Swinburne University of Technology

Response to the Economic Reform Roundtable

Swinburne University of Technology welcomes the opportunity to contribute to the Commonwealth Government's Economic Reform Roundtable submission process.

As a dual sector technology-focused university, Swinburne is committed to innovation, industry engagement, and lifelong learning. As such, Swinburne advocates for a transformational approach to education pathways that better align with the evolving needs of students, employers and the broader economy at a time of accelerating technological change.

Given our position in the tertiary sector, we will respond to three of the five productivity pillars for inquiry:

- Creating a more dynamic and resilient economy
- Building a skilled and adaptable workforce
- Harnessing data and digital technology

Idea 1: A new approach for tertiary education entry

We believe that the current reliance on the Australian Tertiary Admission Rank (ATAR) as the primary mechanism for university entry is outdated and increasingly misaligned with the skills and capabilities required in today's dynamic workforce. While every state and territory has its own version of a High School Certificate, the ATAR excludes students from Western Australia, South Australia and the Northern Territory.

A streamlined and inclusive national entry system that supports the whole student, is needed as evolving skills and competencies become more important than a single score at the end of high school. The ATAR score has become a maladaptive mechanism for secondary school advertising, subject choices, parental advice and university applications. It has created a counterproductive currency that delivers little value to the learner, the HE sector or industry and creates unnecessary stress and anxiety in year 11 and 12 students and their families.

Swinburne is proposing a nation-wide change to tertiary education entry that is more inclusive, flexible and offers a more responsive model of education—one that embraces stackable credentials, integrates vocational and higher education, and supports learners throughout their lives by credentialling what they are able to do, rather than penalise them for what they don't or can't.

The ATAR system, while originally designed to provide a standardized measure of academic achievement, has become a narrow and often inequitable gatekeeper to higher education. It fails to capture the diverse talents, experiences, and aspirations of students, particularly those from under-represented backgrounds, including regional, Indigenous, and low-SES communities.

Moreover, the ATAR does not reflect the competencies most valued by modern employers—such as problem-solving, adaptability, communication, and digital literacy—nor does it accommodate the varied learning journeys that students increasingly undertake. In a world where career paths are non-linear and industries are rapidly evolving, a single score at the end of secondary school is an insufficient and inaccurate predictor of future success.

This idea can be led by the Commonwealth Department of Education, in consultation with industry and major employer groups. Universities could adapt their admission processes in line with the cultivation of skills necessary for future jobs in Australia.

This idea is:

- fiscally responsible – a reform package can be budget neutral at a minimum or potentially budget positive.
- in the national interest – changing the way we evaluate skills at the end of high school will broaden student horizons and take the focus off a one-number achievement.

Idea 2: Embracing Stackable Education Pathways

Swinburne University of Technology is pioneering a stackable education model that allows learners to build their qualifications progressively, moving seamlessly between VET and higher education. This approach empowers students to tailor their learning journey to their career goals, upskill as needed, and respond to emerging industry demands.

Stackable credentials—ranging from certificates and diplomas to associate, bachelor's and master's degrees—offer a modular and learner-centric alternative to traditional, linear education pathways. They enable students to:

- Move in and out of the system with qualifications at every stage of completion that focus on the skills gained, not those yet to be completed.
- Enter the workforce earlier with job-ready skills
- Return to study to deepen or broaden their expertise as required or desired
- Combine technical and theoretical knowledge across disciplines
- Gain recognition for prior learning and professional experience
- Change the narrative from failure to success at every step

This model also supports lifelong learning, which is essential in an era of rapid technological change and shifting labour market needs. By embedding flexibility and choice into the education system, we can better prepare learners for the jobs of the future.

This new stackable model of education will be implemented as part of Swinburne's new strategy, *Ad Astra 2030,* to be launched in the second half of 2025. This new way of offering education will be implemented from the beginning of the 2026 academic year onwards.

Swinburne believes this style of education is groundbreaking and we hope the Commonwealth will support higher education to deliver this style of stable qualifications. Much of the micro credential conversation held from 2022 to 2023 has seemingly dried up as industry partners failed to understand their critical role they have in funding university education to meet their workforce needs.

Rolling out stackable education is in the national interest, and universities should be supported for allowing smooth transition between work and study.

This idea is:

- specific and practical
- builds economic resilience in the face of global uncertainty by developing a skilled and adaptable workforce
- in the national interest

Idea 3: Government funded AI up-skilling to meet the economic needs of Australia.

The Tech Council forecasts that AI has the potential to create up to 200,000 jobs in Australia by 2030[1], and notes that these jobs will be both tech and non-tech. While students will increasingly come to their first year of university or TAFE accepting and using AI as a part of their tech world, just as millennials came to university with an understanding of internet use before them, the gap in AI and digital proficiency is yawning

[1] https://techcouncil.com.au/wp-content/uploads/Meeting-the-AI-Skills-Boom-2024.v2.pdf

in middle and senior management.

The Federal Government already seeks to update skills in trades as and when they are needed, as demonstrated by the consistent funding of the Plumbing Industry Climate Action Centres to equip plumbers with skills in renewable energy announced during the recent Federal Election campaign. Fee-Free TAFE at both State and Federal levels operate to increase the number of qualified workers in areas of industry need. Government intervention and investment can help to push our economy along and support Australians into jobs that increase productivity and wages.

Swinburne is proposing a dedicated, Government funded, AI and tech upskilling program for eligible Australians in the workforce. We believe that to meet the requirements of a tech-rich future, the cohort that should be targeted includes:

- Millennial middle-managers in business and industry who have a good grasp on tech but have missed the latest uplift in AI and tech expansion that comes naturally to Gen Z.
- Those holding a bachelor's degree or master's
- Teachers who interact with students who are proficient in AI and tech, enabling them to help students in environments they learn in and navigate as young adults. Generation Alpha are still at school and will be the champions of AI and Tech in jobs that Millennials, Gen X and Boomers can't even begin to imagine.

As a tech university, Swinburne believes in bringing people and technology together for a better world. We are already leading the way, bringing tech into all of our degree qualifications and changing the way we offer education so that it is stackable, lifelong and constantly able to evolve with industry needs.

This idea is:

- Specific and practical
- Conducive to economic resilience in the face of global uncertainty by building a skilled and adaptable workforce
- In the national interest
- However, it is not cost neutral. It requires investment in our future and sets the stage for our economy to transforms from resource to knowledge. The Federal Government may seek to co-opt industry funding support to ensure a co-created outcome they stand to benefit from.