

## Media release

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# Productivity Commission report highlights importance of links from schooling to university

## IRU response to Productivity Commission report on university demand driven funding

The Innovative Research Universities (IRU) network has set out its full response to yesterday's Productivity Commission report on university demand driven funding.

The IRU says the major outcome from the report is that it highlights the important links from schooling to university as one part of tertiary education and training.

However, the IRU points out that university education is not just for school leavers, and by missing mature students from the data, the report only covers around two-thirds of the demand driven system.

The IRU has also restated its challenge for Commonwealth and State-Territory governments to work with universities and other providers to create a tertiary system for the 2020s, as outlined in the IRU's November 2018 discussion paper, [Towards a Tertiary Future](#).

## Full IRU response to the Productivity Commission report:

The Productivity Commission report confirms that the system succeeded in meeting the pent-up demand for university education and reduced some of the gaps in university attainment by people from under-represented groups.

The report highlights the challenges from opening up university to all who aspire to it to ensure that they receive the education they need. Much remains to be done.

The Commission rightly points universities and the Government to the need to ensure that tertiary education works well, not 'solve' problems of mass higher education by shrinking back to a past world: "the long-run pressure will be to continue to increase the size of the sector given that the historical shift towards jobs requiring complex cognitive skills is unlikely to abate" (p15).

## The transition from school to university

Highlighting the important links from schooling to university as one part of tertiary education and training is the major outcome from the report.

Universities have to work well to cater for all the students they attract. That is the reality of being a major part of the education system, providing the final qualifications for half the future workforce.

[iru.edu.au](http://iru.edu.au)

The Commission is concerned that literacy and numeracy levels for school leavers have dropped, meaning that all entrants to university are likely to be that much less prepared. When students reach essential thresholds of knowledge and capability they are better positioned for university and other tertiary providers to build on those foundations.

The Commission highlights the challenge of working with students who display different levels of school achievement. When some students emerge from schools less prepared than others they carry that gap to their following university or TAFE course.

To assist universities and other tertiary providers, [school systems](#) should be explicit about the learning outcomes and capabilities of students to provide a stronger basis for the transition to subsequent tertiary study and training.

### University education is not just for school leavers

The major weakness of the Commission's report is that it is about two thirds of the demand driven system only. It analyses those who go to university in the first one or two years after school. IRU members have always catered to a much broader group, leading to many older people gaining a degree.

This shows in the analysis of Aboriginal and Torres Strait Islander students. We [know](#) that the number of Aboriginal and Torres Strait Islander students has increased greatly since 2009, yet the Commission observes little change in its data.

### Demand driven funding changed university education for all

The focus at comparing the students the Commission thinks would have gone to university under the previous capped system with those who went because of the extra places ignores the changes that occurred for both sets of students.

As the IRU has [set out](#) many times the greatest growth in graduates was in the health professions and sciences and technologies. Casual claims of creating lots of extra lawyers have no base in the data. This change appears to be as relevant for those who would have gone to university anyway as well as the additional students. It shows a long-term potential shift in the balance of graduates – that may now be under threat.

### The challenge of under-represented groups

The Commission's report again confirms that much remains to be done to achieve access to a university degree based on capacity and interest, over factors of background and location. Universities know this well, with most active in response. The report confirms both progress and remaining gaps. Whether the gaps will shrink further under a system of Ministerial funding controls is a decision Mr Tehan will make.

Access from rural and remote areas has not improved. Access to a place is not sufficient alone. The students' financial challenge remains the hurdle. The desire for higher education may also be lower, putting pressure to ensure sufficient vocational education.

## Higher education and vocational education

The Commission echoes concerns that a weak VET system pushed too many people into higher education as the only option worth trusting. There may be something to that concern – where one system is working well it will attract those who doubt the other.

However, the Commission’s analysis indicates that many of those attracted to higher education knew what they were doing. 30% of the additional students had prior VET experience, against 10% of the ‘other’ students. This suggests those students were aware of VET opportunities and wanted higher education to follow. Demand driven strengthened the pathways between the sectors.

We also [know](#) that there is higher take up of university for young women with mid to low ATARs compared with young men. The Commission data suggests this was less apparent among the additional students. To support choice effectively the reason for different take up of VET and higher education need to be better known, not necessarily to change the outcome but to support individuals pursue what is best for them.

It is now the challenge of Commonwealth and State-Territory Governments to work with the universities and other providers to create a tertiary system for the 2020s that will work to ensure each person gets the education and training they need.

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## About the IRU

The IRU is a network of seven a network of seven comprehensive universities committed to inclusive excellence in teaching and research in Australia. Its members are Charles Darwin University, Flinders University, Griffith University, James Cook University, La Trobe University, Murdoch University and Western Sydney University.