

INQUIRY INTO FUTURE DEVELOPMENT OF THE NSW TERTIARY EDUCATION SECTOR

Organisation: Western Sydney University

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Western Sydney University's submission to the NSW Legislative Council Inquiry into the Future Development of the NSW Tertiary Education Sector

24 July 2020

Western Sydney University addresses the Terms of Reference accordingly, inclusive of recommendations which are summarised at the close of the submission:

a) Tertiary education's economic development role, especially university campuses and Country University Centres (CUCs) in regional NSW

The public role of universities over the past three-to-four decades, nationally and internationally, has changed profoundly. While maintaining and indeed strengthening their fundamental role in driving knowledge creation, universities have also become significantly integrated in regional economies, development, and systems of governance for the betterment of the wider community. Political scientist, Professor Gerry Stoker defines governance as 'the capacity to get things done through collective action in the realm of public affairs, in conditions where it is not possible to rest on recourse to the state'.¹ In this context, universities now act alongside, and sometimes on behalf of, the state in driving local economic development, despite being autonomous entities.

Universities are spatially fixed, unlike 'footloose' industries that have greater mobility to relocate to different countries. Thus, they are anchored to their local region and perform an indispensable role within local economies and communities. Where embedded in regional economies – for example, Western Sydney University's, Parramatta and Liverpool City campuses – universities stabilise and augment commercial activity, via expenditure and engagement with regional businesses and services.

Consolidating the significant economic development role that universities perform can be approached in several ways. Firstly, conventional approaches tend to focus on direct income. It is well documented, for example, that the higher education sector is Australia's third largest export and the country's leading service export sector overall. The international education sector alone contributed AU\$32.2 billion dollars to the Australian economy in 2017. In addition to this, the multiplier effect captures the indirect and induced outcomes, including, but not limited to, the estimated \$21,041 spent annually by each student on living expenses² such as accommodation, travel, health, food and leisure.

Contribution to the regional economy

In 2012, Western Sydney University commissioned Deloitte Access Economics to undertake an independent assessment of the University's economic contribution to western Sydney.³

¹ Stoker G 2000, 'Urban political science and the challenge of urban governance', in J Pierre (ed.), *Debating governance. Authority, steering, and democracy*, Oxford University Press, Oxford, pp. 91–109.

² See Study Australia: <https://www.studyinaustralia.gov.au/english/live-in-australia/living-costs>.

³ See:

https://www.westernsydney.edu.au/_data/assets/pdf_file/0005/415292/Deloitte_Economic_contribution_of_UWS_Feb_12.pdf.

The report found students at Western Sydney University spent a total of \$583 million in 2010 and \$623 million in 2011. A high proportion of this expenditure was invested locally in western Sydney, with \$458 million spent in the region in 2010. That economic contribution, brought forward to 2020, has expanded exponentially with student growth and inflation.

The Deloitte analysis also found that Western Sydney University's contribution to its region were 'certainly higher than' \$845.3 million in 2010 alone, which equated to approximately 1 per cent of western Sydney's Gross Regional Product (GRP), and 23 per cent of the total value generated by the education sector. The contributions to the western Sydney economy were also equal to the contribution of the combined mining, agriculture, forestry and fishing sectors to GRP in the region.⁴ Again, transposed to 2020, this contribution would conservatively be well in excess of \$1.2 billion based on the University's student growth alone.

Regional employment contribution

Universities generate additional economic value through direct employment and expenditure. They are, by virtue of scale, among the top employers in their respective localities. In Australia, the higher education sector employs approximately 130,000 people in academic and professional roles.⁵ Western Sydney University employs close to 3,500 staff members – the majority of whom reside in western Sydney. The University is thus a very substantial economic contributor in terms of local income and employment improvements through these multiplier effects.

The economic influence of Western Sydney University extends beyond these standard effects through to its capacity-building, that is, developing knowledge, skills and the human capital of its region. Having higher levels of human capital, in-turn, generates greater levels of economic activity and accelerated economic growth. Graduate workers, for example, generally earn higher wages than other workers.⁶ This is certainly the experience of the majority of Western Sydney University graduates; however, the low density of graduate jobs in the region compared to, for instance, inner Sydney, means this very substantial economic benefit is not retained within western Sydney to an equitable extent.⁷ Current Government strategies to redress that imbalance are not sufficiently scaled, targeted or resourced to overcome that challenge.

Industry partnered investment in the region

Universities operate in an increasingly competitive environment. Consequently, they strive for continual improvements in the quality of teaching and research. Optimising these core activities depends on attracting global expertise. A key strategy for attracting top talent is through investing in state-of-the-art research facilities and campuses. These facilities create positive spill-over effects, with businesses attracted to campus localities. For example, in 2017, Western Sydney University opened its *Ngara Ngura Building* in the Liverpool CBD,

⁴ Greater Western Sydney Regional Economic Profile, 2009.

⁵ See: <https://docs.education.gov.au/node/53179>.

⁶ An individual completing a Bachelor degree in Australia could expect an average private rate of return of 15.3 per cent for men and 17.3 per cent for women, compared to someone who had finished Year 12, Australian Bureau of Statistics, 2010.

⁷ The Australian Bureau of Statistics' community-level statistical area, SA2, indicates that unemployment rates in 2018 were double and triple the metropolitan average, despite this period marking the height of western Sydney's 2016-18 jobs boom. See: <https://theconversation.com/recession-will-hit-job-poor-parts-of-western-sydney-very-hard-139385>.

becoming the first university presence of scale in the region. The ten-floor, technology infused vertical campus has since delivered demonstrable economic impact to the region, generating 450 jobs during construction and – according to Deloitte analysis – contributing in excess of \$54 million to the local economy.

In partnership with industry, Western Sydney University is also establishing a \$260 million, 19-storey, 29,000sqm campus in the Bankstown CBD. Set to open in late 2022, the campus will initially accommodate up to 6,500 students, increasing to 15,000 by 2030, with facilities for the teaching of health, education, manufacturing and IT.⁸ The Bankstown facility is a critical development for an area of south western Sydney with below average higher education attainment levels and businesses subject to increasing competitive pressures. Pending NSW Government support, plans are in place to incorporate a *Factory of the Future* facility within the new campus to drive new technology uptake and productivity improvements among local SMEs and start-ups.

A further development is underway in the Parramatta CBD, with Western Sydney University and UNSW Sydney partnering with industry to establish an *Engineering Innovation Hub*. The Hub will incorporate technology-supported “teaching and learning spaces for both universities across 28,500 square metres, as well as some retail and office tenancies”.⁹ The engineering focus is a deliberate alignment with the increasing industry and employment opportunities arising as a result of large scale infrastructure and construction investment across western Sydney. This initiative follows an earlier industry-partnered investment in new facilities at Parramatta Square and at the Westmead Health and Medical Research precinct.

Knowledge production and related spill-over

Universities deepen the skills and knowledge of local residents. Producing graduates who join the region’s educated workforce is one way in which universities increase local human capital levels. The volume and orientation of graduates play a critical role in universities’ contributions to local economic development and wider benefits to society. Analysis undertaken by Universities Australia, for example, contends that Australian university research generates knowledge worth around \$160 billion in a single year, or 10 per cent of GDP.¹⁰ Universities are thus creating generational capabilities. Knowledge production and new technologies created through universities’ research activities attract new firms and talented workers to the region and help existing firms expand and innovate. These spill-over effects in turn boost the region’s demand for high skilled, talented workers.

Health and education precincts

Universities are important catalysts of high-tech development. There are many documented cases where a university has played a lead and active role in the initiation and evolution of high-tech clusters.¹¹ This is particularly the case for Western Sydney University. The Greater Sydney Commission, in 2018, identified 13 of these clusters, or precincts, within NSW, with

⁸ See: <https://architectureau.com/articles/plans-for-third-vertical-campus-for-western-sydney-university-revealed/>.

⁹ See: <https://architectureau.com/articles/tzannes-blight-rayner-architecture-win-competition-for-wsu-engineering-campus/>.

¹⁰ See: <https://www.universitiesaustralia.edu.au/media-item/new-assessment-tool-to-showcase-benefits-of-university-research/>

¹¹ NSW Innovation and Productivity Council, 2018, *NSW Innovation Precincts: Lessons from International Experience*, NSW Government, Sydney.

the following health and education concentrations located in western Sydney: Bankstown, Blacktown, Campbelltown-Macarthur, Greater Parramatta, Greater Penrith and Liverpool.¹² Western Sydney University has an anchor presence at each site. These precincts continue to perform a major part in stimulating economic growth, with the University's linkages strongly embedded in local systems of governance – i.e. via local councils, Local Health Districts, and business peaks.

Mapping and matching the needs of employers and prioritising research endeavours has become an increasingly important part of the entrepreneurial role that universities adopt. This can also be extended to their role in the local community, with universities responding to these needs, providing civic culture, social equity and sustainability programs. This point is explained further in the ensuing parts of the submission.

b) The mission of NSW universities with a particular focus on the role of universities to serve specific geographic communities;

The *Western Sydney University Act*¹³ defines the University's principal functions to include, among other things:

the provision of facilities for education and research of university standard, having particular regard to the needs and aspirations of residents of Greater Western Sydney [...]

the provision of courses of study or instruction across a range of fields, and the carrying out of research, to meet the needs of the community, beginning in Greater Western Sydney.

In accordance with this unique, community-focused legislated Act, Western Sydney University undertakes considered measures to make positive, material changes to its region. This includes strategies to redress entrenched skills and jobs deficits in western Sydney in order to realise improved economic growth and sustainability.

As the largest and most established educational provider in western Sydney, Western Sydney University has a 30-year track-record of being a key driver of the region's social and economic development. The University has played a significant role in the ongoing transformation of the western Sydney economy from traditional manufacturing to a service-led economy. This has been achieved by serving the labour force and regional development needs through locally embedded research, education, training and infrastructure activities.

Driving and serving a changing regional economy

While the changing role of manufacturing has been a national and regional trend since the 1970s, it continues to have significant impacts on western Sydney where the manufacturing sector has been the region's historical economic driver, accounting for 16 per cent of the region's Gross Regional Product.¹⁴ Between 2011 and 2016, for example, there were 25,000 fewer manufacturing jobs across western Sydney. At the same time, through the provision of

¹² Greater Sydney Commission, 2018, *Greater Sydney Region Plan: A Metropolis of Three Cities*, NSW Government, Sydney.

¹³ See: <https://www.legislation.nsw.gov.au/#/view/act/1997/116>.

¹⁴ See: O'Neill P, *Addressing western Sydney's job slide*, Centre for Western Sydney, https://www.westernsydney.edu.au/_data/assets/pdf_file/0019/1064701/JTW_report_complete_7April.pdf.

higher education – offered primarily via Western Sydney University, and others in the sector – the economic growth and development of the region continues. This is evidenced in the growth in jobs over the same period, particularly in health care and social assistance, which grew by 20,000. Concurrently, jobs in education and training grew by over 10,000; and employment in professional, scientific and technical services increased by 10,000.

Building labour market capacity and redressing educational inequity

The evolution of western Sydney's industrial and employment landscape makes a compelling case for a growing reliance on degree attainment as a pre-requisite for higher-paid employment. This trend will particularly prevail if government wants to leverage, or indeed drive, the productivity benefits of accelerating technological innovations. This point is further reinforced by Australian Bureau of Statistics data which reveals that the share of employment in 'skill level one' occupations (i.e. jobs requiring a university education) increased from 23 per cent in 1988 to 32 per cent in 2018. Universities provide the skills for people to compete and flourish in an increasingly complex workplace. They also ensure that the future workforce is appropriately skilled to enable Australia to remain internationally competitive.

The University serves as a positive case study for the role of tertiary education in enhancing collective human capital and creating a skilled workforce that is accessible and flexible. To date, Western Sydney University has produced in excess of 200,000 graduates – most of which continue to reside in western Sydney upon graduation. Between 2001 and 2016 the proportion of western Sydney residents with a university degree doubled. During that period the gap has significantly narrowed between the proportion of residents from western Sydney who go to university compared with those from elsewhere in Sydney. However, there are significant areas of western Sydney in which the number of degree qualified residents substantially lag those of the rest of Greater Sydney (see **TABLE 1** and **TABLE 2**).

TABLE 1
University degree attainment rates across western Sydney

SA4	WSU Campus	Uni degree *
Blacktown	Nirimba	22.1
Inner South West	Bankstown	23.9
Outer South West	Campbelltown	15.1
Outer West and Blue Mtns	Hawkesbury, Kingswood and Werrington	16.8
Parramatta	Rydalmere, Parramatta, Sydney Olympic Park and Westmead	27.5
South West	Liverpool	13.8
Average:		19.9

** Percentage of people within the designated Statistical Area 4 (SA4) aged 15 and over with a Bachelor degree level and above.*

The average rate of university degree attainment across western Sydney (19.9 per cent) is

lower than the average for Greater Sydney (29.7), NSW (23.4) and Australia (22.0).

While the rate of degree attainment in the Parramatta SA4 (27.5 per cent) is comparatively high for western Sydney, it is significantly lower than the average (37.1) for the rest of Greater Sydney.

TABLE 2
University degree attainment rates across the rest of Greater Sydney

SA4	Uni degree *
Baulkham Hills and Hawkesbury	30.8
City and Inner South	40.9
Eastern Suburbs	41.8
Inner West	39.3
North Sydney and Hornsby	47.2
Northern Beaches	32.3
Ryde	41.3
Sutherland	23.5
Average: 37.1	

* Percentage of people aged 15 and over with a Bachelor degree level and above.

Western Sydney University continues to make a major contribution to the educational equity of its region. However, the urgency to improve attainment rates is even greater now with the economic and labour market impact of the COVID-19 pandemic.

The proposed Commonwealth reforms to higher education

Proposed Commonwealth Government reforms to higher education – the ‘Job-Ready Graduates Package’ – present mixed opportunities for western Sydney.

The package seeks to allocate additional Commonwealth Grant Scheme (CGS) funding for universities, based on the proportion of students at campuses in regional, high-growth metropolitan and low-growth metropolitan areas. Funding will increase by:

- 3.5 per cent a year for ‘regional’ campuses;
- 2.5 per cent a year for campuses located in ‘high-growth metropolitan’ areas; and
- 1 per cent per year for campuses located in ‘low-growth metropolitan’ areas.

Modelling of the reform package’s predominately ‘low-growth metropolitan’ provisions for Western Sydney University sees its growth allocations average out at approximately 1.4 per cent (refer to **TABLE 3**, below).

TABLE 3

Growth (funding) designations for western Sydney under proposed Commonwealth Government ‘Job-Ready Graduates Package’ reforms

SA4	WSU Campus	Growth
Blacktown	Nirimba	High
Inner South West	Bankstown	Low
Outer South West	Campbelltown	High
Outer West and Blue Mtns	Hawkesbury, Kingswood and Werrington	Low
Parramatta	Rydalmere, Parra, SOP and Westmead	Low
South West	Liverpool	High

While the reform package’s indexation and growth funding provisions are broadly positive developments, the characterisation of university campuses as ‘high-growth’ or ‘low-growth’ based on population trends is challenging, particularly for western Sydney, and especially when not considered in unison with more localised educational attainment levels.

The package also proposes changes to unit funding clusters and student contribution bands. Increases in the cost burden to students in the humanities are among the more pronounced shifts proposed, along with reductions in the cost of STEM disciplines. The likely impact of these measures is still being assessed, particularly on socioeconomically disadvantaged cohorts. Equally, the views of western Sydney employers whom, in many cases, seek a balance of STEM, humanities and other skills, are informing Western Sydney University’s response.

Priority places

Measures in the Job-Ready Graduates Package to direct university funding to “areas of national priority” are very promising for western Sydney. This “competitive process” targets a pool of up to 900 commencing university places to areas where they will “accelerate growth and job creation, stimulate urban renewal, support city deals, growth corridors and drive economic reforms”.

This measure is ideally suited to Western Sydney University and its critical role in the realisation of major employment generation and economic growth commitments under the Western Sydney City Deal. The University’s ‘Innovation Corridor’ of campuses spanning the entire City Deal area could rapidly accelerate the provision of skilled graduates under the ‘priority’ measure. This would see a substantial upscaling in health and related graduates via the Campbelltown Campus; nursing and midwifery at Liverpool; engineering and construction at Kingswood; and agri-tech and agribusiness at the Hawkesbury campus, among other disciplines.

Further, additional places in these areas could substantially accelerate the establishment of the ‘Multiversity’ at the Western Sydney Aerotropolis, which is being developed in joint venture by Western Sydney University, UNSW Sydney, the University of Newcastle and the University of Wollongong, with TAFE NSW.

Industry linkage

The Job-Ready Graduates Package also includes “a \$900 million National Priorities and Industry Linkage Fund (NPILF) to support universities to engage with industry and produce job-ready graduates”. This is a measure ideally suited to the intensive collaborative support provided to industry by Western Sydney University’s Launch Pad incubator, which works with over 150 start-ups and tech SMEs across western Sydney. Again, this is a measure within the reform package that aligns with key NSW Government priorities for western Sydney.

Supporting labour market transition and highly skilled employment

Western Sydney University’s near-quarter million graduates have critically enhanced the region’s social, cultural and economic capital. This has been achieved, in part, through the University’s delivery of 21st century education and training programs that are industry-embedded and tailored to the bespoke needs of the region. The implications have been significant for the labour market in western Sydney, evidenced, for example, in the rise of higher-paid jobs where residents who are now employed as managers and professionals, accounting for 30.9 per cent of the workforce.

This transformation aligns with the Productivity Commission’s definition of a successful labour market transition, which they define in their 2019 research paper, *The Demand Driven University System* as:

One measure of a successful labour market transition is commencement in a managerial or professional occupation. These are generally considered to be roles in which a university education (or equivalent experience) is needed.¹⁵

Additionally, the unemployment rate in western Sydney has dropped from 10.2 per cent in 1991 to around 6 per cent today: 5.2 per cent in Parramatta, 6.0 per cent in Blacktown and 6.4 per cent in the South West. Youth unemployment in western Sydney is now at its lowest level in almost 20 years.¹⁶ The success of this transformation is determined by the region’s demonstration of resilience, upskilling and reskilling, and capacity to acclimatise to the jobs of the future.

Supporting western Sydney start-ups, small businesses and tech SMEs

A highly qualified labour force requires jobs that will use skills and knowledge to drive economic growth. The University takes responsibility for collaborating in the development of western Sydney to provide these jobs. Its start-up scale-up incubator, Launch Pad, is the first of its kind in western Sydney despite the region being home to Australia’s largest concentration of small-to-medium enterprises.

Launch Pad continues to support over 150 technology SMEs and start-ups to cultivate the entrepreneurial capacity and innovation in the region. Since its inception in 2016, Launch Pad has directly generated over 430 knowledge jobs and has added in surplus of \$100 million in value to the regional economy. Launch Pad leverages the expansive facilities, expertise, equipment, research and student talent available through the University (and its industry-partnered investment) to provide sound technical and commercial development support structure.

¹⁵ Productivity Commission, 2019, *The Demand Driven University System: A mixed report card*, <https://www.pc.gov.au/research/completed/university-report-card> 17 June 2019.

¹⁶ These are pre-COVID-19 figures.

Despite an existing presence in Werrington and Parramatta, public demand for the University to expand Launch Pad is exceptionally strong. During the COVID-19 pandemic, Launch Pad launched their, 'Innovating through Adversity' program, offering complimentary online mentoring service to SMEs and start-ups in western Sydney contending with challenging economic circumstances. The University is assessing ways to extend its program to support further activity, adaptation and recovery for businesses across its region.

Withdrawal of NSW Government support for business collaboration

The winding-up of NSW Government funding for university-SME collaborations under the Boosting Business Innovation (BBI) program is profoundly challenging for Western Sydney University and the businesses it works with under the scheme.

The BBI program helped drive substantial co-investment in the creation of a state-wide innovation network, supporting SME research and development in areas critical for regional and rural job creation. BBI partner institutions are heavily committed to the establishment of this network and its ongoing operation.

The BBI program has been highly productive and unique in drawing together a large number of university incubators alongside CSIRO. Its success has been internationally recognised, but the work is far from complete. The decision to de-fund the BBI program runs contrary to the requirement for innovation to drive COVID-19 recovery.

In the face of pronounced increases in government support for comparable inner-city ventures – for example, the Sydney 'Tech Central' initiative (\$48.2 million), and the Sydney Startup Hub (\$35 million) – the withdrawal of comparatively modest, yet proven business support measures for NSW suburbs, regions and rural areas is confounding and counterproductive.

Recommendation:

- It is recommended that the Legislative Council, Portfolio Committee No. 3 – Education, supports the full reinstatement, and extension of the Boosting Business Innovation program to support business-university collaboration, noting the program's demonstrable effectiveness and criticality in emerging economic circumstances, particularly for suburban, regional and rural areas of NSW.

c) The post-pandemic return of foreign student numbers and the financial sustainability and risk management strategies of NSW tertiary education institutions;

Foreign students are clearly a very important cohort for universities. Their precipitous decline has demonstrated the benefit and value of international education to the Australian economy and civil society. The Department of Education estimates international students added \$12.18 billion to the NSW economy in 2017-18 alone. International students bring additional cultural and soft diplomacy benefits for NSW.

Western Sydney University notes comments by the NSW Auditor General, with particular emphasis on the impact of COVID-19 on overseas student enrolments at NSW universities:

NSW universities provided data on the COVID-19 impacted student enrolments for semester one 2020. Overall numbers of student enrolments were 5.8 per cent beneath projections.

Overseas student enrolments were 13.8 per cent beneath expectations and domestic student enrolments were 2.4 per cent beneath expectations.¹⁷

Adaptations and learnings from the pandemic

The COVID-19 pandemic has, at short notice, provoked a rapid and profound change in the way Western Sydney University supports and educates its students. As NSW, and indeed, the University, recovers from the structural and economic impost of the pandemic there will be many lessons learnt and changes made to the ongoing delivery of learning and teaching for foreign students.

Providing a more flexible hybrid form of learning with greater levels of personalised support will not only provide greater flexibility for foreign students but also enhance the learning and life experience that they gain from an education in Australia. It will be important for universities to ensure that the experience provides the right mix of world-class education delivery with the rich experience of learning and living in a foreign country – one of the significant and oft forgotten motivations for students to travel and study abroad.

A risk managed return

In the short term, engaging in a gradual, risk-managed return of offshore international students will be important for NSW. The crisis management capability developed and successfully deployed during the pandemic will be of significant value in overseeing the return of this important student cohort.

Ensuring that Western Sydney University continues to maintain its balanced student portfolio into the future will be vital to ensure that the risk profile is managed appropriately. Not having an overreliance on international student income will minimise the financial risk exposure, as will balancing the international student portfolio to ensure adequate risk management of single country exposure.

Continuing to strengthen Western Sydney University's capability and reputation for providing a well-supported and distinctive student experience will be paramount to maintaining a strong and competitively sustainable position within the international market.

Capacity building and diversification

Capacity building through diversification of funding sources remains a key priority for Western Sydney University. Through its campus redevelopment and educational infrastructure program, the University continues to develop and repurpose its non-core land, with the proceeds reinvested back into the University-Campus to enable the University to build cash reserves to fund new opportunities in teaching, learning, research.

d) The quality of university teaching and research, including the extent and impact of insecure employment in the sector;

Universities maintain the highest standards of teaching and research through rigorous Commonwealth and State government oversight and traditional academic governance models. This regime is supported by close collaboration with industry and the community.

¹⁷ Audit Officer of NSW, 'Universities 2019 audits', <https://www.audit.nsw.gov.au/our-work/reports/universities-2019-audits>, 4 June 2020.

Accreditation and quality assurance regimes

The Tertiary Education and Quality Standards agency accredits the University's courses according to compliance with the Higher Education Standards Framework, which includes the quality of teaching and learning and suitability of admissions as criteria. Western Sydney University maintains a number of standing committees of Academic Senate concerned with course quality, including the Academic Planning and Courses Approval Committee, Assessment Committee, and Education Committee. The University's performance on a range of quality measures is publicly available.

Like its teaching and learning activities, the University's research is overseen through an academic governance framework. The University's research quality and impact is subject to a triennial nation-wide assessment through the Excellence in Research Australia and Engagement and Impact assessments.

These independent assessments have contended that 85 per cent of the Western Sydney University's assessed research has been ranked at 'world standard or above' in the 2018 Excellence in Research for Australia (ERA) national report. Further, the national Engagement and Impact Assessment¹⁸ ranked the impact of the University's research as 'high' in the following disciplines:

- Environmental Sciences
- Engineering
- Built Environment and Design
- Education
- Commerce, Management, Tourism and Services
- Studies in Human Society
- Law and Legal Studies
- Studies in Creative Arts and Writing
- Language, Communication and Culture
- History and Archaeology
- Philosophy and Religious Studies

Western Sydney University, like other universities across the sector, has an academic workforce profile that mixes suitably qualified ongoing, fixed-term and casual staff. The workforce profile reflects the demands of teaching and research.

e) Levels of integration of the tertiary education sector with industry;

Universities have at-scale knowledge, experience, infrastructure, networks and facilities that businesses don't always have access to within their own organisation. There is a significant body of evidence to demonstrate the increased employment, productivity and sales generated by businesses that collaborate with universities to innovate.

Analysis undertaken by Universities Australia estimates that for every dollar of business investment in research and development, \$4.5 return-on-investment is generated. Further, research undertaken by the *Australian Innovation Systems Monitor* contends that:

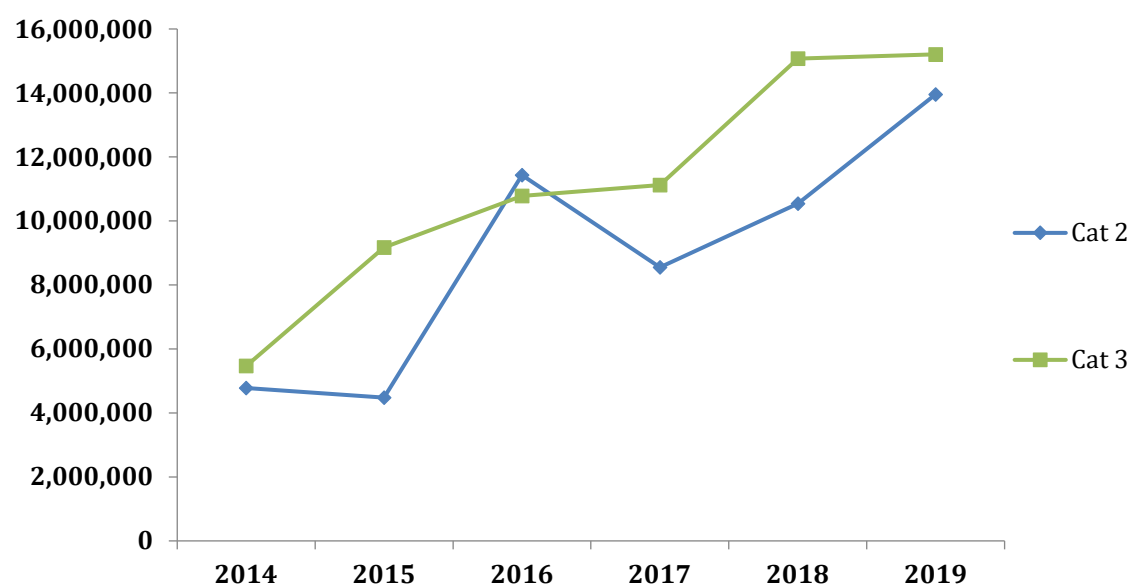
¹⁸ Undertaken as a companion to the Excellence in Research for Australia and as part of the Australian Research Council's National Innovation and Science Agenda, the Engagement and Impact assessment was completed during 2018 and aims to create incentives for greater collaboration between universities and industry, as well as other research end-users.

...once businesses collaborate outside their own sector they gain advantages, irrespective of whether their collaboration partners were from multiple other sectors or just one.¹⁹

Western Sydney University has been a key driver of industry development and transformation in western Sydney through its range of teaching, research, campus development and industry engagement activities. In 2014, the University established a new partnership arm dedicated to supporting and intensifying applied research and development (R&D).

From 2014-2019, the University almost tripled the value of the R&D it does in partnership with industry. A similar increase has been achieved in the value of applied R&D conducted in partnership with the NSW Government to support related industry and community priorities. This resulted in the development of approximately 200 new industry-led projects per year across 2018 and 2019. Refer to **TABLE 4** for more detail.

TABLE 4
Western Sydney University's government and industry partnership activity



Note: TABLE 4

Drawing on the Higher Education Research Data Collection scheme, 'Cat 2' denotes work Western Sydney University has undertaken in partnership with the NSW Government; and 'Cat 3' is work Western Sydney University has undertaken with industry. The graph reflects the University's commitment and efforts to deepen its collaborations.

Industry-embedded learning and teaching

Western Sydney University has placed significant emphasis on industry-embedding its teaching programs in order to prepare and develop the transdisciplinary 'hybrid' capabilities its students will need to create a successful future for themselves and their communities. Through the University's *Partnership Pedagogy* framework, curriculum is co-created by

¹⁹ See:

<https://publications.industry.gov.au/publications/australianinnovationsystemmonitor/networks-and-collaboration/index.html>.

staff with students and external partners. It is a signature concept in the shaping of curriculum transformation at Western Sydney University, enabling the University and its students to remain critically engaged with emerging challenges and complex future work environments.

The University's pedagogy involves any (or all) of these overlapping aspects of curriculum co-creation done via a genuine partnership. Undergraduate and postgraduate programs are characterised by industry participation in the design of teaching materials and delivery in partnership, for instance by expert industry lectures or incorporation of significant industry placements and internships.

Highest NSW levels of employer satisfaction

Western Sydney University's industry-embedded approach to learning and teaching is proving highly successful, with the University's graduates ranked first in the state and second nationally for overall employer satisfaction, according to the latest data from the Federal Government's *Quality Indicators for Learning and Teaching Employer Satisfaction Survey*.²⁰ In addition to established undergraduate and postgraduate programs, Western Sydney University has also developed a suite of short-courses specifically targeting re-skilling and up-skilling. These programs are delivered through diverse channels to match the industry need including through the University's Launch Pad incubator, Western Executive Education and The College (the University's RTO).

Rapid reskilling adaptations during COVID-19

Western Sydney University was among the first Australian university to partner with the Federal Government on its *Higher Education Relief Package* to establish dedicated short-courses aimed at rapidly re-training and up-skilling the region in response to the disruptions caused by COVID-19. The most popular course has been the Undergraduate Certificate in Counselling and Mental Health, which received over 160 applications. The University is pleased to support the community and provide rapid re-training opportunities to individuals during this extraordinary time.

Western Sydney Aerotropolis Multiversity

The University is working closely with the NUW Alliance – a consortium comprising UNSW Sydney, University of Wollongong and the University of Newcastle – and with TAFE NSW, to deliver a fit-for-purpose approach to education and training in the Western Parklands City (WPC). The model – called the New Education and Training Model (NETM) – will be sufficiently flexible and responsive, providing the new, re- and up-skilling required by the WPC workforce, while also realising swift education, training and employment outcomes within the existing regulatory environment. The model assembles an innovative new structure of existing, accredited, high quality education offerings to deliver rapid deployment of the 'Multiversity' concept, and build swift momentum towards establishing new education, training and R&D outputs in the Aerotropolis Core.

Industry-engaged accessible campuses

In addition to innovative approaches to imbed teaching and research programs with

²⁰ The Employer Satisfaction Survey is the largest national survey of its kind and is funded by the Department of Education and Training. The survey encompasses the views of 5300 employers to date and reports on the skills, attributes and work readiness of recent graduates. Full results of the Employment Satisfaction Survey can be viewed on the Quality Indicators for Learning and Teaching are available here: <https://www.qilt.edu.au/qilt-surveys/employer-satisfaction>.

industry, Western Sydney University has also developed a campus redevelopment program to serve students, industry and the wider region. The University is reshaping its campus network to develop a series of new CBD campuses and immersive university precincts co-located beside industry. These are a catalyst for regional economic development.

At Parramatta, for example, the University's *Peter Shergold Building* anchors the CBD's Parramatta Square development and has allowed the University to co-locate with PwC and Water NSW. The state-of-the-art building with 26,500 square metres of floor space caters for up to 10,000 students, mainly in the School of Business and the Sydney Graduate School of Management. "In Parramatta we have a world-class campus and world class opportunities for students in a business precinct that has unparalleled integration with community facilities and amenities," said NSW Premier Gladys Berejiklian at the opening of the building.

Inter-university and industry collaboration

Proximate to the *Peter Shergold Building*, Western Sydney University and UNSW Sydney have established a joint venture to develop a world-class *Engineering Innovation Hub*. With industry partner Charter Hall, the two universities are developing a custom-designed, 15-storey, 27,000 sqm vertical Hub at Hassall Street in the Parramatta CBD, to be completed by 2021. The Hub will house a joint undergraduate engineering program alongside Western Sydney University's architecture and business courses.

The collaboration seeks to fast-track the development of much-needed world-class engineering graduates in western Sydney and will at the same time generate thousands of knowledge-jobs. Premier Gladys Berejiklian commented that the partnership, "demonstrates the power of universities being industry-engaged, which can only benefit the graduates of the future". The Hub is critical in aligning engineering innovation, research and training support with large scale NSW Government investment in infrastructure and construction projects across western Sydney.

Industry collaboration in research infrastructure

Western Sydney University and the Lang Walker founded Walker Group have forged a strategic partnership that will develop new educational and research infrastructure for south-western Sydney, including a medical research facility for the rapidly growing Macarthur region. As part of the partnership, Walker Group will deliver Western Sydney University's new vertical campus in Bankstown CBD, which is set to open in 2022 and accommodate up to 12,000 students.

The partnership will establish a Lang Walker Professorial Chair in Built Environment to advance innovation and sustainability in the property, design and delivery spaces. The Lang Walker Family Foundation will contribute up to \$26 million to the University in order to deliver (with additional partners) the Macarthur Medical Research Centre – a community-embedded hub for medical education and research that will transform Campbelltown Hospital into an internationally engaged research precinct and foster greater scientific, clinical and industry collaborations.

Partnering in key areas to address decadal challenges

With western Sydney's population of 1.9 million conservatively expected to grow to 3 million

by 2038, the region will face challenges in health, particularly in chronic disease, ageing, childhood and mental health. Expanding the University's research and teaching capacity in health disciplines with industry partners is one of the many ways it is responding to these challenges.

As outlined in its *Western Health*²¹ decadal strategy, Western Sydney University will significantly escalate its partnered collaborations with industry and the sector – such as the University of Sydney at Westmead and Nepean; UNSW Sydney at the Liverpool Innovation Precinct; the University of Canberra at Sydney Olympic Park; and Charles Sturt University throughout regional NSW – to ensure its research and education programs meet the large and complex health challenges that western Sydney confronts.

Recommendation:

- It is recommended to the Legislative Council, Portfolio Committee No. 3 – Education, that a comprehensive and evidence-based review of current health workforce planning is undertaken with special emphasis on planning for demographic shifts, as well as existing and emerging public health challenges.

Support for advanced manufacturing in western Sydney

Western Sydney is Australia's largest manufacturing region with \$41.5 billion in output and \$12.7 billion in value add. There are over 9,200 manufacturing companies employing around 115,000 people, representing almost half the Sydney metropolitan region's total number of manufacturing businesses and 43 per cent of the state's manufacturing employment. As well as being a traditional high-volume employer, the high-value high multiplier impact offered by the manufacturer as an industry is well established; economic benefits are felt by associated sectors across the direct and indirect value chain.

The industry is comprised of a very large number of small companies which makes the process of modernisation and development extremely challenging for governments and industry bodies. However, without this modernisation, regions such as western Sydney with a high reliance on the sector for employment, face the prospect of substantial economic impact and related societal consequences. With its Launch Pad initiative and similar programs, Western Sydney University has demonstrated the important role universities can play in these types of scenarios and how governments can assist to maximise the potential for impact that can be realised through job creation, increased investment and technology development.

Industry development programs

The University currently operates specialised industry development programs that leverage high-end capabilities from groups such as the School of Computing, Engineering and Mathematics, the School of Business and the Launch Pad incubator. In addition to their specific focus areas, these programs offer the important benefit of growing the regional network and infrastructure to facilitate B2B knowledge exchange and joint innovation across western Sydney. This has been a deliberate focus of the programs. The aim is to address well-known competitive disadvantages associated with poor collaboration when compared to NSW and western Sydney's international competitors.

²¹ See:

https://www.westernsydney.edu.au/_data/assets/pdf_file/0006/1466682/VICE3148_Universitys_Decadal_Strategy_for_Health_v05_web3.pdf.

The Western Sydney University Boosting Business Innovation program (previously supported by NSW government though recently de-funded) built on the platform established by WSFAM to focus on establishment of improved B2B collaboration networks and support 15 applied R&D projects with advanced manufacturing SMEs. The program led to the adoption of new Industry 4.0 technologies amongst participants to create new, internationally competitive products and services in high value add specialisations. Western Sydney University played a key role in this program in providing technical capabilities but also in fostering the innovation mindset of members to invest in new technologies and processes to grow their business. The urgent re-instatement of the Boosting Business Innovation program is critical to support advanced manufacturing in the region; see the University's response to, and recommendation on, item b) earlier in this submission.

The University conducted the Start-Up SydWest accelerator program throughout 2019 to support the launch and growth of more than 30 new advanced manufacturing businesses. With Launch Pad foundation corporate partners such as National Australia Bank and KPMG, the program provided expert advice to entrepreneurs drawn from across the region to create the next generation of high-tech businesses.

Critical regional alignment

Initiatives for the future development of western Sydney such as the Western Sydney City Deal and Western Sydney Aerotropolis represent excellent opportunities for the region in sectors such as aerospace and defence, agribusiness, medtech and biotech. Western Sydney University is partnering with government, industry and community stakeholders across the region to realise maximum economic benefit from these platform infrastructure investments. The University understands the imperative to be able to service these developments with a world-class workforce, industry supply chain and R&D capacity and thereby establish a complex, high value add regional innovation ecosystem.

Western Sydney University has been an active participant in the co-design with industry of the Advanced Manufacturing Research Precinct and Agri-Precincts to be established at the Western Sydney Aerotropolis. The University is further aligning its own campus development activities to support the advanced manufacturing industry by establishment of complementary high-tech facilities at the proposed *Future Technologies Centre* at Werrington, the new Engineering Innovation Hub at Parramatta and the proposed *Factory of the Future* within the coming Bankstown CBD campus.

Planning is well advanced to establish, with Government support, a five-hectare glasshouse facility and logistical hub within an industry-oriented Agri-Park at the University's Hawkesbury campus. The Agri-Park will build upon the long history of agricultural sciences and industry in the Hawkesbury region and, more recently, the establishment (2017) of the National Centre for Vegetable Protected Cropping at the campus, co-funded with industry and delivering highly relevant applied R&D projects to the sector. In addition to these campus-based, and regionally embedded initiatives, the Western Sydney University's Launch Pad incubator is rolling out programs to support advanced manufacturing. The following case study illustrates the scope and impact of these programs for western Sydney businesses.

CASE STUDY

Western Sydney University 'Launch Pad' smart manufacturing accelerator program

L&A Pressure, a local company from Revesby in the Bankstown LGA has worked to develop a connected-product system with the assistance of the Launch Pad 'Smart Manufacturing Accelerator' program. L&A Pressure have a long history as a metal fabricator producing large pressure vessels for the oil and gas sector.

With strong competition from low cost overseas competitors for fabrication services, L&A was looking for an opportunity to find a new direction for the business when they were introduced to the Launch Pad accelerator program at an industry event. Since joining the program, L&A are now developing in collaboration with Western Sydney University a digitally driven system for the ongoing asset management and maintenance of their welded pressure vessels.

This new system involves the development of a 'digital twin' for a vessel which will allow their customers to track and manage the assets operation and ongoing maintenance through an IoT platform with specially written software applications that collect and analyse data from a range of sensors that collect information on pressure, flow temperature and environmental conditions. This 'connected product' system will monitor large datasets from the sensors and use 'artificial intelligence' (AI) to learn what are normal operating conditions and what are not, enabling faults to be predicted and remedied at desired times before they occur to minimise downtimes. An inbuilt maintenance system based on 'Augmented Reality' (AR) replaces the conventional maintenance manual. The AR system works by displaying a graphic overlay image with instructions on a tablet or mobile phone for the maintenance person on top of the actual physical piece of equipment they are working on.

This approach provides a greatly improved solution in terms of efficiency, quality and safety allowing customers to drive down maintenance costs, increase safety and attain increased data for further analysis and continuous improvement. The company has upskilled several of its engineering personnel with new skills in data and analysis and brought on some specific skill areas where necessary to build and augment its team in a manageable way. This approach has been highly instructive as an experiment it has shown that with the right support structures it is possible to transition existing technical and engineering expertise of a typical Western Sydney SME to start to operate within an Industry 4.0 context.

In addition, a keen willingness of the management team to accept technical risk and invest in collaborative development has been key in reaching a successful outcome. The result of the project is the development of a prototype heat exchanger vessel that demonstrates a high-tech connected product as a new digital service dimension to the business in asset management, remote monitoring and diagnostics and ongoing production support.

Participation in the Western Sydney University, Launch Pad accelerator program has effectively shifted the business higher up the value-chain to open-up new revenue sources.

f) The quality of campus life and student freedom of expression;

The primacy of the student experience is the first objective of the *Western Sydney University Strategic Plan 2018-2020*²²:

Student-centredness that integrates academic and professional opportunity with personal support.

To that end, the University has implemented a number of initiatives that in some cases are sector-leading, both for students and staff. Examples include:

Student academic freedom and freedom of speech

On 10 April 2020 the Board of Trustees adopted an *Ethical Framework* which provides a point of reference against which its decisions can be tested to ensure decision-making is on the basis of evidence and reason and consistent with the University's values and beliefs. One important tenet is that the University will:

Support the capacity of both current and future students to pursue knowledge and lifelong learning.

and

*As a student-centred institution, ... draw on the experience and seek and respect the voices of our students.*²³

Moreover, as part of its adoption of the *French Model Code for Freedom of Speech and Academic Freedom*²⁴, the Board approved a new *Freedom of Speech Policy*. This policy enshrines the right of students (as well as staff) to the lawful exercise freedom of speech without fear of misconduct or other adverse action by reference only to content, but tempered so as not to obstruct or restrict the rights of others to express their own opinions (for example, by unreasonably shutting down debate, engaging in hate speech and so on) or to shield students from ideas or opinions they might disagree with or find offensive.²⁵ Importantly, while the policy imposes some limitations on free speech (as recommended by the French Review) it does not impose restrictions based on a vague notion of damage to the University's reputation or brand.

Respect.Now.Always

²² See

https://www.westernsydney.edu.au/_data/assets/pdf_file/0004/844672/STRA2627_Securing_Success_Strategic_Plan_2018-2020_Web.pdf.

²³ Western Sydney University, Board of Trustees, *Ethical Framework*, 10 April 2020, <https://policies.westernsydney.edu.au/download.php?associated=1&id=855&version=1>.

²⁴ See *A Model Code for the Protection of Freedom of Speech and Academic Freedom in Australian Higher Education (as revised by Chancellors' Council Working Group)*, June 2019, <https://policies.westernsydney.edu.au/download.php?id=856&version=2&associated>. The Review into Freedom of Speech in Higher Education was commissioned by the Minister for Education, the Hon Dan Tehan MP and undertaken by the Hon Mr Robert French AC, former Chief Justice of the High Court of Australia. The focus of the review was to assess the effectiveness of university policies and practices in relation to freedom of expression and intellectual inquiry in Australian universities, in line with the requirements of the Higher Education Standards Framework.

²⁵ Western Sydney University, *Freedom of Speech Policy*, clause 13, see <https://policies.westernsydney.edu.au/document/view.current.php?id=349>.

As part of its response to the *Respect.Now.Always* campaign, the University has implemented a number of initiatives that, among other things, work to raise awareness of support and reporting options for sexual offences and to promote respectful relationships throughout the University community.²⁶ The University has also established a network of volunteers trained to support victims of sexual harassment and sexual assault as part of a “First Responder” initiative.

Western Sydney University’s campaign is coordinated through the Respectful Relations Task Force chaired by the Vice-Chancellor and President. It collaborates with student stakeholder groups to ensure that the recommendations of Universities Australia in relation to sexual harassment and sexual assault are implemented.

Student Mental Health and Wellbeing

It is well-documented that, despite the fact that Australia’s university completion rates for students are the third highest in the OECD, university students are nevertheless:

... are at significant risk to health and well being, and many students struggle to cope with the additional demands and stressors.”²⁷

The University has responded to this challenge by adopting a *Mental Health and Wellbeing Strategy* as a complement to the support it provides through its counselling and disability services. The Strategy aims to identify and provide support to students as early as possible.²⁸ However, to ensure the safety of the University community, the University has also implemented policies and processes that aim to mitigate behavioural risks while at the same time ensuring appropriate levels of support are in place for students in need, such as taking a period of leave from their studies to seek help.²⁹ The University has also established a standing work group (chaired by the Executive Director, Student Services and comprising a cross-disciplinary section of staff) to, among other things, identify and recommend improvements for student support and the management of behavioural risks, both at a strategic and operational level.

Student Grievances and Complaints

How universities handle student complaints and grievances has long been the subject of media and academic commentary. Between 2004 and 2006, the NSW Ombudsman carried out a detailed survey that found universities needed to implement more robust and effective complaints handling systems in response to concerns about the quality of university complaint handling and the escalation of complaints to that office.³⁰ A study carried out in 2009 found that most university grievance handling processes were opaque, complex and

²⁶ Western Sydney University, *Respect.Now.Always* https://www.westernsydney.edu.au/wellbeing_mentalhealth/wbmh/promoting_health/respectnowal ways.

²⁷ National Union of Students and National Youth Mental Health Foundation, *National Tertiary Student Wellbeing Survey 2016*, <https://headspace.org.au/assets/Uploads/headspace-NUS-Publication-Digital.pdf>.

²⁸ See Western Sydney University, *Mental Health and Wellbeing Strategy*, https://www.westernsydney.edu.au/wellbeing_mentalhealth/wbmh.

²⁹ See, for instance, Western Sydney University, *Medical Assistance Policy*, <https://policies.westernsydney.edu.au/document/view.current.php?id=255>.

³⁰ B. Olliffe and A. Stuhmke, (2007) “A national university grievance handler? Transporting the United Kingdom Office of the Independent Adjudicator for Higher Education to Australia”, *Journal of Higher Education and Policy Management*, 29(2), 203-215.

not necessarily independent³¹. Following that report, the ESOS National Code and the HES Framework have prescribed minimum benchmarks on how universities are expected to deal with student grievances³².

As a response to this, Western Sydney University established a Complaints Resolution Unit in 2004 which has long been regarded as sector-leading in the way it investigates, manages and tries to resolve student grievances, both from an individual and systemic perspective. This has resulted in a significant decline in complaints to external bodies, such as the NSW Ombudsman. Many grievances can be complex in nature and the role of the Unit has evolved to provide support and advice to both students and staff. To ensure organisational oversight, the Unit provides reports twice annually to both the University Executive and Audit and Risk Committee, as well as the Respectful Relations Taskforce with respect to complaints involving sexual offences. The Unit plays an important role in ensuring organisational integrity. In addition, the Unit has initiated strong networking relationships with other universities across Australia to promote best practice guidelines and processes, including cross-institutional training.

Student Whistleblowing

At the present time, the NSW *Public Interest Disclosures Act* only provides protection for whistleblowers who are University officers or employees. In a university context, this is unsatisfactory because it does not afford protection to whistleblowers who happen to be students. In recognition of this, the University has recently implemented a new *Whistleblowing Policy* that aims to afford to students, to the extent that it can do so, the same level of protection from reprisals that are afforded to staff whistleblowers³³. As far as we are aware, Western Sydney University is the only university to have introduced such a policy.

Conclusion

As noted above, the University continually strives to provide a unique and distinctive student experience. The above initiatives are critical contributions to ensuring organisational integrity and accountability from the perspective of that student experience.

g) Foreign political interference within the NSW tertiary education sector;

Western Sydney University has developed wide-ranging policies and practices regarding

³¹ J. Jackson, H. Fleming, P. Kamvounias and S. Varnham, *Student Grievances and Discipline Matters Project: Final Report*, Australian Learning and Teaching Council, May 2009.

³² *National Code of Practice for Providers of Education and Training to Overseas Students* 2018, Standard 10, made under the *Education Services for Overseas Students Act* 2000 (Cth) and *Higher Education Standards Framework* 2015 made under the *Tertiary Education Quality and Standards Agency Act* 2011 (Cth), refer Standards 2.4.1 to 2.4.5.

³³ Western Sydney University, *Whistleblowing (Reporting Corruption and Other Wrongdoing) Policy*, <https://policies.westernsydney.edu.au/document/view.current.php?id=91>.

potential foreign interference threats. A selection of these are outlined in **TABLE 6**, below.

TABLE 6

Potential foreign interference threats	WSU actions and approaches
Cyberspying, cyber intrusions and cyberattack.	<ul style="list-style-type: none"> • Cyber Security Policy • Cyber Security Strategy and Plan 2019-2021 • Digital Information Security Policy • Digital security steering committee • Cyber security training • WSU participates in the 'Cyber security Community of Practice' • A risk based cyber security incident response process has been developed
Erosion of freedom of speech on university campuses.	<ul style="list-style-type: none"> • Freedom of speech policy and Charter of Academic Freedom approved
Intrusion into life on campus for purposes of coercing and 'policing' a student population, particularly with a view to suppress criticism or dissent.	<ul style="list-style-type: none"> • Campus Safety and Security Unit • Campus safety and security hotline
Undermining of academic freedom and values.	<ul style="list-style-type: none"> • Senate's Charter of Academic freedom • Code of Conduct • Academic freedom is listed as one of WSU's values
Security risks.	<ul style="list-style-type: none"> • External Access to University Facilities Procedure • Drones Policy • Environmental Management Plan
Fraud and corruption risks.	<ul style="list-style-type: none"> • Strategic Risk Register • Risk Management Policies and guidelines • Conflict of Interest policy • Compliance Policy • Cyber security policy • Fraud and Corruption Risk Management Framework
Compromised protection of students, staff, data, systems, and academic and research integrity.	<ul style="list-style-type: none"> • Research data management policy • Dual Award and Joint Higher Degrees Policy • Ethics and Integrity Team • Ethics Committees
Threats to potentially sensitive technologies and research, research collaboration, foreign investments, education activities, intellectual property, and university reputation.	<ul style="list-style-type: none"> • IP Policy • International partnerships for academic cooperation • Procurement policy
Donations from overseas partners whose relationships with foreign governments, political parties and related entities and individuals pose	<ul style="list-style-type: none"> • Gift and Benefit Acceptance and Management Policy • Gift and Benefit Reporting and Registration Procedure

a risk.

- Commercial Activities Guidelines
- Donations and Fundraising Policy

Demands from partners to change content in subjects driven by a foreign political, religious or social agenda.	<ul style="list-style-type: none">• University Funded External Sponsorship Policy: Outgoing sponsorships [any University funded, either by cash or in-kind, sponsorship of an external organisation to support an event or activity] are activated to build, maintain or enhance the reputation and brand of the University. Clause (9) sets out the external/outgoing sponsorship activities that the University will not support.• Foreign Exchange Risk Policy
Efforts to alter or direct the research agenda.	<ul style="list-style-type: none">• Research Code of Practice• Due diligence processes to review research contracts
Students and staff “self-censoring” on sensitive geo-political issues.	<ul style="list-style-type: none">• Campus safety and security unit• Student Code of Conduct

In planning the future development of the NSW tertiary education sector, it is important that the Commonwealth and NSW Government consider the following:

- Provision of educational resources to universities to increase awareness of foreign political interference and ways to mitigate those threats;
- NSW Government’s role in supporting universities financially through joint resourcing and other funding models. To work together so universities can:
 - deploy additional training resources;
 - establish robust systems to protect data and IP; and
 - create a security culture to enhance the wellbeing and safety of staff and students.

h) The current levels of coordination and/or support provided to NSW universities by the NSW Government;

University education services are a significant contributor to the NSW economy, collectively producing 90,000 graduates in 2018, with a combined total expenditure of more than \$9.9 billion in 2019 alone (62 per cent on employee-related expenses and 31 per cent on expenses). Exports of education alone was worth \$12 billion in 2018 to the NSW economy. In addition to education, research, and employment opportunities, NSW universities also provide a range of public services and amenities to their campus communities as well as to the wider local community.

Planning provisions

Universities are prescribed to be Crown for development applicants under Division 4.6 of the *Environmental Planning & Assessment Act 1979* (the Act) to ensure developments are not

unreasonably refused or conditionally approved. This also extends to the levying of development / infrastructure contributions as draft consent conditions. As a Crown applicant, the agreement of the relevant university or the Minister is required before any development consent condition may be imposed by a consent authority, including conditions requiring development / infrastructure contributions.

Universities are also prescribed to be Public Authorities under clause 277(4) of the *Environmental*

Planning and Assessment Regulation 2000 (the Regulation) as determining authorities within the meaning of Part 5 of the Act for development that is permitted without consent under the *State Environmental Planning Policy (Infrastructure) 2007* and the *State Environmental Planning Policy (Educational Establishments and Child Care Facilities) 2017*.

The NSW Department of Planning, Industry and Environment's (DPIE) **Circular D6** (revised Issue 21 September 1995) sets out guidelines for appropriate contributions by Crown developments (including *Educational Services*) that provide an essential community service. Under these guidelines, universities (as an educational service) should be exempt from contributions except for drainage and local roads.

However, universities are currently being levied inconsistently and unfairly by consent authorities for public services and amenities in contravention of Circular D6, and for works which the universities are already providing at their own cost. The NSW Vice-Chancellors' Committee (NSW VCC) working committee has revealed inconsistencies between the full, partial or no exemption of Development / Infrastructure Contributions for educational establishment projects between the respective University members.

Furthermore, certain universities have entered into Voluntary Planning Agreements with consent authorities as an alternative mechanism to paying monetary contributions and thereby enabling infrastructure works to focus within University campuses.

The reasons for exemption

Universities have a shared interest with NSW Government to provide and improve public amenities, infrastructure and facilities for use by their students and staff as well as for visitors and local communities. Notwithstanding, universities in NSW should be exempt from development / infrastructure contributions. The reasons are summarised as follows:

1. Universities are deemed to be the Crown for the purposes of the Act and the Regulation and provide an essential community service via learning, research and community engagement. Circular D6 does not determine that universities have a lesser status as a Crown authority than other *Educational Services*. However, the current plethora of Development Contributions Plans do exactly that.
2. Council Development Contributions Plans do not acknowledge that universities fund and manage the extensive open space and community facilities that are available to the public. Universities augment the provision of public services and amenities provided by the local Council in the public realm. The Development Contributions Plans do not provide offsets in recognition of the cost and provision of these university facilities, nor do they recognise the provision of these public amenities and services as a 'material public benefit' as supported by the Department's *Development Contributions Practice Note 2005*.
3. Circular D6 confirms that *Educational Services* (a Crown activity) should be exempt from contributions except for drainage and the upgrade of local roads and traffic

management. However, there is no obligation for local Councils to include these exemptions in their Development Contributions Plans, nor to justify why levies are imposed on Crown developments. There is no consistency in the application of exemptions by local Councils in the preparation of their Development Contributions Plans.

4. Typically, university development incurs negligible impact upon drainage catchments or local traffic management. Western Sydney University has incurred and is committed to significant costs in stormwater upgrades and local traffic management. This expenditure reinforces the exemption guidelines for educational services outlined in Circular D6.
5. Universities supply and fund a wide range of public services and amenities available to the public including open space, libraries, museums, community meeting rooms, childcare facilities, sports facilities, medical health facilities, public events and talks, and the like. This university expenditure reinforces the exemption guidelines for educational services outlined in Circular D6.
6. Some local Councils' Development Contributions Plans exempt schools from contribution levies, but not universities. It is noted that the Standard Instrument includes both schools and universities in its definition of an *educational establishment*, and Circular D6 draws no distinction between either type of public service/amenity in its guidelines for *educational services* as a Crown activity. The same exemptions as for schools should apply to universities.
7. Some local Councils' Development Contributions Plans also exempt not-for-profit charities from contribution levies, but not universities. However, universities are not-for-profit public authorities; they are not commercially driven private developers. Furthermore, universities are endorsed as charitable institutions by the Australian Tax Office. The same exemptions as for other not-for-profit charities should apply to universities.
8. There is no consistency applied by the Department in the imposition of development contribution conditions for State Significant Development or the calculated value of those contributions. The same inconsistency in the imposition of development contribution conditions is true for the Planning Panels. Universities therefore operate within an area of unnecessary uncertainty when budgeting for new development projects.
9. Many universities provide student accommodation and associated facilities on campus. These are provided at 'affordable' rates below those in the surrounding rental market. The provision of student accommodation is vitally important to a university to support its core functions of learning, research and community engagement. The levying of development / infrastructure contributions on university funded accommodation therefore ignores this important function and negates the 'affordability' benefit to low income students.
10. Fixed development consent levies imposed under section 7.12 of the Act require no nexus to be demonstrated between the payment of a contribution and the demand for public amenities or services generated by that development. Some universities are subject to this flat levy. Universities act in a similar role to local Councils and Government agencies in funding and implementing public services and amenities on their campuses and other lands. Consequently, the levying of flat rate development / infrastructure contributions upon new university development is in effect, an unfair additional 'infrastructure tax' in contravention of the guidelines set out in Circular D6.

TABLE 7

Western Sydney University committed infrastructure and public works

UNIVERSITY	WSU	WSU
WORKS	Past Committed Infrastructure and Public Works 2012-2017	Future Committed Infrastructure and Public Works 2018-2023
	\$	\$
Stormwater Drainage	2,100,000	150,000
Traffic and Transport	6,600,000	350,000
Open Space	13,000,000	2,250,000
Community Facilities	39,700,000	15,600,000
	61,400,000	18,350,000
TOTAL		79,750,000

Recommendation:

- It is recommended to the Legislative Council, Portfolio Committee No. 3 – Education, that an improved planning mechanism be developed to accelerate and support collaborative university infrastructure development programs. Noting the important public-facing community and business roles that universities are increasingly performing³⁴, preference should be made to programs that demonstrably support precinct planning.

NSW Government support for precinct activation and job creation

Noting the Committee's interest in the broader adequacy of NSW Government support for NSW University's, Western Sydney University asks the Committee to recognise the catalytic role it performs in the generation of economic activity and job creation in key precincts and locations across western Sydney. This submission has already detailed – under items a), b) and e) – the University's proven capacity to drive growth and accelerate the realisation of critical Government policy objectives.

Western Sydney University has actively partnered with industry to realise its program of collaborative infrastructure development. In the past, this has included co-investment with Government, such as the \$13.5 million respectively committed by the University and the Commonwealth Government for the establishment of the Werrington Park Corporate Centre. This facility now supports 150 business (via Launch Pad and other tenants) and achieved its target to create 400 jobs two years ahead of schedule. Opportunities exist for comparable co-investment from the NSW Government in key Western Sydney University projects across the region. The case for investment is further strengthened by the need for economic stimulus to counter the very substantial economic and job impost of COVID-19 on already

³⁴ This recommendation is drawn from the 2018 NSW Innovation Precincts report by the NSW Innovation and Productivity Council which provides a blue-print for targeted stimulus investment in health and education precincts. Concentrations of collaborative R&D amplify the impact of stimulus initiatives, bringing additional industry and talent attraction benefits.

socioeconomically disadvantaged areas of western Sydney.

Priorities for NSW Government co-investment

Western Sydney University's industry-partnered projects, where NSW Government investment would prove critical, are detailed in **TABLE 8**, below.

TABLE 8
Western Sydney University 'shovel ready' economic stimulus proposals for NSW Government support

Project	Description	Location	Request
<i>Factory of the Future</i>	An advanced manufacturing innovation space modelled on a 'maker space' – supporting collaboration between local SME's, engineers, and project developers.	Bankstown <i>Located within the Sydenham to Bankstown Urban Renewal Corridor</i>	\$12.5m
<i>Future Technologies Centre</i>	A facility adjacent to the Werrington Park Corporate Centre, and proximate to the TAFE NSW Construction Hub, to drive accelerated economic recovery from the COVID-19 crisis with a focus on building sovereign supply chain capacity, digital upskilling and SME-start-up support, underpinned by rapid re-skilling via a four-university (WSU + NUW Alliance) and TAFE NSW partnership. The facility addresses core knowledge job and industry attraction commitments for the Western Parkland City under the Western Sydney City Deal.	Werrington <i>Located within the Western Parkland City and along the Western Sydney Innovation Corridor</i>	\$47.5m
<i>Peri-Urban Greenhouse and Logistical Hub</i>	A 5ha commercial greenhouse, with an integrated logistical hub, to significantly reduce sovereign-risk in food security and drive large scale job creation, innovation and productivity improvements in agribusiness both domestically and for export via Western Sydney Airport and newly announced, matching logistics facility at the Aerotropolis Core.	Hawkesbury <i>Located within the Western Parkland City and along the Western Sydney Innovation Corridor</i>	\$50m
<i>Health</i>	A collaboration platform for medical technology	Liverpool	

<i>Innovation Link Lab</i>	and services innovation, providing applied training experiences for students and start-ups, leveraging research and development capabilities to generate investment and jobs.	Innovation Precinct <i>Located within the Western Parkland City and along the Western Sydney Innovation Corridor</i>	\$7.5m
<i>Health Research and Education Hub for Liverpool</i>	A new health research and training facility (w/ the Ingham Institute, UNSW and SWSLHD), situated within Liverpool Hospital to support the mitigation and recovery phases of COVID-19 within the state's largest hospital and a key growth area.	Liverpool Innovation Precinct <i>Located within the Western Parkland City</i>	\$85m
<i>Macarthur Medical Research Facility</i>	A collaborative, community-facing facility to support research in paediatrics, diabetes, Indigenous health and mental health.	Campbelltown Health and Education Precinct <i>Located within the Western Parkland City and at the southern end of the Western Sydney Innovation Corridor</i>	\$12m

These project proposals have been submitted to NSW Treasury for review. The application of NSW Government investment, in complement to existing commitments of support from industry partners, would prove critical in addressing key challenges for western Sydney over the near-to-mid-term. Importantly, all of the projects are collaborative, and the majority include TAFE NSW and other NSW based universities.

Recommendation

- In assessing the current levels of coordination and/or support provided to NSW universities by the NSW Government, Western Sydney University asks the NSW Government to support its stimulus proposals, as per **TABLE 9**. These economic stimulus proposals will drive the generation of economic activity and job creation in state significant precincts and high growth locations across western Sydney.

Payroll tax

NSW's higher education sector is under profound and unprecedented financial pressure due to COVID-19. Pronounced operational and structural reform is necessary to maintain viability in this environment. Accordingly, Western Sydney University, like its peer institutions across NSW, is engaged in this process. In this contest, the considerable financial obligations the University has to the NSW Government become a matter of great significance. Payroll tax is the largest of these State based obligations. The cost to Western Sydney University and its entities of payroll tax for the 2019 calendar year was \$24.8 million.

Recommendation

- The University asks the Portfolio Committee No. 3 – Education, to support and recommend to Government a conditional waiver of Payroll Tax for NSW universities for a period correlating with current financial circumstances, and relevant to the socioeconomic profile of the regions in which they operate and the distinct obligations of their respective NSW Acts.

i) The recent experience with online learning and lessons for the further development of alternative models of tertiary education service delivery;

One of the recommendations from Western Sydney University's COVID-19 Teaching and Learning Task Group initial report on Autumn session teaching, learning and assessment has been that the University build on its investment in flipped curriculum to develop Flexible-Flipped curriculum and pedagogy features to build its future resilience for a 'new-normal'.

The intention is that as the University shapes its future curriculum we build in the agility, resilience and pedagogical learnings from its rapid move to online teaching and learning and transdisciplinary curriculum in response to COVID-19.

While there are many features that have felt 'new' in the University's COVID-19 response, in fact much of what it has done was an acceleration of the work already underway as part of the '21C' curriculum transformation project and the flipped learning action plan.

The 21C Curriculum Principles developed in March 2019 as the basis for future curriculum and embedded in the University's new policy were reviewed in light of COVID-19. This provided a helpful test of their 'future-proofing' and were confirmed to be eminently 'fit-for-purpose' in a post pandemic setting.

As an example, one of the 20 principles include: *The University is committed to offering curriculum that leverages technologies and is agile, resilient and sustainable through the inclusion of features that allow rapid response to external opportunities and changes.*

Western Sydney University's curriculum project also includes its alternative credential strategy which will deliver additional flexible access to higher education for the western Sydney region. This will provide further support for the development of skills and capabilities to address the rapidly changing needs of the University's students, graduates, staff, industries and the broader Western Sydney University community.

Throughout the COVID-19 period, the University has put processes in place to engage with its staff and students on the journey to online, and now back to the new normal to gather their insights and learnings during this period. The University transitioned the vast majority

of its teaching (1,190 units) to online delivery mode, undertook a rapid upskilling of staff to deliver this (1,939 staff and 120 professional development workshops), with a 40-fold increase in zoom, the University's students were engaged (76 per cent of students surveyed felt engaged in online learning) and a reduction (52 per cent) was achieved in reliance on invigilated exams.

The 'new normal' for teaching, learning, and assessment post COVID-19 is expected to be better for students, staff and the University. For example, the development of a process to assist staff to transition from traditional invigilated examinations towards more authentic, alternative forms of assessment that are resistant to contract cheating, more sustainable and relevant to the future of work. Planning for this new normal will be data driven and should preserve the resilience the University has achieved through the reduction of the its various dependencies on being on campus.

j) The appropriateness of current NSW legislation regulating, overseeing and enabling tertiary education; and

Like many agencies of comparable scale and operational scope, Western Sydney University is subject to over 100 pieces of NSW legislation. The University monitors its multifaceted obligations via a compliance directory. The University of Western Sydney Act 1988, and subsequent amendments and by-laws, dictate the University's constitutive, functional, commercial and governance requirements. Additional NSW and Commonwealth legislative frameworks, regulatory and compliance regimes intersect with, and determine, the University's broader responsibilities and obligations.

Existing NSW legislative and regulatory apparatus have proven markedly effective in supporting the development and delivery of high-quality education and research across NSW universities. This success is demonstrated by consistent improvements on the part of the state's universities in recognised global education and research rankings. These improvements are particularly profound for Western Sydney University given it serves many areas with comparatively low rates of university degree attainment.

Western Sydney University has distinct obligations under its Act to support 'the development of Greater Western Sydney', which includes contributing to the region's 'social, economic and intellectual life'. The University's adherence to this obligation is evidenced by its response to criteria a, b, e, and f of this NSW Legislative Council Inquiry.

In recent years, the University has undertaken a large-scale industry-partnered program of educational infrastructure development, including new facilities at Liverpool, Parramatta and Westmead. This project of works has been in direct fulfilment of the University's legislative obligations to support its region's development, ensuring its educational and research facilities more accessible to students, industry and the broader community. Accordingly, the University has sought, and been granted, Ministerial assent as necessary to facilitate the progress of this program, indicating current legislative frameworks also have the necessary scope to encompass demonstrable innovations in teaching and research delivery and accessibility.

In terms of broader articulations of NSW university related legislation, there have been a number of sensible reforms over the last 5-7 years to university legislation that have reduced

a significant amount of red tape. This approach has, generally, afforded the sector the level of agility required to manage changing and uncertain circumstances, while providing critical structural and regulatory assurances.

It is recommended that the role NSW universities perform in support of broader areas of public and civic benefit be acknowledged and supported via more flexible and dynamic legislative structures that recognise the wider scope of universities.

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SUMMARY OF RECOMMENDATIONS

In accordance with the Terms of Reference of this Inquiry, Western Sydney University asks the Portfolio Committee No. 3 – Education, to support:

- 1.** the full reinstatement, and extension, of the Boosting Business Innovation program to support business-university collaboration, noting the program's demonstrable effectiveness and criticality in emerging economic circumstances, particularly for suburban, regional and rural areas of NSW;
- 2.** a comprehensive and evidence-based review of current health workforce planning undertaken with special emphasis on planning for demographic shifts, as well as existing and emerging public health challenges;
- 3.** the development of an improved planning mechanism to accelerate and support university infrastructure development programs, particularly those that demonstrably support precinct planning;
- 4.** investment by the NSW Government in Western Sydney University's economic stimulus proposals to drive economic activity and job creation in state significant precincts and high growth locations across western Sydney;
- 5.** a conditional waiver of Payroll Tax for NSW universities for a period correlating with current financial circumstances, and relevant to the socioeconomic profile of the regions in which they operate and the distinct obligations of their respective NSW Acts.

-24 July 2020-