

WESTERN SYDNEY UNIVERSITY



SUBMISSION | Inquiry into the Universities Accord (Australian Tertiary Education Commission) Bill 2025 & Universities Accord (Australian Tertiary Education Commission) (Consequential and Transitional Provisions) Bill 2025 | 09 January 2026

Western Sydney University welcomes the opportunity to provide a submission to the Inquiry into the Universities Accord (Australian Tertiary Education Commission) Bill 2025 & Universities Accord (Australian Tertiary Education Commission) (Consequential and Transitional Provisions) Bill 2025.

Western Sydney University is committed to expanding access to affordable world-class higher education, a great student experience, life-changing opportunities, equity, and fairness. Its mission is to deliver student success, impactful research and stronger communities.

The University's priority is students first. Everything is geared towards supporting students to graduate, advance to fulfilling careers, contribute to their communities, and be partners in Western Sydney's once-in-a-generation economic and social transformation.

The Australian Universities Accord final report recommended lifting the proportion of university educated Australians aged 25 to 34 from 45 per cent to 55 per cent by 2050. It pointed out this could only be achieved by making the system more equitable and ending the current "under-representation of people from disadvantaged backgrounds".

Western Sydney University's student body is made up of these aspirational, but underrepresented groups. At least two-thirds of its students are the first in their families to go to university, one-third are from non-English speaking backgrounds, and it has the nation's largest number of low Socio-Economic Status (SES) students.

As a public sector institution with the overriding role to deliver public good, the University operates in service of its students and communities. No other institution has the decades-long track record of being deeply embedded in Western Sydney and is as committed to delivering social mobility and social cohesion. This connection to the region, its communities and students is not transactional; it is meaningful and lasting.

Western Sydney University's submission focuses on 5 areas where the legislation could be improved:

- 1) Clarifying the roles and responsibilities of an effective sector steward;
- 2) Strengthening the Australian Tertiary Education Commission's independence;
- 3) Ensuring new mission-based compacts drive student success;
- 4) Improving system data; and
- 5) Freeing universities from a thicket of regulation.

1. Clarifying the roles and responsibilities of an effective sector steward

The Accord's final report recommended the Australian Government establish an Australian Tertiary Education Commission (ATEC) that would "foster a high quality and cohesive tertiary education system, that encourages diversity and student choice", advises on meeting skills and equity targets, and ensures the regulatory burden is monitored and minimised in the sector.

It also recommended that the ATEC have several specific functions, including but not limited to, system planning; pricing authority; funding allocation; accountability, quality and performance; and improving data and metrics.

And importantly, through the pricing authority, the ATEC would develop a deep understanding of the true cost of delivering activities in the sector, including learning and teaching, additional support for underrepresented students, regional delivery, and the full economic cost of research.

Western Sydney University believes the starting point in establishing the ATEC is to address the sector-wide problems this new body must solve. As a sector steward, its roles and responsibilities must be clearly defined and its objects and functions must align.

Some of the issues to solve are:

Ensuring students are at the centre of the system: The ATEC should be tasked with orienting university activities, programs and initiatives to serve students as the priority throughout their education journey, from academic support to safety and wellbeing.

Levelling the playing field: As part of ATEC's role in driving equity, it can be instrumental in ending the 'two-track' higher education system where equity students and those without the 'bank of mum and dad' are disproportionately hit with financial pressure and insecurity.

Western Sydney University repeats its call for ATEC to act with urgency as part of its pricing authority function to replace the Job-ready Graduates (JRG) program, one of the top five worst public policy mistakes in the last two decades. It understands this will be subjected to further legislative change to give effect to the growth funding model and needs-based funding system, which ATEC will manage.

Rebuilding community trust, confidence and restoring the social compact: The sector is plagued by a crisis of community confidence. Reform is needed to provide universities with sustainable and predictable funding trajectories. The current funding and regulatory arrangements have led to a reliance on international student revenue to make up shortfalls, perceptions of universities as too corporatised, and governance failings. Section 29(2) should be expanded to include consideration of a provider's efforts in strengthening community trust and restoring the social compact when deciding the form and terms of mission-based compacts.

A YouGov poll for The Australia Institute in June 2025 found 80 per cent of those surveyed agreed that the primary purpose of universities should be educating students, with only 3 per cent saying it should be making a profit. On the other hand, when people were asked about the primary purpose of universities currently, the most popular answer was making a profit at 54 per cent, with educating students at 44 per cent.

Embedding AI, technology, future learning, and co-design: As a sector steward, ATEC needs to work with universities to position the nation to thrive in a globally changing education landscape. This includes integrating AI and other technologies safely and equitably, codesigning curriculum and credentials with students, industry and communities to meet region-specific and national skills needs, and ensuring students have work-integrated learning and industry experience.

Western Sydney University supports recommendations from Innovative Research Universities (IRU) to reflect the ATEC as an advisory role for the whole tertiary system with a decision-making role for higher education.

Specifically on funding, Section 11 (d) sets out where the ATEC can provide advice and recommendations, including on the efficient cost of education and in relation to Commonwealth contribution amounts.

Western Sydney University suggests the legislation recognise the inter-dependencies between government and student contributions, with Section 11(d) of the legislation amended to specifically require the ATEC to also advise the Minister on student contributions. This is a key in addressing the punitively high student cost for some degrees, such as in the Arts and Humanities, and reforming the JRG.

The Functions of the ATEC should also explicitly mention:

- research as a key part of the mission of universities and the higher education system
- opportunities to streamline the regulation of higher education providers, which is dealt with in more detail down lower, and
- increasing differentiation among providers.

2. Strengthening independence

To fulfill its roles and responsibilities as an effective sector steward, the ATEC must be more independent. As it is currently proposed, it would be a secondary statutory model.

It would need direction and approval from the Minister to commission and publish work and provide advice. Staff supporting the three Commissioners would be ‘made available’ from the Department of Education to the ATEC or seconded from other departments.

A diversity of viewpoints, along with higher education expertise, are needed to ensure fresh perspectives and independence.

Western Sydney University also suggests the legislation be amended to enable the ATEC to provide advice and reports at its own initiative. Under the proposed model, the body would only provide such information if requested by the Minister. This curtails its independence and potentially its effectiveness in longer term planning.

The ATEC and the Tertiary Education Quality and Standards Agency (TEQSA) should be aligned, with the ATEC having an advisory committee to inform its work on the Higher Education Standards Framework along with the requirement to consult with TEQSA.

Section 15 requires the Minister to consult with other Federal Ministers before giving direction to ATEC but not their State and Territory counterparts despite their responsibility for higher education. This should be clarified, and the Minister should also consult with ATEC before making major policy decisions in the sector as suggested by the IRU.

3. Implementing new mission-based compacts to benefit students

Western Sydney University also suggests the ATEC provide universities with a four-year planning envelope, including domestic and international student allocations. This would go some way to ending the short-termism prevalent in the sector, and the difficulty in longer range planning which can lead to poorer student services.

The ATEC should also be handed more flexibility by amending Section 33 to give it powers to negotiate mitigation measures if an institution falls short of meeting their mission-based compact targets before a compact is suspended. A more detailed process should be spelt out,

providing clarity to universities and guarding against institutions becoming less ambitious or risk adverse.

To ensure the higher education system is working cohesively to achieve improved student outcomes, financial sustainability and research performance, the ATEC's Statement of Strategic Priorities (produced every two years) should align with the performance domains in mission-based compacts (which run for four years). This will enable progress reporting and accountabilities and lead to better sector-wide outcomes in the national interest.

4. Using data and reporting to drive reform

To achieve the Accord's ambitions of achieving a more equitable, accessible and sustainable higher education system, the ATEC must be empowered to obtain the data it needs across governments and agencies to help measure and drive sector-wide performance.

The ATEC's annual State of the Tertiary Education System report can be a valuable tool to drive progress towards reform, reinforcing the mission of universities, and meeting national priorities such as building critical skills and capabilities, but this will depend on having access to the right metrics.

Western Sydney University supports moves to increase transparency and accountability, while reducing the regulatory burden on the sector.

5. Freeing universities from a thicket of regulation

The nation's universities, with the exception of the Australian National University, are constituted under state or territory legislation but face a thicket of both state and federal regulation. They operate under more than 300 pieces of legislation and regulation.

The current regulatory environment is not only characterised by overlap; it lacks a coherent and holistic vision of the mission of universities. Regulation should both support how institutions fulfil their mission and hold universities to account when they fail to do so. In short, universities are regulated by a Frankenstein system lacking any discernible connection to efficiency or the objectives of that regulatory system.

When issues arise, universities are forced to navigate multiple agencies in a crowded field. The irony is that the enormous volume of regulation and number of regulators has not delivered a better regulatory system. Instead, the system is one where the predominate focus is on compliance rather than behavioural change. This comes at the expense of prioritising teaching and research, meaning the ultimate cost of regulatory overload is borne by students. The system also produces confusion at the government end and the potential for gaps.

Under the current model, the Functions of the ATEC in Section 11(d)(iii) provide the opportunity to give advice and recommendations on streamlining the regulation of higher education providers, however the ATEC can only do so "if requested by the Minister". Western Sydney University suggests the ATEC should be able to provide advice to government on freeing universities from unnecessary and burdensome regulation and other issues at its own initiative.

Harmonisation between Federal and State jurisdictions is integral to successful outcomes for students and the community. Western Sydney University suggests that the ATEC's responsibilities should include reviewing the intersections between Federal and State/Territory regulations, including voluntary codes.

This would better support universities to deliver on their mission, reduce duplication, remove outdated requirements, and ensure best practice regulation leads to improved outcomes for students.