

# THE ROLE OF UNIVERSITIES IN THE REGIONS

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### 1. Preamble

All Australian universities share the common principal purposes identified by the Higher Education Council in its 1992 report *Higher Education, Achieving Quality*, i.e.

- The education of appropriately qualified Australians to enable them to take a leadership role in the intellectual, cultural, economic and social development of the nation and its regions;
- The creation and advancement of knowledge; and
- The application of knowledge and discoveries to the betterment of communities in Australia and overseas (Higher Education Council, 1992, p. 12).

The Higher Education Council (1992) also notes that one of the goals of Australia's Higher Education system is the encouragement of 'diversity so that all courses reflect the regional, social and cultural differences that impinge upon individual universities'.

### 2. Defining regional universities

All Australian universities serve particular communities, whether they are in regional or metropolitan areas. There are universities in metropolitan areas that serve communities with histories of low participation in higher education, or that have campuses in regional Australia. It is thus difficult to be rigid in definitions of regional institutions.

These universities, whilst primarily teaching and research institutions, fulfil roles beyond the realm of education. They are highly significant financial and social institutions in the regions in which they operate, offering their communities educational, research, economic, cultural and social opportunities which would otherwise not be available in the region. They occupy an important place in the tertiary education system of Australia.

The regional and rural universities and campuses are important education and service providers for their regions. Australia's regional areas are diverse in their economy and demography, ranging from declining industrial regions to growth regions based on tourism and services, to small and remote communities. Many of the metropolitan universities also serve these regional communities through regional campuses including campuses in remote and isolated parts of the country such as Curtin's Kalgoorlie campus (WA) and the CQU campuses in Emerald and Gladstone (Qld).

None of the universities of Western Australia is categorised as a regional university (though all have regional campuses or study sites) because of the metropolitan location of their main campuses. However, not only do they have regional campuses, but even their main metropolitan campuses are also adversely affected by their distant location from the rest of the sector. Some

metropolitan universities such as UWS have distinctively regional mandates in locations experiencing some of the disadvantages of the non-metropolitan regions addressed here.

### **3. Universities' role in:**

#### **► Regional development**

Universities play a highly significant role in regional development (Garlick, 1998; House of Representatives, 2000).

- They are major contributors to regional economies and regional development. They are often the major regional employer and purchaser of services. This direct relationship is amplified by well-documented studies of the multiplier effect estimated at \$2billion annually (House of Representatives, 2000, p275);
- they provide cultural, sporting and physical infrastructure in the regions; and
- they provide community leadership in regional development in conjunction with state and local government and local industry (where extant).

#### **► Post-compulsory education**

Universities provide a hugely significant role in post-compulsory education –

- bringing the knowledge economy to the regions;
- providing educational opportunities for disadvantaged populations and areas;
- providing centres of regional and international excellence in research. This research may be directly related to regional economies/needs or it may be in areas not specifically related to regional needs but which are internationally recognised as providing skills, knowledge and experience which are critical to the development of the regions in which they are located;
- widening the employment base of the regions and providing opportunities for employment and retention of graduates in their home region;
- developing the skill base of regions through partnerships, training and professional development, short courses, award course and research;
- developing with other post-compulsory education providers (schools, VET, TAFE and private providers) comprehensive and multiple articulated pathways to provide the best possible educational opportunities for students;
- providing a diverse range of courses, consultancy and research to complement regional needs; and
- developing cultures of lifelong learning.

### **4. Issues facing universities in the regions**

#### **► Issues for universities in the regions**

Many of the universities in the regions have been created only in the relatively recent past, they lack substantial endowments, their industry base is frequently small (both in total and in the size of individual enterprises), their immediate population catchment may be limited or their regional growth rates may be outstripping their capacity to provide an adequate range of academic offerings, thus accentuating inequities in Australia-wide provision.

The populations served by these universities may experience some or all of the following disadvantages. They may:

- be isolated and some distance from major mainland capital cities;
- have low socio-economic status and income;
- have traditionally low participation rates in higher education, or even schooling beyond year 10 (Higher Education Council, 1999);
- suffer from poor infrastructure facilities, both physical and technological;
- have shrinking population bases as employment concentrates in major capital cities;

- have difficulty in attracting high quality staff in some areas; and
- have limited part-time work opportunities to sustain students financially.

The existence of regional universities offers students in the regions the opportunity to study within easy access of their families and support structures. The opportunities and the employment these institutions create help to keep the regions alive. Some have suggested that regional universities should be teaching only institutions, or outposts of metropolitan universities. There are equally strong views that advocate that research is essential in the regions, as is the maintenance of independence of such institutions so that regional focus and benefits can be assured. A downgrading by stealth or neglect of universities in regional and rural Australia would be economically disastrous, politically problematic to any party seeking government in this country and counter the bipartisan pursuit of equity through education that has traditionally characterised and inspired Australian advances.

#### ► **Costs and funding of universities in the regions**

The Commonwealth funding model for universities makes no allowance for any differences in the cost of delivering services in various regions of Australia, including metropolitan centres. There are additional financial and time costs associated with being outside the major population and/or power centres, without the possibilities of economies of scale existing in the major population centres. It is often more difficult for regional universities and campuses to sustain close contact with the bureaucracy and political systems based in metropolitan centres. It has been argued that costs of service delivery were 30-40% higher on campuses in regional Australia by comparison to those on campuses in metropolitan areas (House of Representatives, 2000, 280). These differential costs are examples of a range of factors (e.g. differential capital costs between CBD and rural construction, proportion of part-time to full-time student load, etc.) not addressed in the current Commonwealth funding model for universities; many of which impact negatively on regional universities, some of which impact negatively on other universities.

The costs to rural and isolated students may also be significant, especially in the costs of travel and living away from home. The Commonwealth Government currently supports students undergoing primary and secondary education through the Country Areas Program (CAP) and the Assistance for Isolated Children (AIC) schemes. Nonetheless, the problems for isolated children are cited as a 'national disgrace' (House of Representatives, 2000, 271). This problem is exacerbated at tertiary level because of the limited choice of providers and courses available, the higher costs of travel and the additional costs of HECS. However, it is precisely these young people who need to be encouraged to stay, study and work in the regions to assist in regional development.

Infrastructure facilities, notably telecommunications, are also poorer in rural areas, as providers have focussed on urban areas where the market is larger and less of a financial risk. Many rural and remote areas suffer from inadequate, ageing and failing infrastructure which is insufficient to provide access to the Internet and other digital services. This provides a particular difficulty and expense for many remote populations to access on-line education, which is often touted as a solution for regional educational provision. Regional users are at a major disadvantage in terms of the bandwidth or data transmission capacity which is necessary for on-line access, video-conferencing, and access to AARNet.

#### **5. Threats to universities in the regions**

Many of the regional universities are small to mid-sized institutions trying to sustain significant community aspirations in terms of their breadth of courses and services. Closure of economically marginal courses leads to a diminution of local opportunities for students. The closure of courses, or social and cultural services, and the attendant loss of jobs lead to a loss of confidence and

significant disquiet amongst the population. The withdrawal of many other services from the regions, and the loss of jobs as well as the loss of service, has created social instability and resentment. Loss of talented young people to the cities reduces the potential of many parts of regional Australia to recover from the current problems. Further funding losses within the regional universities will have significant social consequences and contribute to further declines in many of the regions. Some universities are relatively new and cannot provide opportunities quickly enough for a rapidly growing population, and the issues of social instability and resentment are again manifest.

## **6. Recommendations**

### **A. Differentiated funding mechanisms**

Recognising the particular and specific role of the universities in the regions, the federal and state governments should be requested to explore mechanisms to assist these institutions. This was the intention of recommendations 79 and 80 of the House of Standing Committee on Primary Industry and Regional Services (2000, 281-282).<sup>1</sup>

However, given that the whole sector is under considerable financial stress, it would be inequitable to use mechanisms that prejudiced public funding opportunities for the other public universities. It could be approached via additional direct funding for specific regional initiatives. Such funding could be awarded on the basis of specific Key Performance Indicators and subject to a regular evaluation of performance against these indicators.

Alternatively, an approach such as that used by the Commonwealth Grants Commission might serve to allow differential costs which consider scale, remoteness and community service obligations to be quantified and funded. Such an approach extends the philosophy behind the CAP scheme, presently directed towards primary and secondary schools, to tertiary institutions. Again, if such a scheme were to be employed it would also need to take account of the differential cost factors that negatively impact on non-regional institutions.

### **B. Increase funding support to students from rural and isolated areas.**

Students from rural and isolated areas are already considered as an equity group by DETYA. The House of Representatives (2000) report recommends consideration of changes to the Youth

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<sup>1</sup> *"The committee considers that the Commonwealth government should recognise the importance of the contribution of post-secondary educational institutions to regional areas by reviewing the formula for regional universities' funding. In particular, the Commonwealth should take greater account, relative to research outputs, of regional universities' contribution to regional economic development, through the provision of telecommunications networks and their involvement in technological innovation in regional communities.*

*The committee recommends that the Commonwealth government takes greater account of the contribution by regional universities and TAFEs to regional economic development and redress the disadvantage suffered by regional institutions by increasing regional tertiary and vocational education and training funding."*

Allowance for farm families. This BHERT position paper acknowledges the benefits that would flow from increased student support to students studying at regional institutions and campuses.

### **C. Infrastructure development**

Allocate targeted ARC/SPIRT funding for specific regional research/business initiatives aimed at fostering regional development.

Adopt a whole-of-government approach between all levels of government and the universities in the regions in the strategic provision and sharing of major regional infrastructure.

Develop IT bandwidth for rural and isolated areas. This report supports recommendation 82 of the House of Representatives Standing Committee on Primary Industry and Regional Services (2000, 286):

*"The Committee recommends that the Commonwealth government establish a telecommunications trust fund for higher education with sufficient funds to subsidise regional universities for their broadband data expenses for three to five years."*

### **D. Development of intellectual capital**

Develop networks among universities and other tertiary institutions to encourage credit transfer and best practice models of service provision for regional Australia.

## References

Garlick, S., 1998: *'Creative associations in special places': enhancing the partnership role of universities in building competitive regional economies*. Department of Employment, Education, Training and Youth Affairs, Canberra.

Higher Education Council, 1992: *Higher Education, Achieving Quality*. Australian Government Publishing Service, Canberra.

Higher Education Council, 1999: *Higher Education Report*. Department of Employment, Education, Training and Youth Affairs, Canberra.

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