

From: Ben Vivekanandan [REDACTED]
Sent: Tuesday, 28 June 2022 1:17 PM
To: Gary Blackwood [REDACTED]
Cc: Kerry Riseley [REDACTED] >; Kris Ryan [REDACTED];
Janet Creaney [REDACTED]
Subject: Inquiry into Victorian universities' investment in skills - Monash University follow up action

Dear Gary

Thank you for the invitation to Monash University to appear before the Inquiry into Victorian universities' investment in skills.

During today's hearing, I advised the Committee that Monash University has funded an independent Commission to help rethink the effectiveness of post-compulsory education and training in Australia. I gave the undertaking to provide the Monash Commission's report to the Committee.

I attach for the Committee's reference a summary, and full report of the Monash Commission's findings.

The Monash Commission proposes three recommendations to re-position post-compulsory education and training for Australia's future.

- 1) Establish a statutory agency for post-compulsory education and training.
- 2) Introduce a universal learning entitlement and a lifetime learning account.
- 3) Design a coherent, sustainable model of financing public providers.

The attached documents can be referenced and shared publicly and/or lodged on the Committee's webpage.

Please do not hesitate to contact me if you require further information.

Regards

Ben-

BEN VIVEKANANDAN

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THREE RECOMMENDATIONS FOR RENEWAL OF POST-COMPULSORY EDUCATION IN AUSTRALIA

SUMMARY REPORT OF THE 2018 MONASH COMMISSION

Summary report of the 2018 Monash Commission

EDUCATION IS OF CRUCIAL IMPORTANCE TO ALL AUSTRALIANS

Education is an essential foundation for individual success and national strength. In a world of rapid change and disruption, post-compulsory education must prepare and inspire new generations of active citizens, giving them the capabilities to shape a better future for themselves and the world.

WHY RENEW NOW?

Major and rapid increases in human knowledge and skills are required to meet the technological, economic, environmental and cultural transformations currently taking shape across the world. Post-compulsory education is a major part of the solution.

Notwithstanding the gains of the past, pressures are mounting and strains in the system are showing. It is time to reimagine our post-compulsory education system to make it again fit for purpose.

THE FIVE CHALLENGES FACING POST-COMPULSORY EDUCATION AND TRAINING

1. The system needs a unified and overarching direction

A new approach is needed to provide stable and non-partisan policy direction, pursue the key and diverse missions of post-compulsory education and training institutions, and align resource allocation to achieve those missions.

2. Structural impediments to wider participation need to be removed

We need a new system that delivers equal access for all, irrespective of a potential learner's geographical location, financial circumstance, cultural background, gender or other factors. The goal must be to promote equal opportunities to participate in higher education and vocational education.

3. The system needs to become more flexible, permeable and agile

New settings are needed to ensure post-compulsory education and training grows sustainably so it encourages and delivers equal opportunities for lifetime learning and credentials, and helps institutions transform themselves to pursue more diverse missions.

4. The system must have the capacity to respond to societal disruption

A new system is needed to:

- advance Australians' participation in the workforce and in broader society by encouraging the use of new innovation and technology
- ensure Australia remains well-connected to the international community
- improve the competitiveness of Australian business
- deliver transformational innovations for society and help Australians adapt to disruption.

5. The system needs a transformed funding model

Australia needs a transformed and more transparent post-compulsory education and training funding model, capable of:

- delivering the full opportunities of education, enabling learners to realise their potential and contribute to a prosperous society throughout their lives
- driving research, knowledge creation and innovation to meet the full scope of opportunities and challenges facing Australia and communities worldwide
- facilitating more diverse and specialist institutional missions
- engaging learners, industry and society more generally
- addressing inequities in access.

Transformations for the future – three recommendations

The Monash Commission proposes **three recommendations** to re-position post-compulsory education and training for Australia's future.

RECOMMENDATION 1: ESTABLISH A STATUTORY AGENCY FOR POST-COMPULSORY EDUCATION AND TRAINING

This agency will:

- advise federal and state governments on post-compulsory education and training
- devise strategic development plans for post-compulsory education, aligned to Australia's needs, while respecting and encouraging institutional autonomy and differentiation
- be the single funding authority distributing the allocated budget for all state, territory and Commonwealth subsidised post-compulsory education
- engage industry, relevant state and territory agencies, and providers of post-compulsory education and training to better align future workforce education and training needs with demands.

The agency will conduct its work through a formal Letter of Expectation from the relevant Minister(s) that includes a global budget allocation for the sector (determined by negotiation between state and federal governments). It will also prepare and provide reports to the governments, and publish works of significance that advance post-compulsory education and training for Australia.

The agency will include expertise from the post-compulsory education and training sector, and from industry.

RECOMMENDATION 2: INTRODUCE A UNIVERSAL LEARNING ENTITLEMENT AND A LIFETIME LEARNING ACCOUNT

Universal entitlement to post-compulsory education and training, and the introduction of a Lifetime Learning Account to track, credit and verify learning, will enable all Australians to learn, train and re-skill as their needs and circumstances change.

This recommendation comprises the following three measures:

- i. The provision of income contingent loans for all students enrolled in accredited learning and skill building programs offered by quality registered providers that are approved to receive public funds. These loans should be available throughout a learning lifetime and not be restricted to first job qualifications.

- ii. The introduction of a universal student number that covers all publicly subsidised education and training to enable the development of a lifetime learning account to track and monitor acquired skills and qualifications. This includes micro-credits and micro-credentials.
- iii. The provision of comprehensive independent advice for current and prospective learners about courses and pathways, and additional incentives for key student cohorts as support measures to facilitate equitable access to post-compulsory education and training (e.g. accommodation bursaries for students from disadvantaged backgrounds).

RECOMMENDATION 3: DESIGN A COHERENT, SUSTAINABLE MODEL OF FINANCING PUBLIC PROVIDERS

The Commission recommends that the current funding model be reformed in the following ways:

- i. Government funding for research and funding for education will be demarcated and become non-fungible. Federal and state governments will fund the full costs of conducting research, including time-fraction linked investigator salaries and benefits, attributable utility costs and the true costs of all physical infrastructure dedicated to research, including depreciation. The costs of education, including support services for students, will be funded separately.

Greater transparency will be required from providers of post-compulsory education that engage in publicly funded research to demonstrate that the funding they receive for research pays for research, and education funding pays for education and related services. Implementing and monitoring this reporting would be the task of the new independent post-compulsory education statutory agency also recommended in this report.

- ii. The establishment of an Innovation Fund to foster institutional innovation, diversity and continuous renewal in post-compulsory education and training. Such a fund would encourage the emergence of new providers and assist existing providers to refocus their missions and course offerings.

Now is the time to act

A better system of post-compulsory education and training will:

- give Australians lifelong access to more and better-paid careers
- make our economy more internationally competitive
- advance our understanding of key societal changes like climate change, automation and artificial intelligence, social equality and population aging
- increase social equity by giving more people opportunities to get ahead, leading to improved social cohesion
- strengthen our ties with the international community.

The recommendations the Commission has developed in this report will help to advance each of those benefits. Adoption of the Commission's three recommendations will substantially strengthen post-compulsory education and training, to the long term benefit of Australia and all Australians.

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