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## **Sector all at sea on the route to reform**

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SUBMISSIONS to the federal government's review of the demand-driven system revealed a sector divided, a cohort excluded and an area badly neglected.

Coherent reform needs to promote greater transparency, growth and equity.

We do not know yet what David Kemp and Andrew Norton concluded in their report to Education Minister Christopher Pyne but we can only hope.

In 2011, the federal government reviewed postgraduate education and produced several options for consideration: allocating subsidised places only to specific courses or institutions; fully extending the demand-driven system to postgraduate level; or developing a cap-and-trade model. Under this model, institutions could determine their own mix of undergraduate and postgraduate places within an overall funding envelope.

None of these options were adopted. Instead, an arcane allocation system created even greater anomalies around access to commonwealth-supported places at postgraduate level.

The overall number of subsidised places more than doubled between 2007 and 2012. When the music stopped, the [University of Western Sydney](#) held 5 per cent of the places, while Swinburne University held just 0.15 per cent. At the same time, a separate agreement was forged to support Melbourne University's distinctive model, granting it 15 per cent of the nation's subsidised postgraduate places.

Inconsistencies abound within courses, between courses, and between institutions. Similar courses attract funding at one institution but not at another. In Adelaide, Flinders is the only local university that cannot offer subsidised places to teachers wanting to upgrade their qualifications.

Equally, one course will often contain some domestic students receiving a subsidised education while others are paying full fees.

An appetite for change is agreed, but recipes for reform differ.

In its submission to the Kemp/Norton review, the [University of Technology, Sydney](#) suggested removing all government support for postgraduate places except for health and education. At the other end, La Trobe advocated fully expanding the demand-driven system to postgraduate level and including private providers for good measure.

Swinburne University argued for a competitive reallocation of fixed places across the sector. The Innovative Research Universities agreed with fixing places, but preferred development

of an institutional formula to allocate them. Meanwhile, the [Group of Eight](#) universities supported a cap-and-trade model to enable its members to shift their student load. Remarkably, there has been little public debate about these radically different options.

The government already subsidises 40 per cent of postgraduate places and any new model will affect the rate of growth.

Expansion will continue under every proposed scenario. Private financial returns remain high, professions continue to raise entry barriers, and more than one quarter of students are already enrolled at postgraduate level. The most lucrative level of education is also the least accessible and we have little public information outlining the demographics of postgraduate students by course and institution. Such data would be helpful to establish equity targets, which could then be monitored through mission-based compacts or formulas. Targets can change behaviour, and behaviour needs to change.

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