



IRU response to Universities Accord Interim Report

1 September 2023

The objective of the Innovative Research Universities (IRU) for the Accord is to deliver a new partnership between government and universities that leads to a more equitable system – in both education and research – and more room for diversity and innovation. In our response below, we focus on the three most immediate priorities, noting that longer-term reform will require a systematic, staged and evidence-based approach.

1. Equity, participation, skills and student success

- The IRU welcomed the Minister’s announcement on 19 July 2023 of Australian Government agreement to five initial actions recommended by the Accord Panel. Uncapping Commonwealth-supported places for all Indigenous students, removing the 50% pass rule and extending the higher education continuity guarantee were all measures recommended by the IRU.
- Further significant reform is still needed to address unfinished business for a more equitable university system and to set up the system to meet future national needs.
- The IRU agrees with the Interim Report’s proposal to create “specific higher education participation targets for students from under-represented backgrounds and equity groups” as a priority for the Universities Accord.
- Analysis by the IRU (see Attachment 1 below) clearly shows the scale of the challenge in working towards population parity for equity groups and that national targets will not be met without additional investment and if all universities are expected to deliver on them in an identical way.
- The primary mechanism for driving focus on equity, participation and student success should be institution-specific mission-based “Accord agreements” with universities.
- Through these agreements, every university should have a plan for increasing equity and student success, with transparency and accountability for outcomes. Realistic institution-level targets will vary according to each university’s strategy and the distinct community it serves.
- Within an agreed five-year funding envelope and accountability framework, institutions should have the flexibility to move resources to meet need, for example allocating Commonwealth-supported places to enabling programs (or back to other programs) where required. Enabling programs should be expanded and included in the Australian Qualifications Framework (AQF).
- Universities are the appropriate “accountable agents” for meeting equity targets, so public funding should be directed through Accord agreements rather than through individualised entitlements. Further work will be required to establish a national evidence-base for the additional costs of supporting student success for under-represented groups and in particular locations. This evidence should inform the prioritisation of funding through mission-based agreements and programs that provide financial support to students (see below).
- In order to achieve agreed equity targets, a number of related reforms will also need to be prioritised for immediate action through the Accord:

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- The Job-Ready Graduates (JRG) package should be replaced with a fairer and simpler two-tier student contribution rate and a three-tier government contribution rate, with a commitment that no current student will be worse off as a result of the changes.
- The Accord should include a clear statement of funding principles for public higher education. The IRU recommends that any further expansion of higher education should be primarily funded by government, rather than increasing student contributions, and that the balance between the two should not exceed the current 50:50 ratio.
- Government should immediately commission a full review of student income/financial support programs to ensure that they are adequate to deal with cost-of-living pressures. This should address financial support for students undertaking mandatory placements.
- The IRU welcomes the Interim Report's focus on putting First Nations at the heart of Australia's higher education system. The IRU supports a First Nations-led review of participation and outcomes for First Nations students and the establishment of a First Nations Higher Education Council. As set out in our submission, the IRU agrees that higher education and research should support the goal of First Nations self-determination.
- If the Panel's final report recommends the establishment of a Tertiary Education Commission, it should have a role in the development and oversight of the Accord agreements with universities (see Section 3 below). It would also be the appropriate organisation to begin a longer-term process of setting national goals for participation and attainment. This should be linked with migration/visa settings and pay particular attention to the contribution of international students to meeting the future skills needs of Australian society and the economy.

2. Research, knowledge translation and impact

- The IRU agrees with the Interim Report's finding that current research funding arrangements are unsustainable and that "research capability needs to be protected and the sharing and translation of university research improved".
- In order to achieve these objectives, additional public funding will be required. The Accord should also include a clear statement of funding principles for university research, from basic through to applied and commercialised research.
- The IRU agrees with the Interim Report's proposals to better support First Nations knowledges, research and communities. As a starting point, the IRU recommends that the Australian Research Council (ARC) be provided additional resources to establish new programs and to ensure that 5% of its total funding goes to Indigenous researchers.
- The Research Block Grant should be increased to cover the research mission of all universities, linked to total research funding provided through the Education portfolio at a rate of no less than 50 cents in the dollar. Research Block Grant should be allocated to universities as part of their Accord agreements, based less on a standard funding formula and more on institution-specific strengths, priorities and mission. Accountability for this funding should be linked to measures of both research quality and research impact.
- The Accord should also include a whole-of-Australian Government agreement on funding the indirect costs of research, so that support from other portfolios covers the full cost of research and avoids further erosion of the block grant/dual-funding system.

- The IRU supports the Interim Report’s focus on knowledge mobilisation and research impact. The IRU submission to the Review of the ARC (see Attachment 4 below) proposed a three-part system for a more proactive national approach to research impact. Impact should be considered in the broadest sense, incorporating social, cultural and sustainability measures alongside commercialisation/economic measures. The impacts of Australian university research should be linked more clearly to the Australian Government’s national wellbeing framework.
- The Accord should include measures to increase PhD stipends and create more stable career pathways for early-career researchers. Without this, there will not be the academic workforce to teach increasing numbers of undergraduate students. The IRU agrees with the Interim Report’s proposal for a national approach to research training and research workforce planning – this should include a focus on equity, industry links and the important role of international students.

3. Governance and funding for a more diverse, equitable and innovative system

- If the Panel recommends the establishment of a Tertiary Education Commission (TEC), it should cover both education and research – the UK experience shows the importance of one oversight body for all aspects of a university’s operations. It will need the capabilities to provide oversight of mission-based Accord agreements and to evaluate outcomes and impacts across the system.
- Accord agreements will ensure differentiation and greater diversity across the system, including in partnerships between universities and TAFEs/the VET sector. There will need to be a feedback loop to monitor how the actions of individual universities affect the system as a whole, to ensure progress towards national objectives. This will also require a process for ongoing engagement with State/Territory governments.
- The IRU supports the finding of the Interim Report that “community engagement is a central part of university missions... and this should be better recognised and sufficiently resourced”. The IRU agrees that this should be achieved through Accord agreements. Community engagement in our universities connects local, national and international partners, delivering broad economic, social and cultural benefits. Rather than being an unfunded mandate for universities, this should be explicitly recognised as part of the university’s mission. Properly resourcing community partnerships (with organisations as diverse as local schools, community groups and SMEs) will support the delivery of broader Accord goals for equity, research impact and global engagement.
- The IRU does not support a levy on international student revenue to support investment in other areas. But it does support a mechanism for redistribution of public funding to areas of greatest need and impact. Accord agreements should be used in this way and take into account other (non-government) sources of university revenue when prioritising the allocation of public funds.
- The IRU accepts that the reforms recommended above may lead to new reporting and accountability requirements, in priority areas for the Accord such as equity, student success and safety, and research translation and impact. These should be offset with reductions in the overall administrative burden, to ensure that resources can be directed to teaching and research. Government should commission a full national review of university accountability and reporting requirements, to remove duplication and ensure that the regulatory framework for universities supports innovation and future success.

Attachments – relevant recent IRU analysis and submissions:

1. [Meeting the Demand for Higher Education and a 20% Low-SES Target by 2030](#)
2. [Concentration and Diversity in Australian Research Funding, Output and Impact](#)
3. [IRU submission \(April 2023\) to Universities Accord discussion paper](#)
4. [IRU submission \(December 2002\) to the review of the Australian Research Council](#)
5. [IRU submission \(October 2022\) to Productivity Commission five-year review.](#)