Dear Mr Tudge

Coalition Online Higher Education Working Group

Thank you for your letter of 4 March seeking input relevant to the terms of reference of your Online Higher Education Working Group. The University of Sydney welcomes the Coalition’s interest in understanding the implications of global developments in online education for governments, the Australian higher education sector, the education system more broadly, employers and consumers of educational services.

We also welcome the considered and consultative approach the Working Group is taking to gather views and evidence to inform the development of public policy capable of ensuring Australia maximises the educational and economic development opportunities that may arise from advances in communications technology. The University of Sydney has contributed to the development of the Group of Eight (Go8) submission to your review, and is broadly supportive of the key points it makes. We raise the following additional complementary issues for consideration and look forward to discussing these and other relevant matters with the Working Group at an appropriate time.

The importance of defining ‘online education’ broadly from the outset

We see risks in characterising online education as concerned only with the delivery of educational offerings remotely via computer technology, without any face-to-face, on campus, contact between the students and teachers. While globally many courses of this type are being developed and are currently gaining significant student interest and media attention, the larger and quieter revolution has been underway for many years as providers have sought to blend face-to-face, campus-based learning spaces and online contexts to enhance the student learning experience in ways that are pedagogically robust and financially sustainable. To reduce such diverse and complex developments to ‘online education’ is to risk fragmenting the discussion and any resulting policy framework that will need to deal with the challenges and quality issues raised by integrating online elements into existing courses in the majority of cases and majority of universities nationally.
Similar risks to the quality of university students’ experiences of learning arise if we assume ‘online’ means ‘student-centred’. The provision of educational resources online to students does not equate automatically with student-centred learning. Online education can just as easily result in a one way, disengaged transmission model as can teaching through large lectures and classes. The key to good design is to integrate face-to-face and online contexts that stimulate and engage students, and enable them to traverse back and forwards across physical and virtual spaces in the pursuit of their learning outcomes. The development of policy capable of maximising opportunities for Australian education providers will need to be based on a sound appreciation of the diversity of this type of ‘blended learning’ occurring within an education continuum from fully face-to-face, to fully online.

With the vast majority of Australian higher education offerings (81 per cent in 2010 according to the latest ABS data) taught on campus, this is likely to be the largest area for growth and changes in models of delivery from totally on-campus to blended offerings of physical and virtual spaces over the next five to seven years. Successful providers will be those that are able to establish underlying flexible business models that seamlessly support and encourage their educators to innovate, by choosing and implementing the mix of face-to-face and virtual delivery options they want to underpin the design and delivery of their courses.

To help higher education institutions meet these challenges, providers should be acknowledged, encouraged and supported through all relevant Federal Government schemes that seek improvement in teaching quality. This includes support for improvements providers make to their physical infrastructure for formal teaching spaces, but also to their informal learning spaces (such as learning hubs, learning commons and libraries for students to use) and infrastructure supporting online learning (both hardware and software solutions). In regard to teaching infrastructure, attention is too often paid only to bricks and mortar teaching rooms, which no longer describe the totality of a meaningful university student experience of education.

The importance of providing underpinning infrastructure

Notwithstanding the Coalition’s well articulated position concerning the Australian Government’s approach to delivering the National Broadband Network, we see the establishment of high speed, affordable broadband to Australian homes as an essential element in any national strategy to encourage growth and innovation in online education. The provision of such infrastructure will open up access to higher education for people living in regional areas, while those living closer to university campuses will also benefit, as ubiquitous high speed internet will greatly enhance the ability of institutions to incorporate online learning elements into their curricula.

Key policy challenges

The key policy challenge we face is to create a funding and regulatory environment for Australian universities that enables and encourages Australia’s higher education providers to innovate, take measured risks, and respond quickly to changes in consumer demand and global developments. The current base-funding and regulatory arrangements that dictate so much of our operating context do not support diversity and innovation to the same degree as the arrangements in place in our major competitor countries that are leading the way in the provision of online education.

Strengthening the sector through base-funding reform

Base-funding shortfalls across many disciplines that have been confirmed by multiple reviews mean that Australia’s research-intensive universities in particular continue to be sustained only by a complex web of cross-subsidisation: between student categories, between course types,
and between teaching and research. Like many Australian universities, the University of Sydney faces a constant challenge in resourcing its core teaching and research activities, let alone finding the funds to invest heavily in major online and other strategic initiatives with the potential to strengthen the University’s long term global competitiveness. As a result, most of our major new strategic projects are made possible by targeted funding obtained from external sources such as governments, industry, donors or a combination of these, not from base funding. Members of the Working Party will be aware that the Australian Government recently rejected most recommendations of the 2011 Higher Education Base Funding Review. If elected to Government in September, we recommend that the Coalition revisit that review with the objective of implementing a balanced and coherent package of reforms that place the sector on a more sustainable footing by reducing the current complexity and dependence on cross-subsidisation to support core activities.

**Ensuring Australia’s approach to regulation fosters innovation and measured risk taking**

In terms of regulation, while TEQSA is required by its Act to take an approach to regulation that is underpinned by the principles of reflecting risk, regulatory necessity and proportionality, it remains to be seen how the regulator will handle innovative approaches to online education by higher education providers registered to operate in Australia. Moreover, TEQSA’s overall approach to regulation is risk averse, when the taking of measured risks is arguably fundamental to unlocking new business opportunities through innovation, and to ensuring survival in competitive markets. Our current understanding is that TEQSA will take an interest in relation to any proposals by registered providers for the online delivery in full or in part of regulated qualifications (Australian Qualification Framework awards), or for the online delivery of units of study for credit towards regulated qualifications. To the extent that providers registered in Australia that intend to offer regulated courses online will be competing for students globally with providers that are not subject to similar regulatory controls, there would appear to be a risk that Australia’s approach to regulation could impede the capacity of its higher education providers to compete nimbly and effectively. This will depend, however, on the extent to which TEQSA’s regulatory and reporting requirements serve to hinder the capacity of providers to establish and adapt online offerings.

If the courses to be offered online are or relate to non-AQF awards, however, we understand that TEQSA is not likely to take a regulatory interest unless it forms a view that the activity has the potential to impact negatively on the reputation of the Australian higher education sector as a whole. If elected to Government in September, we recommend that the Coalition examine TEQSA’s overall approach to regulation of the sector closely with a view to ensuring that in its approach to regulation, TEQSA strikes an appropriate balance between the need to promote innovation, risk taking and competition in the system, and the need to ensure the overall quality and standing of the Australian higher education sector.

**Broadening thinking to consider blended learning for research training**

Finally, we reiterate the points made in the Go8 submission concerning the importance of ensuring that the Coalition’s thinking about online education is not limited to undergraduate and postgraduate coursework provision, but also considers the particular opportunities and challenges that present in relation to enhancing the quality and relevance of Australian higher degree by research training. In a highly constrained funding environment for research training, where demand from high quality domestic candidates can no longer be assured in all disciplines, Australia’s research universities are currently grappling with options to enhance the generic skills training provided to research students, expanding access to high quality
international students, and linking their research students with fellow students, industry and research collaborators domestically and internationally. We see significant potential for technology to improve the international competitiveness of Australia’s research training system, through a well thought through mixture of funding and policy reform that encourages collaboration between education providers to develop cost-effective online and blended learning modules tailored to enhance the learning outcomes of higher degree by research students.

We trust these comments are helpful and wish the Working Group all the best with its consideration of these important issues. If you would like to discuss any of these matters further with the University of Sydney, in the first instance please contact Jane Oakeshott, Senior Adviser, Government Relations, ph: 02 9036 5273, email, jane.oakeshott@sydney.edu.au.

Yours sincerely

(Signature removed for electronic distribution)

Michael Spence