



UNSW Submission to the committee in response to the Education Legislation Amendment (Startup Year and Other Measures) Bill 2023



UNSW
SYDNEY

FOUNDERS
MAKE CHANGE HAPPEN

**UNSW Founders is Australia's most comprehensive university-based program
dedicated to entrepreneurial careers and launching startups.**

<https://unswfounders.com>

UNSW thanks the committee for the opportunity to contribute our expertise to the Review of Education Legislation Amendment (Startup Year and Other Measures) Bill 2023.

Should you wish to further discuss any issue raised in the submission, please do not hesitate to contact our Head of Government Relations [Mr Robin Schuck](#).

UNSW acknowledges the Traditional Custodians of the Country on which we operate and their continuing connection to land, waters, and community. UNSW is located on the unceded territory of the Bedegal (Kensington campus), Gadigal (City and Paddington campuses) and Ngunnawal peoples (Canberra). We pay our respects to their Elders past and present and to our Aboriginal and Torres Strait Islander clients and staff and to Aboriginal and Torres Strait Islander people in our community.



About UNSW:

UNSW is one of the world's leading research and teaching-intensive universities, known for innovative, pioneering research and high-quality education with a global impact. Since our foundation in 1949, our aim has been to improve and transform lives through excellence in research, outstanding learning and teaching and a commitment to advancing a just society.

UNSW is especially proud of our Founders Program, which is one of several ways we support our community to ensure their cutting-edge ideas are translated into real world applications.

About UNSW Founders

UNSW Founders is Australia's most comprehensive university-based program dedicated to supporting people to pursue entrepreneurial careers and launch startups.

UNSW Founders has the highest number of VC-funded graduate founders who in Australia (105 VC-funded founders per 100,000 graduates) over the past 10 years, ranking it the #1 university for producing the most venture funded startups in Australia,¹ and #1 in Australia for total capital amount raised.²

Stats:

- #1 Australian university producing the most venture funded entrepreneurs.
- #1 Australian university accelerator program for total capital amount raised.
- #2 in Australian university accelerator for most founders and startups supported in 2022.
- #1 for number of Australian university graduate founders who have attracted VC funding.

Annually UNSW Founders supports:

- Over 9000 individual people learn entrepreneurial foundational skills.
- Over 200 startups through coaching, pre-accelerator, and accelerator programs

UNSW is highly supportive of the aims of the Government's Startup Year initiative.

UNSW Founders believes that this Bill has the potential to strengthen and fast track the development of innovative solutions for pressing social, environmental, and community-

¹ Dodd, T. (2022, November 8). The universities most likely to graduate future entrepreneurs. The Australian. <https://www.theaustralian.com.au/special-reports/the-universities-most-likely-to-graduate-future-entrepreneurs/news-story/557e7f1d3074480f1d41ffa2429a2463>

² PitchBook Universities: Top 100 colleges ranked by startup founders. (31 October 2022) Pitchbook <https://pitchbook.com/news/articles/pitchbook-university-rankings>



based challenges. In doing so this investment in innovation will stimulate the creation of new Australian jobs in these emerging sectors.

The Government's acknowledgement of the university sector as key in providing this program recognises the risks associated with predatory suppliers and investors abound. Partnering with universities allows for a robust, transparent program ensuring the highest integrity of both the financial investment and learning outcomes of the program. Along with other Go8 universities, UNSW through its Founders program is "committed to working with the Government to deliver an effective Startup Year initiative"³.

Scope of submission:

To offer expertise on matters with which we have the most experience, the recommendations made are addressing aspects applying to the Startup Year design and administration, student selection and committed outcomes.

EXECUTIVE SUMMARY:

UNSW endorse the following recommendations:

1. 128A-5 (part 3 – 7) The STARTUP-HELP Guidelines

To ensure that the program is fit for purpose UNSW Founders **endorse the running of a pilot program** as outlined within the consultation paper and supported by the **position of the major interest groups**.⁴

2. 128B-35 Selection of students for receipt of STARTUP-HELP assistance

UNSW Founders supports further **industry consultation** to advise the minister in the creation of "The STARTUP-HELP guidelines" (as outlined under 17 section 238-10) for the higher education providers to follow in student eligibility, ensuring greatest equity and application success across the national suppliers.

3. 128B-25 Accelerator program course

UNSW Founders endorses the proposal from Universities Australia⁵ to **establish an expert group to develop the program outcomes and clarify value to students**. We endorse the establishment of a nationally defined startup year program purpose with unified outcomes objectives.

³ <https://go8.edu.au/go8-submission-to-the-startup-year-consultation>

⁴ https://parlinfo.aph.gov.au/parlInfo/download/legislation/billsdgs/9069877/upload_binary/9069877.pdf;fileType=application/pdf

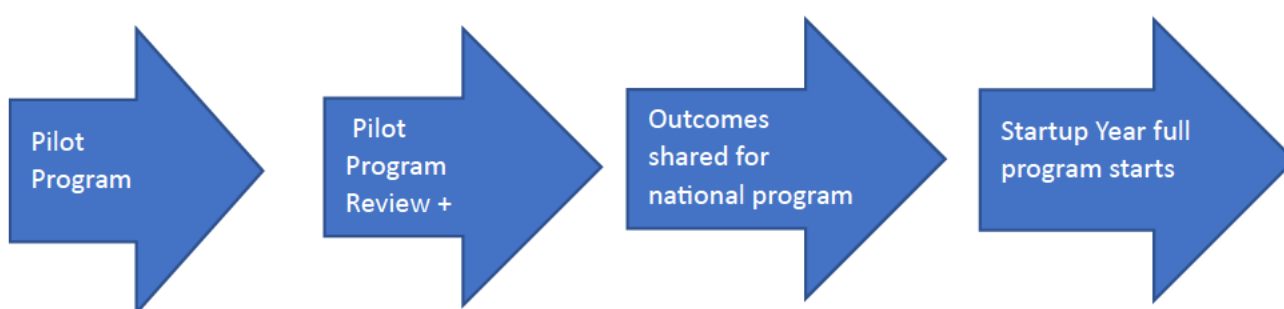
⁵ <https://www.universitiesaustralia.edu.au/wp-content/uploads/2022/11/UA-Submission-Startup-Year-Consultation-1.pdf>

Recommendations:

Pilot Program

We support a smaller participant pilot to be run before the full allocation of positions become available. This process will allow for program trials and feedback before larger scale application.

The outcome from this pilot can then inform the national standardisation and rollout to ensure equity in learning and value gained by the participants wherever they are based in Australia.



Industry consultation for student eligibility

The Startup Year program is designed to support a diverse range of Australians to be able explore their entrepreneurial ideas and grow a skillset that might otherwise not be financially supported. The bill significantly outlines the parameters of the student eligibility to access STARTUP-HELP in line with current university loan schemes.

UNSW Founders recommends wider consultation with participating universities to inform and establish specific guidelines applying **directly to the entrepreneurial parameters** and expectations of the applicants.

This will ensure that the students participating in the Startup Year across the nation have similar access points of program involvement. Allowing for clarity of program outcomes, clearer reporting and ensure that participating students are well placed to gain the most value out of the program.



Student and SY-HELP administration

The introduction of a new SY-HELP loan scheme will require student information system enhancements by providers - including the development and implementation of a new in-house eCAF for SY-HELP and separate entitlement storage applicable to this scheme - along with corresponding updates to the TCSI student data reporting and related processes.

We highlight that these must be factored into timeframes for the broader initiative and any pilot as this could pose a roadblock to providers participating, particularly the lead time required to develop the eCAF that Startup Year students would be required to complete in order to access the loan scheme.

It appears that Startup Year courses would be full fee courses with students able to receive an SY-HELP loan for their fees, rather than CGS-style arrangement which would involve the Commonwealth Government providing a contribution towards the cost of delivering the courses – clarification on this would be greatly appreciated.

While SY-HELP eligibility is detailed, our understanding is that this applies to the loan scheme only and that providers would be able to enrol any students (including students who are not eligible for SY-HELP) in Startup Year courses. Further detail on related requirements will greatly assist providers to plan for participation in the pilot or full program.

Establish program outcomes

One of the most critical elements of a program such as Startup Year is ensuring that the participants have a clear understanding of the outcomes and value gained from their commitment.

The expectations of the participants and the transparency of the program goals and learning outcomes are key to the educational integrity of Australian universities. The Australian university sector has a reputation for quality that is world-class. This increases the value of Australian qualifications held by graduates and makes Australia a desirable destination for students from around the world. Any breach of academic standards weakens the reputation of the sector.⁶

UNSW endorses Universities Australia's⁷ recommendation to **establish an expert group to support the development of clear outcomes and clarify value to students.**

This will ensure a national standardisation of the Startup Year student experience, a benchmark of quality for the Government funding allocation and more successful communication of the value of the program to the Australian community.

⁶ <https://www.universitiesaustralia.edu.au/wp-content/uploads/2019/06/UA-Academic-Integrity-Best-Practice-Principles.pdf>

⁷ <https://www.universitiesaustralia.edu.au/wp-content/uploads/2022/11/UA-Submission-Startup-Year-Consultation-1.pdf>

Case Study:

Students who are provided with the right support to scale can create some of the most innovative technologies.

Retail tech startup Tilter raises \$7.5m for AI shopping technology

Tilter was founded in September 2017 by three UNSW students Marcel Herz, Christopher Sampson, and Martin Karafilis. Chris and Martin have been friends since high school, and Chris met Marcel at UNSW when they enrolled in a course looking at the applications of machine learning in medical imaging.

These three students kept exploring the potential of their ideas until they decided to establish Tilter and were accepted into the UNSW Founders Accelerator Program.

Tilter is now a global technology, leading innovation in shopping check out processes. They provide accurate and flexible identification systems using the latest in AI, machine learning and computer vision to automatically recognise goods at the supermarket checkout.

Tilter has received much industry recognition from being named in Webit Festival's Top 6 Companies Globally and Hello Tomorrow Top 100 Startups Globally, to winning Grow New York.

Conclusion:

UNSW Founders believes the impact and financial investment within the Startup Year program has significant potential to accelerate the Australian innovation sector.

The value gained from this modest allocation of taxpayers' funds will enable a greater diversity of people to explore their entrepreneurial potential. By increasing the number of people who are innovating and developing novel solutions we are increasing our odds of becoming the global home of future business leaders and their solutions to significant global problems.

By applying these moderate recommendations, endorsed by multiple industry voices the government will ensure the most robust program application and greatest value gained for the future of Australian innovation.

Should you wish to further discuss any issue raised in the submission, please do not hesitate to contact our Head of Government Relations, Mr Robin Schuck.