

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Additional Estimates Hearing 2011-12
15 February 2012

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

TOPIC: Future Skills Requirements

REFERENCE: Written Question – Senator McKenzie

QUESTION No.: AI-45

Is there any overall consideration or oversight of the course options available at Australian universities in the context of adequately meeting future skills requirements?

ANSWER

Under the demand driven funding system introduced in 2012, universities are free to make decisions about the courses they offer in response to the preferences of students. The Government funds Commonwealth supported places for all domestic undergraduate students accepted into an eligible bachelor level course at a public university.

While universities have flexibility to respond to demand from students and employers, they continue to be subject to public oversight to ensure there are not adverse shifts in the supply of graduates in areas of identified skills need or specialised areas of national interest.

There is a range of mechanisms for the Government to influence the outputs of the demand driven funding system. These mechanisms include:

- Mission-based compacts that provide an opportunity for the Government to work with universities to align university offerings with business and community needs;
- Conditions of grant in funding agreements with universities;
- The ability for the Minister to designate courses of study. This results in the Minister allocating student places for that course of study. Current designated courses are:
 - non-research postgraduate courses of study;
 - courses of study in medical programs; and
 - sub-bachelor courses of study:
 - enabling courses;
 - courses leading to diplomas;
 - courses leading to advanced diplomas; and
 - courses leading to associate degrees.