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University reform must look as more than funding and ensure promises are delivered



Gary Banks, Dean and CEO of ANZSoG, is worried about the knock-on effects that result in and arise from fewer economics students. **Jesse Marlow**

by **Tim Dodd**

It's one thing to figure out how to fund universities, and this problem has been all-absorbing in the past few months as Education Minister Christopher Pyne's funding reforms have faltered and hit the wall.

But it's equally as important to examine whether universities are meeting standards that make spending money on them worthwhile.

A speech that former Productivity Commission chief Gary Banks, now dean of the Australia and New Zealand School of Government, gave at the Universities Australia annual conference this month is a reminder that all is not well in higher education.

Banks notes the sharp increase in investment that Australia is making in higher education, with the direct federal government subsidy for undergraduate courses rising from \$4 billion to \$6 billion a year following the decision by the former Labor government to end the quotas on undergraduate education.

But he also sees the increased difficulty that graduates are having in finding jobs in the field they have trained for. "It is hard to escape the implication that society may be reaping diminishing returns from the more recent increases in participation in higher education," Banks says.

And what of the inevitable increase in students of lower academic capability, which has come with the expansion in student numbers due to the removal of quotas that allows universities to enrol as many students as they please?

Universities have a strong incentive "once having admitted the student, to ensure that he or she stays the course (literally)", because if the student stays, so does the subsidy.

'Lenient treatment of under-performance'

He concedes that this encourages better teaching, "but it also encourages lenient treatment of underperformance".

Banks related how he had gathered his own semi-empirical evidence (from interviewing recently retired year 12 teachers) that school leavers with ATAR scores under 60 were unlikely to cope with university study. So why are we putting students with lower ATARs, even below 50, into university?

Just as serious, is the declining standard of trainee teachers and the falling results (benchmarked internationally) of Australian schools.

Banks sees a dangerous link between the two – indeed a vicious circle.

Universities drop standards for students entering teaching courses, these students become teachers and, in turn, offer poor education to a new cohort of school students.

"No one should have more at stake in the existence of excellent school teachers than the universities. It is therefore unfortunate that some seem to be treating education courses as another cash cow," he says.

Banks also raises concerns about international students, a huge \$17 billion-a-year export business for Australia.

International students 'not up to scratch'

"Indications persist that many of those who do get enrolled are not up to scratch, including rumours and anecdotes of easy teaching and marking to get them through," he says.

Banks says that one senior Australian National University academic has referred to "functionally illiterate" students, and another at the University of NSW has said it is not unusual for international students to come to his office with an interpreter.

Business degrees are very popular with international students and Banks sees the huge growth in business courses as partly responsible for the decline of economics as a discipline in universities.

"Economics involves more 'theory' and calls on greater literacy, with less tangible linkages to a job in business, than is attractive to many international students," says Banks, who is an economist.

He believes another factor hurting economics is the pressure on academic economists to publish in top journals to ensure promotion. He says this has "diverted faculty and shifted the orientation of degrees away from the practical and the relevant, to the novel and the abstract or mathematical".

In total, the result is that students are not getting the breadth and depth of understanding that they need in economics.

"My fear is this will increasingly take its toll on the suitability of entrants to public service employment and detract further from the capacity of government to develop sound policies," Banks says.

So should university reform be mainly about funding? Or are there some other very important issues to consider?

Read more: <http://www.afr.com/news/policy/education/university-reform-must-look-as-more-than-funding-and-ensure-promises-are-delivered-20150318-1m2iki#ixzz4aEBMJ3ec>

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