

## **PASCAL Report to the Melbourne Region**

### **PURE Work 2009-2010**

#### **A. Distinctive and unique features of the Melbourne Region**

The PURE project sharply illuminates the obvious fact that each region has its own individual and special character, history and circumstances. Understanding this is essential to getting full value from PURE through the sharing of experience with other regions, identifying what relates best to unique regional circumstances.

Melbourne as the capital of Victoria underwent an OECD review coinciding with the PURE work. Although that was State-wide, in reality the two reviews covered the same issues and territory because of the plural meanings of 'region' in Melbourne. The diverse nature and meaning of 'region' matter to all PURE regions. They loom larger for Melbourne than for any other region.

Not long before PURE started Melbourne created an Office of Knowledge Capital (OKC), involving the city and all Victorian universities. Within PURE, Melbourne is located at the far end of along a competition-collaboration spectrum. Hence the term 'coopetition' was coined within OKC.

Competition takes many forms and affect the Melbourne project in different ways: in national higher education policy, often driven by rewarding competitive behaviour with funding and rewards structured accordingly; in Australia's openness, global orientation and characteristically competitive instinct, manifest in sports, that make it highly sensitive to the global ranking of universities; and in local competitiveness between administrations in Victoria, Melbourne City and other sectional sub-regions and stakeholders in the Greater Melbourne metropolis.

Among Australian States, Victoria has moved in recent times from economic laggard to an innovation leader. Decline is replaced by problems of managing Melbourne's growth.

Victoria is the main Australian locale for dual sector tertiary-higher education provision. Changes within TAFE-VET as well as HE, and divided federal-States responsibilities, make 'tertiary' here distinctive, potentially rich, but difficult to develop in line with the needs of a knowledge society. Getting HE and TAFE to work together closely even in dual sector institutions is hard work but worth persisting with. Monash University offers an encouraging new example with an agreement with two TAFEs.

The Office for Knowledge Capital was a more obviously distinctive feature, and a role model of keen international interest across and beyond PURE. Its vigour and ambition for the sector and the city gave Melbourne a flying start, making it a project leader across the spectrum of activity from benchmarking and clusters to

international exchange. The abiding effects of changes to OKC in 2010 remain to be seen.

All regions are susceptible to interruption from elections. The frequency of federal and State elections for this region, and the particular political party conditions prevailing, make for more disruption than for some other PURE regions.

## **B. Formal and informal means of engagement**

Like all Australia cities metro-Melbourne sprawls over a very large area, and struggles to manage rapid growth. On the newer urban fringe suburbs public transport may not yet exist and families may need two or more cars to move around. However, by global comparison it has a compact city centre and good communications in a small State.

Melbourne has many channels of communication between different parties. The Australian culture facilitates informal, open and egalitarian exchange. There have been efforts at close dialogue and where possible planning at State and City levels in recent years.

The competitive environment however encourages national rather than local collaboration between universities (eg. Group of Eight, ATN). The State seeks a collaborative contribution to development but with limited powers. A phrase used at the OECD IMHE September 2010 conference applies well to this region: *'cooperation needs effort, competition is spontaneous'*.

Yet the region achieved a great deal through PURE. Some of this may be obscured at the end of 2010. It should not be lost.

Melbourne quickly opened means of regional planning through a representative regional development group assisted by the local PASCAL Director's thorough prior consultation with OKC and each university. Shared financial commitment to the project assisted good understanding and commitment to its detailed work. PURE was timely for OKC as it sought to develop inter-university and city collaboration in practical ways.

Much effort was made to understand the benefits of engagement for HEIs and the City, and to undertake practical benefits. These gave early results and were a basis for deeper and wider future engagement. The region undertook work both of sharply economic intent and geared to long-term social and environmental needs. A shortcoming was the limited engagement of the VET-TAFE sector.

Diversity among HEIs and within the larger region was recognised by the focus on different sub-regions within and outside the metropolis. There were good efforts to engage the private and third sectors as well as the public sector and HE.

A significant achievement was creating a streamlined means of working and systematically using benchmarking by both universities and region. Some universities have decided to go no further. Others intend future replication to monitor progress. The City and/or State may take this work further, depending on imminent political and policy developments. *Melbourne is now an internationally recognised leader in terms of regional and university benchmarking.*

Melbourne was strong and active in choosing, contributing to and leading PURE clusters in three areas. It undertook and delivered on practical projects in each area. It convened a highly successful and well attended conference where the relevant Minister gave a substantive keynote and the three studies reported were and analysed. Plans were prepared to take this work forward collaboratively.

### **C. Benefits and prospective future gains from international networking**

Looking ahead, Melbourne found particular value in links with similar large metro-regions. It has led and begun work on using such exchanges. This should continue.

Melbourne should continue its productive work in chosen policy priority areas through the PURE clusters. It judged well in its choice of priorities, Innovation, the Green Skills and Jobs, and Social Inclusion. These have yielded benefits. It would gain by taking a more active part also in the tertiary sector cluster, and monitoring developments in other clusters, as vehicles for international exchange and learning.

The region has used the PURE HEI and draft region benchmarking tools to take stock, and, from a basis of knowledge, monitor and enhance progress in region-HEI partnership. It will benefit both parties to repeat this, although not all universities at present intend replicating the exercise.

More broadly, regions in the Australian policy environment need to be closely connected and involved in debates on trends in higher education and engagement, globally and in relation to national and regional priorities, and on tendencies towards narrower forms of commercialisation and a quest for global standing. These ultimately concern the contested nature and role of universities, and strategies for sustainable competitive and successful regions.

### **D. Getting more value from engagement between the region and the universities**

The immediate future for Melbourne as a PURE region is still influenced and partly obscured by changes in the national policy environment after the 2010 federal elections affecting both higher education and rural regions, and by the outcome and consequences of the November 2010 State elections.

To engage effectively, each partner must calculate what engagement pays off for its own situation and purposes, and for the wider long-term interest. Recalculation is needed in the new conditions pertaining from 2010.

A crucial factor will be decisions to flow from consideration of the Tertiary Education Review Panel report led by Kwong Lee Dow earlier this year, and leading to a Victorian Tertiary Education Plan. Melbourne also awaits its final feedback report following the OECD review visit in March.

Another important factor related to the Tertiary Education Review is where responsibility will reside for the contribution of the tertiary-higher sector to the balanced development of metropolis and State. The changed character and scope of OKC alters the situation, leaving something of a temporary vacuum.

The State as a political entity must be clear how its HE and regional development agenda is to be promoted and progressed: whether through a central State Cabinet instrumentality, or by means of a close partnership between the DIIRD and Education portfolios. Victoria has been a national leader in these processes and areas, but the federal funding realities for universities hamper strong State leadership. Universities are pushed by federal policies towards competitive and separatist ways of working.

It is incumbent on universities leaders and governing bodies to advance agreed policy priorities through engagement, where institutions can see gain from investing time and effort in in-region partnerships. Particular practical projects have proved their worth within the short life-span of PURE. This should continue, and the benefits widely promulgated to build more confidence in partnership.

***For the greater Melbourne and wider region***, the Regional Development Group should continue to meet, providing a forum and a voice for promoting and practising development through engagement.

There may be an opportunity to work with the four Regional Development Australia groups that are set up in Melbourne and administered through Regional Development Victoria. Continuing in PURE could be used to facilitate and accelerate this.

Through its representation in DIIRD ***the State Administration*** as a regional member of PASCAL should ensure that metro-Melbourne continues to participate in and gain from the ongoing work of PURE as well as other PASCAL activities. This includes an early decision on level of involvement for 2011. It may connect with decisions arising from recommendations in the Kwong Report.

The State Administration should find means of working across portfolios to support universities' contribution to building a sustainable knowledge economy. It should act on the reality that Victoria comprises a set of natural sub-regions, including concentric levels of the Melbourne region, and encourage forms of engagement fitted to each sub-region and its tertiary education resources.

**The higher education institutions** should make every effort to work in complementary and collaborative ways. They should recognise the need to combine effort and work with the State a small but innovative knowledge or learning region system in a highly competitive global order. They should extend their scope to involve the TAFE-VET sector more, locally and State-wide.

*Clear leadership* is required, avoiding the tempting short-term pay-off of a simple competitive stance. Institutional leaders should work together towards a strong and positive meaning of diversity. Common purposes and tasks can be achieved through *mutual respect, with differentiated but tangible rewards* for each education system partner.

It may help to draw together and make well known within each university, and system-wide, the practical gains that have been won in income, prestige, research and other ways from local-regional partnership.

Among other partners, the **private sector, especially small and medium enterprises**, stand to gain much from strong HE-City and State commitment to working together for development, which is sustainable and balanced in the sense of advancing quality of life and a good environment as well as immediate financial returns.

**The Committee for Melbourne** (CoM) should continue and extend its important work as a non-partisan agency, meeting-place and resource working for the wider public interest. CoM should seek means to involve the SME sector more closely, but may find that its pricing is prohibitive for SMEs.

Engaging SMEs is difficult. CoM may be considered too city-centric, and focussed on large businesses. More local organisations (like the Committees for Wyndham and Geelong) may have more success in attracting SMEs.

The nine Victorian universities have joined together to form 'Unigateway' which is a portal for businesses and other organisations to access universities. [www.unigateway.com.au](http://www.unigateway.com.au), and this may help.

## **E. Evidence that the work of PURE will be sustained in the future**

The work of many projects disappears when the contract ends. Changes from the GFC period, and politically in 2010, have disrupted the rapid and strong progress made within PURE in 2009.

The tough new political and resource environment demands a strong network and Regional Coordinating Group. A continuing forum, with related mechanisms for working together, will enable the region and the universities to secure tangible and sustainable benefit. It will assist its own progress if Melbourne can remain in the PURE network and continue playing a leadership role.

The recommendations in section D above, and the more detailed recommendations in the PURE RVR2 report to Melbourne, indicate other ways of sustaining progress at national, State, City, and local levels across different stakeholders groups. Without question engagement will continue to be fragile in the competitive Melbourne environment; but there are enough capable leaders and an adequate reservoir of goodwill to reward perseverance in cooperating with success.