- 1. I write as an expert in the history and politics of higher education with a particular interest in higher education. I have published widely in the field and have a particular interest in gender and equity in higher education including the place of international students in Australia's higher education system.
- 2. I note that the first scoping parameter is 'to analyse Australia's productivity performance in both the market and non-market sectors, including an assessment of the settings for productive investment in human and physical capital and how they can be improved to lift productivity'. I understand Interim Review no. 5 has chosen to focus on how to leverage the education system to raise productivity.

## **Primary and Secondary Schooling**

- 3. Addressing educational disadvantage in primary and secondary school. A significant aspect of the report is to investigate how to 'lift standards' in primary and secondary schooling, and the place of funding. I note the conclusion on page 10: gross school income per student has increased by nearly 20% in real terms since 2011, yet there is little improvement in test scores. Based on the figures they supply for the increase in govt funding to govt schools (18% increase), Catholic schools (34%) and independent schools (47%), reasons for the lack of real improvement in test scores could be further investigated. Is it that Independent and Catholic schools have reached a saturation point where increased funding does not improve outcomes? Furthermore, would govt funding be better invested in those govt schools which have significant educational disadvantage, hence low academic results? Spending money to lift academic results (and provide educational opportunities) in the government school sector, is a potential untapped pool of young Australians who can in the future contribute to increased Australian productivity.
- 4. Low SES young women and other vulnerable groups. Studies show that women who do not complete secondary schooling have minimal work opportunities open to them compared to young men in similar circumstances. While the review addresses the question of improving schooling outcomes, it should also pay special attention to who is not completing high school and why. It is important to consider how to improve the educational opportunities for disadvantaged and vulnerable groups including young women from low SES backgrounds, Aboriginal and Torres Strait Islander young people, along with young people who live in rural and remote areas in order to address their future work opportunities, and—by implication—Australia's productivity.

## **Tertiary Education:**

- 5. Improving attainment rates. (Of historical interest, this has concerned the federal government since the 1940s when they first started to fund undergraduate students! Then, it was called 'student wastage'). To my mind, whether the student finishes the degree is less important than whether they get a job after they drop out. Since this is a productivity review, the review could investigate what people who do not finish their degree end up doing. Very likely, most still end up being economically productive. We need to know if dropping out of a degree is a cause of lower productivity. Lack of attaining a degree does not necessarily lead to decreased productivity. (Just to note, I do, however, think that tertiary education institutions should ensure students are properly supported so they do not 'discontinue' for the wrong reasons eg affordability, cultural reasons.)
- 6. <u>International students</u>. This topic needs further investigation to understand how international students--who study in subsidised Australian tertiary institutions--are a key part of Australia's future productivity. An important aspect is to establish what policy

settings are required to realise the potential. The review has a small item (page 47) on international students concluding they are 'a key financial factor in tertiary education, but less relevant to productivity'. The commissioners note that 'in theory, the Government can take greater advantage of the productivity dividend of this human capital accumulation by offering pathways to permanent residence, or broader migration incentives.' They conclude that, 'any migration mechanism to keep international students onshore after studying needs to be well designed'. There are two points to be made. First, the review should more confidently state that Australia's support of international education at Australian tertiary institutions should be a major part of a review to report on Australia's future productivity; and, consequently, it should examine the bureaucratic and structural reasons why most do not stay. And secondly, international students as a source of migrants should be addressed as a potential major plank in Australia's immigration policy. This requires a proper investigation into the correct policy settings to leverage the productivity of this large student cohort. The policy settings for this group have for many decades sought to largely prevent international students from settling in Australia rather than encourage them. Yet, the cohort is young and Australian-educated, thus potentially able to contribute in significant and longterm ways to Australia's future productivity.

7. Women with tertiary qualifications. The review does not adequately address the significant cohort of women graduates who subsequently withdraw from the workforce or move to part-time work early in their career, despite significant research of this occurence. There are many well-documented reasons why more women end up out of the workforce. I note, too, that the current government emphasises the need to 'unlock' the productivity of women who withdraw due to childcare reasons (even though this is not the only reason they withdraw). The underutilisation of tertiary-educated women is a major area to address—how to stop them from leaving the workforce, how to encourage them to return. Noteworthy, of course, is that like international students—who pay their own fees, and are therefore not a fiscal load on education spending—women with tertiary qualifications have already been funded. That is, full-time workforce participation not only increases Australia's productivity, but also allows for HECS/HELP debt to be paid off.