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Dear Chair

RE: Australian Universities Accord Interim Report

The Australian Chamber of Commerce and Industry (ACCI) appreciates this opportunity to provide comment on the Universities Accord Interim Report (report).

The Australian Universities Accord Review Panel has released an interim report containing 70 potential policy areas for consideration. The report includes various policy suggestions that ACCI supports, including the importance of access to quality education, work-integrated learning (WIL), collaboration with industry, international student engagement, and lifelong learning opportunities. This review is vital due to the significant global changes taking place and the need to avoid complacency.

ACCI has been actively involved in the Universities Accord review process, contributing through our submission to the Accord and in-person participation in panel discussions. The imperative of nurturing a dynamic, high-quality, and sustainable post-secondary education sector in Australia cannot be overstated; it is essential for meeting current and future knowledge and skills demands. In response to the report's policy considerations, ACCI would like to emphasise several important points.

Stronger Work-Integrated Learning

The report recognises the importance of enhancing the quality and effectiveness of the post-secondary education system in Australia. A key component of this is the recognition of the significant role WIL plays in providing technical and soft skills to students. The Accord asks that consideration to be given to *'improving WIL by a co-design framework ... placements by providing participating students with better incentives and financial support ... pre-vocation 'cadetship' roles'*. ACCI believes this proposal should appear in the final report as WIL has never been more important as an avenue to providing students with on-the-job experience.

The federal government is key to the development of a national WIL framework to ensure a consistent approach. The student and industry experience should be at the centre of the WIL Strategy; all stakeholders should reap tangible benefits and a governance framework should be developed.

To facilitate the participation of higher education providers and businesses in WIL, there is a need for funding of infrastructure such as brokering centres. The report does make

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mention of brokers possibly being used to assist students, employers and universities. ACCI believes brokers are an essential part of the WIL process and could provide a range of services such as identifying and matching appropriate industry partners with higher education providers, coordinating work placements, and providing ongoing support and evaluation of the WIL program. The brokers could be located in specific centres that would have responsibilities ranging from accredited internships, cadetships, placements, simulations and to industry projects. It is important a wide range of WIL opportunities and activities are developed so all students, regardless of location or socio-economic background, can participate. The centres could provide a key role in assisting employers, from templates to advice, to ensure successful placements from both perspectives. Additionally, they could manage an online WIL marketplace, whereby businesses advertise research projects and students apply to work on them.

To incentivise participation, there could be a range of options for students, industry and higher education providers. For students, WIL units should have no HECS applied, and an accommodation vouchers program for those who need it, dependent on financial circumstances. Industry incentive schemes could include tax incentives and additional support to create fit-for-purpose WIL solutions for small and regional businesses. Universities offering WIL units should be eligible for those units to receive funding through the Commonwealth Grant Scheme.

Recommendation: Develop a National WIL Strategy to be led by the federal government which embeds higher education providers and industries in the centre of the strategy.

Recommendation: WIL to be a core component of all higher education undergraduate degrees with supporting infrastructure such as brokering centres to assist with the uptake of a wide range of WIL activities accessible to all students, regardless of location.

Recommendation: Incentives for students, including HECS-free WIL units and development of an accommodation vouchers program, dependent on financial circumstances.

Recommendation: Incentivise businesses via tax incentives and additional support to create fit-for-purpose WIL solutions for small and regional businesses.

Holistic approach to VET and higher education

ACCI is strongly supportive of improved integration of Vocational Education and Training (VET) and higher education to better meet the needs of learners. It has been estimated that by 2026, nine out of ten new jobs will require a post-secondary qualification, necessitating a system that can meet these demands. The report notes the need to eliminate some of the cultural barriers that have historically existed between the VET and higher education sectors.

While the report focuses on integration on new types of qualifications beginning in areas of national priority, this should be extended to all areas that are practical. A key component will be the improvement of skills pathways to allow qualifications to be more modular,



stackable and transferable between institutions and institution types. ACCI recommends the adoption of a holistic approach to tertiary education through policy and funding frameworks that aim to deliver consistency across the system, and an approach that values VET and higher education equally.

The report calls for an increase of higher education participation to 55 per cent, with a target of equity in achieving this goal. It is important that VET and higher education be considered as working together. An exclusive higher education target should not disadvantage the VET sector. ACCI believes it is crucial to avoid favouring one system over the other. Instead, both systems should offer ample opportunities, and the primary promotion should centre on the attainment of a tertiary qualification itself.

While dual-sector universities and regional universities have achieved some success in linking the two systems and establishing formalised arrangements for credit, there is a need to overcome barriers to cross-system collaboration and promote successful linkages with VET across the higher education system. A better Recognition of Prior Learning (RPL) system is critical to allowing recognition between both VET and higher education providers. This will be particularly important as an increased emphasis on higher education will mean students will be moving between the two education systems in a non-linear manner and should be able so, especially in courses and institutions that involve both sectors.

Recommendation: Improve the alignment between the higher education and VET systems by harmonising funding, regulation, and qualifications to enable smooth transition for students between the two sectors.

Lifelong Learning and Microcredentials

ACCI strongly endorses the interim report's recognition of the importance of lifelong learning and proposed measures to promote continuous upskilling and reskilling opportunities, including the use of microcredentials and RPL. The role of lifelong learning is incredibly important in addressing the rapidly changing workplace and economy.

As the report notes, microcredentials offer a potential solution to skill shortages by providing tailored short courses that are accredited, stackable, and designed to be completed without requiring workers to take extended time away from their jobs. They should be easily accessible as a useful tool for upskilling workers in emerging technologies and processes and have HELP access.

The National Microcredentials Framework should continue to be used to provide guidance on the definition and quality of standards and it is vital the industry and higher education providers work together in their development. There remains a lack of awareness around the existence of the framework. It needs to be promoted across VET, higher education and industry with guidance to allow for clear and consistent application and understanding across all sectors.



A key part of the lifelong learning journey operating effectivity is the ability to obtain easy RPL. ACCI is keen to see the progression of the recommendation to adopt the outcomes of the 2019 Australia Qualifications Framework review as a matter of priority using arrangements between industry, unions and governments.

The report proposes the creation of a universal learning entitlement that helps all Australians access high-quality tertiary education and makes lifelong learning a reality. ACCI believes that a universal learning entitlement and the development of a national skills passport, such as the Singapore Government's MySkillsFuture would assist in creating a national movement for lifelong learning.

Recommendation: Promote the National Microcredentials Framework across VET, Higher Education and industry, along with an awareness program of the benefits of microcredentials.

Recommendation: Ongoing funding for microcredential delivery and access to HELP.

Recommendation: Implement the recommendations from the 2019 AQF Review in relation to RPL.

Recommendation: Creation of a universal learning entitlement and the development of a national skills passport.

Areas of substantive agreement/disagreement

ACCI would like to note the following items as areas of agreement that should be given additional consideration and appear in the final report, Part 2: B, Part 2: C and Part 2: D.

ACCI fully supports the emphasis on industry collaboration highlighted in the report. The report appropriately underscores the significance of fostering robust partnerships and collaborations between higher education institutions and industries. Such cooperation is pivotal in effectively addressing the evolving demands for skills and ensuring that graduates are well-prepared for the job market with the requisite skills.

The report aptly acknowledges the indispensable role played by international students in the higher education journey. ACCI concurs on the pivotal importance of international students to the higher education sector. Attracting and retaining international students not only benefits educational institutions but also enhances the learning environment for all students. It is recognized that encouraging more international students is a crucial factor for continued growth in this sector. The report's proposal to enhance international competitiveness through improved teaching, research, and post-study work rights is commendable. ACCI endorses the need for an improved student visa application process and supports a review of the Temporary Graduate Visa to facilitate the smooth transition of international graduates into the workforce. Notably, ACCI does not support the recommendation of imposing a levy on international student fee income.



ACCI emphasises the necessity of policy changes that facilitate improved research collaboration between higher education institutions and industries. The creation of industry-centric research and learning precincts integrated into both the higher education and VET systems is of utmost importance. Such integration fosters a seamless exchange of knowledge, promotes innovation, and supports the development of a skilled workforce that aligns with industry needs.

An indispensable element that ACCI believes the final report must underscore is the critical importance of delivering high-quality education. Effective teaching is an essential foundational aspect of any reform initiative. Thus, the final report should strongly advocate for measures that enhance the quality of education and teaching across the tertiary landscape.

Yours sincerely

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