



REGIONAL STRENGTH. NATIONAL SUCCESS.

Regional Universities Network (RUN)
Submission to the Rural and Regional Affairs and Transport References
Committee inquiry into the future role and contribution of regional capitals
to Australia

Summary

Regional universities are one of the largest and most visible assets in their regions. The universities of the Regional Universities Network (RUN) make a fundamental contribution to regional Australia, its regional capitals and other towns through: teaching and learning activities; research and innovation; and service functions. These activities contribute to human capital development; regional governance and planning; community development; health and ageing; arts, culture and sport; environmental sustainability; and industry and business development. Regional universities are looked to for leadership in stimulating positive change, and their staff and students play active and visible roles in their communities.

In 2011, RUN universities contributed \$2.1 billion in gross domestic product, \$1.2 billion in household income and more than 14,000 full-time equivalent jobs to the Australian economy.

Much of the employment growth in Australia is occurring in high skilled jobs and this trend is likely to continue. Participation in higher education must continue to grow in regional Australia. Keeping the demand driven student system for bachelor degrees, whereby universities may enrol as many students as they wish in most courses, and expanding it to include sub-bachelor places is essential to achieve this.

The best way to get professionals to work in regional Australia is to train them in the regions – 60-80% of RUN graduates are employed in regional Australia within a few months of graduating, thereby enriching regional Australia.

The current uncertainty about the future of funding of higher education is an issue of concern to regional Australia and its towns. Government funding towards the vital contribution regional universities make to regional Australia does not come from the regional development portfolio, but largely from the education portfolio. The component of base funding allocated to universities to undertake research is essential in contributing to the ability of regional universities to broadly support regional development and regional communities.

Introduction

The Regional Universities Network (RUN) comprises six universities with headquarters in regional Australia: CQUniversity, Federation University Australia (Fed Uni), Southern Cross University (SCU), the University of New England (UNE), the University of Southern Queensland (USQ), and the University of the Sunshine Coast (USC).

The network was established in 2011 with three key objectives:

- To provide policy advice to government, particularly with regard to tertiary education and regional development;
- To strengthen and promote the contributions of regional universities to regional and national development; and
- To build institutional capacity and sustainability through the sharing of best practice in educational delivery, training, research and organisational management, particularly with reference to regional contexts.

The contributions of RUN universities

RUN universities play a key role in their regions, educating over 100,000 students, employing almost 7,000 staff, and managing annual revenues of \$1.45bn and assets of \$2.68 billion¹. They deliver services through 69 campuses and learning centres encompassing all states except Tasmania (see Attachment 1). On conservative estimates, focussing on the impact of the main campuses and a limited range of outputs, RUN universities contributed \$2.1 billion in gross domestic product in 2011, \$1.2 billion in household income and more than 14,000 full-time equivalent jobs to the Australian economy². By way of comparison, this is equivalent to the economic impact of the Australian fishing industry in 2011.

RUN universities are commonly one of the most significant employers in their respective towns and regions e.g. UNE provides well over 20 per cent of the employment in the Armidale-Dumaresq Local Government Area and SCU provides about 10 per cent of the employment in the Lismore Local Government Area³.

RUN universities are comprehensive institutions that offer a diverse range of teaching and learning programs, undertake research and innovation, and serve their communities. As regionally-based universities they have made strategic decisions to invest in those areas of education and research that resonate with the needs of their regions and enable them to make strong contributions to regional development.

A study undertaken in 2013 examined the contributions of RUN universities to the social, cultural, environmental and economic development of their regions (available via the RUN website)⁴. The study explores how RUN universities' teaching and learning activities, research and innovation, and service functions contribute to: human capital development; regional governance and planning; community development; health and ageing; arts, culture and sport; environmental sustainability; and industry and business development. A number of the issues identified in this submission draw on the study's findings.

¹ Data is sourced from published Department of Education and Training statistics. Data is provided for the most recent available year, ie 2013 for enrolments, revenue and assets, and 2014 for staff.

² Regional Universities Network (2013) *National summary of the economic impact of RUN universities*. Accessed from http://www.run.edu.au/resources/Economic_Impact.pdf on 9 April 2015

³ Regional Universities Network (2013) *National summary of the economic impact of RUN universities*. Accessed from http://www.run.edu.au/resources/Economic_Impact.pdf on 9 April 2015

⁴ Regional Universities Network (2013) *Regional Universities Network: Engaging with regions; building a stronger nation* accessed from http://www.run.edu.au/resources/RUN_regional_impact_study_vol_1.pdf on 9 April 2015

Despite their fundamental contribution to regional development, regional universities receive no funding from the regional development portfolio. Funding for relevant activities largely comes from base funding to universities from the education portfolio, with additional funding received from student fees, research and other income (Table 1). The component of base funding allocated to universities to undertake research is essential in contributing to the ability of regional universities to broadly support regional development and regional communities.

Table 1: Revenue and Assets for RUN universities, 2013 (latest available) data

REVENUE AND ASSETS	\$'000	%	% Aust'n Public Unis
Total Revenue (\$'000)	1,452,140	100	6
Australian Government	997,502	69	7
Fees and charges + upfront student contributions	324,386	22	5
Investment income	30,738	2	3
Consultancy & contracts	23,905	2	2
Other income (inc State Government)	75,609	5	3
Total Research Income	71,959	100	2
Australian Competitive Grants	24,182	34	1
Other public sector research funding	18,037	25	2
Industry and other funding for research	21,307	30	2
CRC funding	8,432	12	8

Teaching and learning

Universities' teaching and learning programs contribute to human capital development by raising educational attainment, enhancing opportunities and developing the high level skills required to perform many jobs. People with higher education qualifications typically have greater employment opportunities, they earn more, have better health outcomes and make a greater contribution to society.

Regional Australia is characterised by poorer educational attainment than our capital cities. This is an important equity issue for the individuals concerned and has implications for the economic development of their communities. The gap has started to narrow in recent years, largely due to the demand driven system of student funding, started in 2012, which allows universities to enrol as many students as they wish in bachelor degrees. However, the proportion of the working age population with Year 12 and bachelor degree or higher attainment levels remains significantly lower in regional and remote areas⁵ – see figures one and two below. In 2014, 15-19% of working age Australians living in regional and remote areas held a Bachelor degree or above compared with 33% of the population in major cities.

⁵ ABS (2014) *Education and Work 2014* Cat no. 6227 – analysis based on data downloads.

It is essential for the demand driven student funding system to be retained for bachelor level degrees, and expanded to include sub-bachelor degrees, which can be used by students less well prepared for university as pathways to undergraduate study.

Figure 1: Year 12 attainment or equivalent

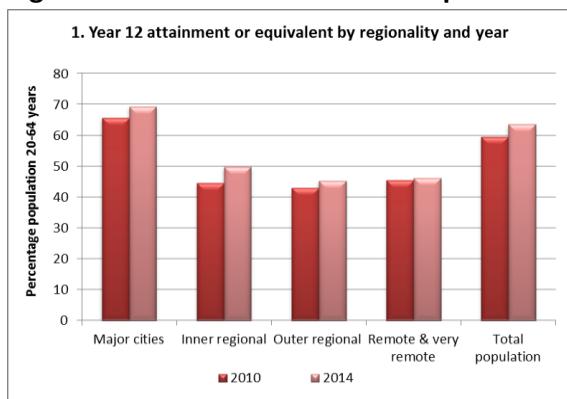
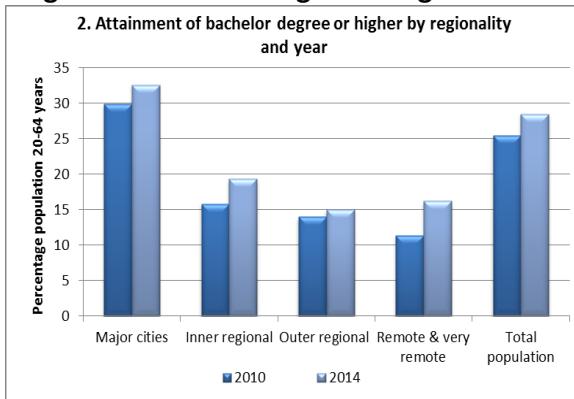


Figure 2: Bachelor degree or higher attainment



Much of the employment growth in Australia is occurring in high skilled jobs and this trend is likely to continue. A BITRE report⁶ notes the industry sectors which are expected to grow most rapidly between 2013 and 2018 are health care and social assistance; education and training; retail; and professional, scientific and technical services. Many of these jobs are dispersed across Australia's cities and regions. The best way to get professionals to work in regional Australia is to train them in the regions – 60-80% of RUN graduates are employed in regional Australia within a few months of graduating.

There is thus a challenge to increase higher education participation in regional Australia in order to address a long standing equity issue, meet the needs of the future workforce, and enable regional industries to diversify and grow. RUN universities are playing a critical role in meeting this challenge: they teach more than 100,000 students or about 9% of enrolments in Australian public universities. RUN universities also educate 25% of Australia's regional higher education students, 34% of Australia's distance education students, 16% of low socio-economic students, and 15% of indigenous students. Health, education, and management and commerce are among the fields with the largest enrolments, reflecting likely future employment opportunities.

RUN universities are adopting a variety of mechanisms to align their teaching and learning programs to ensure they meet the needs of their regions. These include:

- Establishing partnerships with schools and other education providers to raise educational aspirations and create learning pathways;
- Expanding and adjusting academic program offerings to respond to specific skill shortages, community needs and development opportunities within their regions;
- Partnering with regional employers and organisations to create student community engaged learning opportunities that deliver benefits to partners and also enhance the employability of graduates in the region;
- Encouraging and facilitating student practicums in rural and remote locations, and designing curriculum to equip graduates for professional practice in regional and rural settings; and

⁶ BITRE (2015) *Changes in Australia's industry structure: cities and regions* (Information sheet 57). Page 28.

- Seeking regional stakeholder input to the design and delivery of academic programs to ensure the programs respond to regional, as well as national and international, knowledge and skill requirements.

Research and innovation

RUN research reflects a strong alignment with the distinctive characteristics of the regions, while extending beyond regional boundaries to incorporate national and international partnerships and impacts. Research at the RUN universities can broadly be characterised as regionally embedded and applied, globally relevant, and multidisciplinary and collaborative. For example, the complexity of many regionally relevant research questions and the relatively smaller scale of research teams in regional universities and local organisations encourages partnering, including with other universities where appropriate.

RUN universities are recognised for their strength of their research in fields such as pure and applied maths, geochemistry, zoology, agriculture, land and farm management, crop and pasture production, forestry, and nursing. Across RUN there are areas of research where there is substantial collective strength. RUN researchers are exploring opportunities to collaborate to further boost the quality, impact and benefits of this research. Areas of potential focus include:

- Precision agriculture;
- Regional and rural health and well-being;
- Regional environmental security;
- Regional infrastructure and logistics; and
- Future regional workforce and regional development.

Building on this preliminary work, a RUN research flagship initiative in precision agriculture, under the banner of RUN Regional Futures Australia, was launched by the Minister for Agriculture, The Hon. Barnaby Joyce MP, in March 2015.

Service

The 2013 RUN study revealed substantial evidence of the contributions made by the RUN universities to their regions through mutually beneficial service activities and knowledge exchange. These activities provide regional access to the universities' physical and intellectual resources, including the expertise of their staff and students. The activities also deliver benefits to the universities by providing access to networks and knowledge that inform and strengthen their education and research functions, build goodwill, and enhance institutional reputations.

Specific examples of service activities included:

- Contributing to regional governance and planning, including the development of regional bids for new funding and infrastructure;
- Community capacity building;
- Providing cultural facilities and programs;
- Hosting community forums, events and festivals;
- Opening up university facilities to the community;
- Student-led community initiatives.

Concluding remarks

Regional universities are one of the largest and most visible assets in their regions. Through their core activities of teaching and learning, research and service they contribute substantially to the development and amenities of their regions, they are looked to for leadership in stimulating positive change, and their staff and students play active and visible roles in their communities.

These attributes mean that regional universities, and RUN universities in particular, make an important contribution in advancing the ‘regional capital’⁷ role of the cities in which they are based. Ballarat Council, for example, has developed a strategy which details the development of the city as the regional capital of western Victoria. The strategy identifies Federation University, which is headquartered in Ballarat, and the associated technology park, as the future Regional Employment Cluster regional capital precinct⁸.



Professor Peter Lee

Chair, RUN

⁷ In this context, a regional capital is defined as a regional city that performs a ‘capital city’ role within its region through the provision of essential infrastructure, services, business, employment and education.

⁸ City of Ballarat (2014) *Today Tomorrow Together The Ballarat Strategy Our Vision for 2040*. Provided as an attachment to a submission to the Senate Committee inquiry. Accessed from http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Rural_and_Regional_Affairs_and_Transport/Regional_capitals/Additional_Documents on 10 April 2015

Regional Universities Network campuses, learning centres and similar facilities

CQUniversity

Rockhampton – main campus (2 sites)
Adelaide
Biloela
Brisbane
Bundaberg
Cairns
Emerald
Gladstone (2 sites)
Mackay (2 sites)
Melbourne
Noosa
Sydney
Townsville
Yeppoon
Learning centres, hubs, etc : Charters Towers, Cannonvale, Cooma, Edithvale, Geraldton, Karratha and Perth

Federation University Australia

Ballarat – main campus – 3 sites
Ararat
Gippsland
Horsham
Stawell

Southern Cross University

Lismore - main campus
Coffs Harbour
Gold Coast
Melbourne
Sydney
Study centres, learning spaces, etc: Ballina, Casino, Grafton, Kempsey, Kingscliff, and Murwillumbah

University of New England

Armidale – main campus
Regional study centres: Tamworth, Taree, Coonabarabran, Narrabri, Moree, Inverell, Tenterfield, Glen Innes, Gunnedah, Guyra and FutureCampus Parramatta

University of Southern Queensland

Toowoomba – main campus
Fraser Coast
Ipswich
Springfield
Hubs, etc: Maryborough, Stanthorpe

University of the Sunshine Coast

Sippy Downs – main campus
Other study locations: Caboolture, Fraser Island, Gympie, Noosa, North Lakes, South Bank

