When our politicians line up for pictures with the US Secretary of State, Hillary Clinton, during her visit next month few Australians will be aware of the potential cost of that photo opportunity.

With each handshake our research enterprise – Australia’s engine of innovation – will be strangled. Our researchers may have lost their ability to freely conduct public-good research and communicate research results – simply because legislation important to the US-Australia defence trade was rushed before Clinton’s visit, rather than considered with enough time to find a solution to protect against its unintended consequences.

This legislation could mean a conference speech, publication of a scientific paper or sending an email to colleagues could require a Defence permit or become a serious crime.

What is scary is that because few Australians are engaged with this complex, technical legislation – let’s face it, anything called the Defence Trade Control Bill will not make the six o’clock news – this was able to happen. What is maddening is that in our rush, Australia will potentially not have legislated comparable safeguards to protect public-good research that Americans have.

The purpose of the bill before the Senate is to give effect to the 2007 Australia–United States Defence Trade Co-operation Treaty which aims to reduce administrative burdens that have hampered the Australian-US defence trade.

However, while the bill reduces the burden of export controls for Defence, it introduces new and potentially stifling export controls on all other sectors, with serious potential consequences for universities.

New controls on intangible transfers mean research activities that could result in the communication of information regarding the development, use or production of a broad range of technologies used in ordinary research would require review by, and permission from, the Department of Defence. The bill could even criminalise publication of data or information relating to these technologies.

This is likely to restrict researchers from communicating critical information to scientists abroad to prevent pandemic flu outbreaks. It would impede top scientists in developing technologies for tomorrow’s high-tech manufacturing industries, new vaccines and potential cures for cancer. The Australian government worries about a brain drain in advanced technology, but is poised to pass legislation that could force our best and brightest offshore.

US researchers in accredited higher education institutions enjoy broad exclusions from export control relating to intangible transfers of dual-use technology research, with applications for computing and development of green-energy sector materials, is not excluded from proposed regulations. He estimates 20 per cent of the equipment he purchases and uses in experiments will be affected and he might spend a quarter of his research time reviewing, assessing, seeking legal advice, applying for, or waiting for, permits. Stay in Australia? This burden just might force him to return to the US.

The University of Sydney has just obtained independent legal advice showing Australian researchers will be at a comparative disadvantage to US peers if this legislation passes.

We must demand it be amended to the bill excluding open scientific research is required. Anything less will prove dangerous to Australian research and innovation.

The failure of Defence to consult adequately has prompted very recent rushed meetings in which there has been pressure to agree to a trial period of the legislation, rather than amend it. During this two-year trial academics will not be prosecuted for breaches but this still will not protect them and institutions from overwhelming administrative burdens and an expensive, lengthy permit process.

Consider a renowned University of Sydney physicist, whose quantum technology research, with applications for computing and development of green-energy sector materials, is not excluded from proposed regulations. He estimates 20 per cent of the equipment he purchases and uses in experiments will be affected and he might spend a quarter of his research time reviewing, assessing, seeking legal advice, applying for, or waiting for, permits. Stay in Australia? This burden just might force him to return to the US.

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‘Wind back creep of uni regulation’

JOHN ROSS

HIGHER education needs a back-to-the-future evolution, according to Australian Catholic University vice-chancellor Greg Craven, who says a universities commission could redress problems in universities’ “megagovernance”. Professor Craven said the overarching governance of the sector had evolved in a largely random way, with “natural regulation creep” as universities increased their reliance on federal funding.

“We’ve got to the point where it’s not set towards diversity or innovation, it’s set towards compliance and uniformity,” he said.

“But the creation of (the higher education quality agency) TEQSA, which is a much more coherent, reasoned approach to governance, (allows us) to think about mega-governance in a more nuanced way. It’s the first time we’ve got something up there that is the can on top of the hill.”

Professor Craven said TEQSA was a “natural and beneficial evolution” that hadn’t reached its logical conclusion.

He said a universities commission-style body could encourage heterogeneity.

“You could have the best of both worlds — you could ensure compliance with quality, but (also drive) other values like diversity and innovation.”

A commission could also bring disparate areas such as TEQSA, the Australian Qualifications Framework, Australian Research Council and parts of the Tertiary Education Department into “the dreaded one-stop shop”, so that “instead of people semaphoreing each other from different hills in Canberra they’re actually working together”.

It could be overseen by a body much like the Reserve Bank or ABC boards, comprising academics, bureaucrats, businesspeople and community leaders “capable of giving government rich advice from an independent perspective”.

“You’d give it powers to run inquiries in particular areas of policy (and) it could make recommendations about funding levels and HECS bands and so forth. You’d give it a mixture of powers while recognising that there were

Continued on Page 32
Doubts over OECD comparisons

BERNARD LANE

AN OECD project to measure learning outcomes at universities across the world may falter despite strong demand for precisely this kind of information, commentators say.

“The spotlight is squarely on the OECD and whether they can deliver on this ambitious project, and it would be fair to say the scepticism levels are high,” said Richard James, director of the Centre for the Study of Higher Education at the University of Melbourne.

Professor James said that if the testing regime for the Assessment of Higher Education Learning Outcomes project was shown to be sound, the future of the venture “will depend greatly on national and institutional politics”.

“There will be nervousness, of course, for national comparisons of learning outcomes will open up new avenues for the rankings industry, among other things.”

North American and European university groups have complained that the OECD “is attempting to create a transnational test of learning outcomes, without clarity of purpose or consultation with institutions”, the US-based website Inside Higher Ed reported last month.

“We hold strongly the view that it is possible to measure outcomes and enhance quality without promoting standardisation of educational programs and homogenisation of institutional missions.”

A more basic problem may be the depleted treasuries of the developed world. The feasibility study for AHELO, run by the Australian Council for Educational Research as the lead agency, finished six months late because of funding problems.

“Many countries are facing severe compression in their higher education budgets and choices will have to be made,” said Queensland University of Technology vice-chancellor Peter Coaldrake, who chairs the governing board of the OECD’s Institutional Management in Higher Education program.

Some debates about AHELO were coloured by the “always distinct possibility that results could be used or misused for purposes which allow rankings”, Professor Coaldrake said.

Whether to go ahead with a full-scale AHELO test will be discussed at a board meeting next March. The IMHE board reports to the OECD’s education policy committee, which has final say.

The feasibility study involved testing of learning outcomes in engineering, economics and generic skills across 17 countries with 25,000 students and 250 universities. “In terms of running global online assessment, it’s (been) an amazing success. It’s a world first,” said ACER’s research director Hamish Coates.

He conceded there were questions about how data from a test such as AHELO would be used but pointed to the public interest in rigorous information about learning outcomes.

AHELO had the potential to counter the research bias of global university rankings, he said.

Although the feasibility study focused on individual institutions, OECD officials told Inside Higher Ed there was no decision yet on whether a full-blown AHELO would allow national comparisons.

Professor James said some comparison at a national or institutional level was likely.
I do not support the cuts to public funding as set out in Andrew Norton’s recent Grattan Institute report, Graduate Winners. Who in my position would?

On this and other grounds, the fact that Graduate Winners has elicited a chorus of disapproval from the sector is as expected. What is surprising is how hard it has been for commentators to refute the report’s main arguments.

Norton argues that in certain conditions, public funding for student places produces no net public benefit; that funding cuts would allow public investment in other government priorities; that the impact on university revenue could be offset by increases in student fees; that students would be ready to pay higher fees where the private benefits are large enough; and that Australian student-loan schemes prevent fee increases from excluding poorer students.

Norton’s many critics have generally relied more on rhetoric than reason. Simon Marginson’s comparison in the HES (October 3) of Graduate Winners with the OECD’s Education at a Glance is a case in point, suggesting that the former offers dogma and the latter enlightenment. Drawing on Education at a Glance, Marginson argues that the public benefits of higher education, such as civic engagement and social tolerance, are manifold and significant; that these will shrink if public funding shrinks; and that Graduate Winners ignores these facts and assumes we have nothing to learn from global comparisons.

A leading commentator, Marginson is typically cogent and persuasive. Many in the sector would be happy to see him hit Norton on the head with a 570-page OECD report.

But his critique here is more symbolic than substantive. Graduate Winners is not dogma, immune to logic or evidence. Rather, it is heresy. The allergic reactions it attracts reflect the strength of a common orthodoxy, that the production of public good requires public money.

Graduate Winners recognises that higher education produces several types of public benefit. But it questions the extent to which some public benefits result directly from university study: as Marginson observes, it’s a controversial area.

More crucially, Norton argues that most of these public benefits would flow to society anyway, regardless of whether the bill is paid by taxpayers or students.

Advocates of a public-funding, public-benefit equation cannot counter this readily.

As Marginson argued some years ago, around the world public and private universities, whether they offer free or full-fee education, produce a mix of public and private benefits.

This is why attempts to apply cost-benefit analysis to public investment in higher education are so contextual and so contestable, and also why Education at a Glance does not refute Graduate Winners by showing publicly funded systems are better. In fact, the OECD shows most countries finance their tertiary education
with a mix of private and public spending, and that Australia is further down the private spending path than most, but not all.

Turning to Marginson’s points on education and civic responsibility, Education at a Glance does not suggest that fee-paying graduates are less likely to vote than non-fee-paying ones, nor that we could link the mix of public and private funding for tertiary education in, say, Finland and New Zealand to their respective levels of tolerance for cultural differences. In fact, it shows Finland spending far more public and far less private money on tertiary education.

But, as if to corroborate Norton’s observation that civic education is more a task for schools, elsewhere Education at a Glance presents a study of Year 8 student attitudes to equal rights for ethnic minorities, with Finland rating lower than New Zealand.

So, yes, we can learn from OECD data. But it is also a cherry-picker’s picnic, open to what has been called “the propaganda of international comparisons”.

It may even be possible to cherry-pick from Education at a Glance to support Graduate Winners. First, it shows that across the OECD in the decade to 2009, private spending on tertiary education grew three times faster than public spending. Second, its authors suggest that, given high private returns, greater contributions from individuals may be justified. Third, given the lag in the data-set, we can predict that the trend to private spending will continue. In many cases public funding for tertiary study will flatline in future OECD reports, where governments have made cuts to cope with the impact of faltering economies on their public finances.

None of this leads me to support less public funding for Australian higher education. But I wish someone would present better arguments than those I’ve seen.

Geoff Sharrock is a program director for tertiary education leadership and management at the LH Martin Institute, University of Melbourne.

Graduate Winners is not dogma, it is heresy.
Students deserve a level playing field

The best university systems in the world embrace diversity

TIM BRAILSFORD

AUSTRALIAN universities face difficult questions and must confront looming challenges if we are to maintain a position of competitive strength.

The best university systems in the world embrace diversity, both in mission and structure. These systems lead to student destinations in which the personal attributes, aptitude and goals of each individual are accommodated. There is a place for everyone and the system is designed to allow the next generation to thrive.

Unfortunately, the Australian system is one where homogeneity and conformity is encouraged, if not enforced.

Bond is the only university in the country that receives no direct government funding for student places, and has never received a single commonwealth-funded student place in its history. The university survives through its dedication to the student learning process and its ability to adapt to industry demands. As such, Bond, as a market-exposed institution, is at the forefront of change and swings in student enrolment patterns.

It is important for the higher education system that institutions such as Bond are given the opportunity to compete on the global stage and to contribute to the health and diversity of the system. Both sides of politics should embrace the concept of a complete higher education market. Other countries have done so, with much success. In the US and Scandinavia, non-public universities comprise 30 per cent of enrolments.

By contrast, in Australia public institutions capture 98.4 per cent of all university enrolments. It remains a paradox when Australia has embraced a diversified approach to schools, where 35 per cent of enrolments are in non-public independent schools.

As with sand poured into a bucket of rocks, where the grains occupy the air pockets and together with the rocks create a solid platform that remains intact even when subject to vigorous force, so too a diverse university system, in which there is opportunity for institutions of all shapes, sizes and structures, is better equipped to cope with change.

The common and sometimes instant reaction to non-public universities is that quality will decline and we should not profit from education.

A delineation needs to be made between non-profit and for-profit institutions. Private does not equate to for-profit. Further, as history has demonstrated, accusations of lowering standards to increase revenues are not restricted to non-public universities.

Indeed, many of the quality scandals have been associated with public universities. Their private counterparts have greater market-based incentives to maintain standards to protect their brand. Moreover, the national regulator now provides oversight and control of brand Australia.

Not only is the playing field uneven in relation to government funding but there are also policy differences. As an example, a student who enrols in a public university is able to defer the payment of their student contributions, no matter how much, through HECS until they meet a threshold annual income.

However, if the same student enrols in a private university, they are able to defer their tuition fee only up to a capped limit and must pay a 25 per cent administration fee.

One can only wonder how the government’s own philosophy of competitive neutrality can be so easily waived, and how the fundamentals of competition policy can be ignored.

While the world of higher education policy can be a complex maze of egos, politics and black holes that has swallowed up many ministers through the years, it’s also one we must get right.

The plea is to all sides of politics to commit to the construction of a diverse system underpinned by a commitment to the establishment of a level playing field where students are not penalised for choosing a non-public university.

Sorting out the differences between FEE-HELP and HECS would be a good start.

Tim Brailsford is the vice-chancellor of Bond University.

As history has demonstrated, accusations of lowering standards to increase revenues are not restricted to non-public universities.
Bond University's vice-chancellor Tim Brailsford is calling for greater diversity in tertiary education