained to address the specific needs of Aboriginal and Torres Strait Islander peoples** wishing to access Higher Education. This funding should assist in supporting strategies such as Indigenous Education Units, dedicated ITAS tutoring and other relevant widening participation activities. Existing programs such as the Commonwealth Indigenous Scholarships program and ABSTUDY should also be considered essential to access and participation.
* **Broadening the equity target groups to include regional and remote students from low-income backgrounds** will address the needs of this cohort and allow university campuses in regional Australia to improve local outreach and retention. However, students should also be supported to move to city centres if desired. To facilitate such choice, the Government needs to continue and potentially increase support for students moving away from regional and remote areas to study the courses of their choice at their preferred university.
* **Measurement of LSES is based on a geographic indicator and works at the national level but not for individuals.** There are also conceptual issues with the calculation of the LSES ‘participation rate’ in the Australian context which is calculated as a percentage of domestic undergraduate students rather than as the number of LSES students as a share of the LSES population. Kemp and Norton[[10]](#footnote-10) argue that the current statistics represent an ‘enrolment share’, rather than a participation rate. This is an important point to consider in comparisons of the success of the HEPPP with international widening participation initiatives, including the UK experience to lift the participation rate of LSES young people which uses the latter definition. They also argue strongly against the continuation of the attainment targets: ‘the monitoring of attainment can assist with policy, but setting an arbitrary overall target to be achieved by a specific date does not’. The available evidence also backs this argument in that the attainment target is likely to be reached before 2025 as the Higher Education participation rate is increasing and reached 35 per cent in 2013. However, the participation rate of people from LSES backgrounds was 16.85% in 2013, up by 0.62 percentage points from 2011.   
    
  The point is that both centrally defined targets and the use of an enrolment share instead of a true participation rate are poor measures of success of progress made by universities in encouraging more people from low SES backgrounds into Higher Education. To put it into the words of Kemp and Norton[[11]](#footnote-11):

*Although the HEPPP and improved design of the demand driven system are likely to increase low SES Higher Education enrolments over the medium term, we cannot estimate this growth with precision. Given this uncertainty, it does not seem sensible to judge success or failure against the 20 per cent enrolment share by 2020 target. Success is more individuals from low SES backgrounds having realistic options for improving their lives through Higher Education.*

Proposal 3: Affordability for all students and value for money for taxpayers

A sustainable education system which continues to commit to equity participation and is affordable for people from low-income people is essential. The following recommendations are needed to balance affordability for students and value for money.

* **Keep the demand-driven funding system as a necessary, but insufficient, precondition for increasing participation by students from under-represented groups.** Fee deregulation should not be pursued as it would have a direct negative impact on the participation of already under-represented groups and further exacerbate existing financial disadvantage by imposing higher debt levels. Even suggesting that fee deregulation exist for selected courses then prices capable people from low-income backgrounds from certain courses. Even if LSES students do undertake de-regulated courses they will have higher HECS-HELP debts to pay back in an environment where LSES people often lack the cultural capital to secure employment at the same rates as medium and high SES people, exacerbates existing financial disadvantage experienced by LSES people and impacts debt-averse cultures[[12]](#footnote-12).
* **Retain the HECS-HELP system as a core enabler of participation by financially disadvantaged students.** LSES students are unable to access Higher Education without HECS-HELP as the access to reasonable Centrelink benefits combined with paid work is not sufficient to support students from low-income backgrounds. Low-income people tend to have complex lives, they come to university to improve their economic future and often come with existing debt, dependents, and other commitments[[13]](#footnote-13). Proposed lowering of thresholds will disproportionately affect people on lower incomes and in part-time work, especially women and people with disability. Lifetime wage premium should be acknowledged but needs to be contextualised: it is an average and does not accrue equally to all graduates.
* **Changes to Commonwealth Scholarships need to be reversed.** The reduction of Relocation Scholarships has reduced student mobility and choice for low-income regional students and the changeover of Start-up Scholarships to loans further limits opportunities for LSES people to access Higher Education.
* **HEPPP should not be replaced by a scholarships scheme**: findings from scholarships research[[14]](#footnote-14) showed that scholarships help overcome financial disadvantage but cannot overcome the effects of very complex lives. Scholarships are only one piece in the puzzle to effectively widen participation[[15]](#footnote-15) [[16]](#footnote-16). Scholarships are an important tool where financial hardship is seen as the greatest barrier to participation but should not be regarded as a panacea.

Proposal 4: an integrated tertiary education sector as a desirable outcome

Explore a more integrated tertiary education sector with clear and nested pathways and credit provisions between VET and university sectors with particular focus on encouraging adult learners back to tertiary study.

The deregulated VET sector has led to unscrupulous operators charging excessive course fees as previously mentioned. Some private VET providers’ fees are considerably higher than some university courses and with poor academic standards, retention rates and employment outcomes.

Proper support from Federal and State Governments needs to be provided to support the VET sector to provide programs that both prepare students for vocational education and to go on to additional Higher Education options. TAFE should be funded to provide enabling programs that assist students to undertake university degree programs.

Funding for VET should encourage provision of programs that meet the needs of the local labour market and work with universities to provide effective pathways including enabling programs and dual diploma/degree programs for enhanced employment outcomes. Adult learners, and especially those from low-income backgrounds need enabling programs for both TAFE and university entry which are affordable and accessible.

Proposal 5: ATAR review and equity target groups

EPHEA supports a Higher Education system where potential for university study is assessed in a variety of ways, taking into account the diversity of applicants and their experiences, account for disadvantage depressing achievement, and be clear and transparent to prospective students . As the Government’s own discussion paper suggests (p.11):

*Universities generally exercise caution in enrolling students with very low Australian Tertiary Admission Ranks (ATARs), and university offers to students with low ATARs represent only a small fraction of all offers to school leavers, sub-bachelor courses can be a better introduction to Higher Education for these students.*

While we support the Governments review by the Higher Education Standards Panel (HESP) to examine admission practices in this context consideration needs to be given to the following:

* Remove the assumption that low ATARs mean poor quality students. ATAR can be a useful indicator for tertiary preparedness but it is not the only way to determine ability, preparedness and determination which is why most universities have a range of entry processes including auditions, portfolio, interviews, school recommendations and alternative entry options (recognition of prior learning, work experience, entrance tests) which recognise the diverse educational and life experiences of applicants. In addition, most universities also recognise the link between poverty and depressed academic achievement and make appropriate adjustments. All these entry processes are transparent and accountable.
* EPHEA supports the plan[[17]](#footnote-17) put forward by Universities Australia in addressing the issue of ATARs and in particular supports diversity of entry processes which are student-centred; meet the needs of equity target groups; university autonomy; access and success; and transparency for prospective students.

We appreciate the consultation with the sector on the matters raised in this discussion paper and would welcome the opportunity to discuss our submission and proposals in more detail.

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4. <https://www.universitiesaustralia.edu.au/Media-and-Events/commissioned-studies/The-graduate-effect--higher-education-spillovers-to-the-Australian-workforce#.V5Ae-BBdDuI> [↑](#footnote-ref-4)
5. Kemp and Norton, 2014 [↑](#footnote-ref-5)
6. <https://www.universitiesaustralia.edu.au/Media-and-Events/media-releases/Budget-cuts-to-university-equity-programme-deeply-disappointing--Universities-Australia#.V5HYb_mF5hE> [↑](#footnote-ref-6)
7. <http://www.run.edu.au/cb_pages/news/demand_driven_must_keep.php> [↑](#footnote-ref-7)
8. <https://www.go8.edu.au/article/group-eight-priority-directions-time-action-not-activity> [↑](#footnote-ref-8)
9. Some examples include <http://www.ncsehe.edu.au/wp-content/uploads/2013/11/NCSEHE-Access-and-Participation-in-Higher-Education-2013.pdf>; https://www.ncsehe.edu.au/partnerships-in-higher-education/ <https://www.ncsehe.edu.au/wp-content/uploads/2014/09/Critical-Interventions-Framework-20-August-2013.pdf>; and <https://www.ncsehe.edu.au/critical-interventions-framework-part-2/> [↑](#footnote-ref-9)
10. Kemp and Norton, 2014, p. 4 [↑](#footnote-ref-10)
11. Kemp and Norton, 2014, p. 40 [↑](#footnote-ref-11)
12. <http://onlinelibrary.wiley.com/doi/10.1111/j.1468-2273.2005.00286.x/abstract;jsessionid=8F5D2A49DB23489A2BC871A808755755.f02t04> [↑](#footnote-ref-12)
13. <https://www.universitiesaustralia.edu.au/news/commissioned-studies/Australian-University-Student-Finances-in-2012/Australian-University-Student-Finances-in-2012#.V5HVO_mF5hE> [↑](#footnote-ref-13)
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16. <https://www.ncsehe.edu.au/publications/equity-scholarship-provision-australian-universities-insights-directions/> [↑](#footnote-ref-16)
17. <https://www.universitiesaustralia.edu.au/Media-and-Events/submissions-and-reports/HESP-Consultation-on-the-Transparency-of-Higher-Education-Admissions-Processes/HESP-Consultation-on-the-Transparency-of-Higher-Education-Admissions-Processes#.V4tcX_l97VQ> [↑](#footnote-ref-17)