



Observatory PASCAL

Place Management, Social Capital and Learning Regions

PURE Regional Briefing Paper (RBP)

MELBOURNE, AUSTRALIA

Part 1

1. *Clarify what is meant by the region in this project e.g. historical and cultural, long-term administrative and legal, or specially created for a particular development purpose. Comment on the advantages and difficulties of the nature and understanding of the region involved. [One general benefit from the PURE project should be to gain a better understanding of what kind of region is effective for what purposes.]*

The boundaries and nature of the region which constitutes the Melbourne PURE project is in itself a question to be addressed through ongoing dialogue with the PURE partners, and with the Consultative Development Group. Put broadly, there are four ways of framing the Melbourne region:

- **the Melbourne City Council municipality, which is based on the Central Activities District of Melbourne, and in which six universities (and one major Technical and Further Education College) have some kind of physical presence;**
- **the metropolitan region of Melbourne, best represented in the work of the state government in its planning statement, *Melbourne 2030*;**
- **the Melbourne 'commuter zone', encompassing Geelong in particular, Ballarat, Bendigo, western Gippsland and a series of peri-urban municipalities which surround the metropolitan area. The nearby city of Geelong is Victoria's second largest city and is effectively integrated with Melbourne as a single economic and social entity, while also having its own significant manufacturing and service industries. Other large provincial cities, such as Ballarat and Bendigo, are closely linked with the metropolitan area as well as servicing regional needs; and**
- **the state of Victoria, of which Melbourne is the capital and the major metropole, insofar as most economic and much of the political activity in Victoria is centred on Melbourne. The State contains five million of Australia's 20 million people. Of these, 3.5 million live in metropolitan Melbourne.**

Of these four ways of conceptualising the region, only the City of Melbourne and Victoria have a distinct governing body. There is no single authority for the metropolitan area.

The Office of Knowledge Capital (OKC), the key regional agency for the PURE project, was formed by the eight universities that have campuses in the Melbourne metropolitan area (see the Melbourne Regional Profile), together with the City of Melbourne (local government) and the Committee for Melbourne (which includes key business, government and educational leaders). However, three of the universities have significant campuses in parts of country Victoria, while three others each have an active rural presence. There is a ninth university in Victoria, the University of Ballarat, and a further seventeen TAFE colleges, of which there are three large colleges in metropolitan Melbourne. In recognition of some of these complexities, the OKC has taken steps to establish another network, 'CHUM': Councils Hosting Universities in Melbourne, that would facilitate collaboration amongst local governments, not only Melbourne, with respect to their relationships with universities.

2. *Set out briefly the key characteristics of the region in terms of geography, economy, demography, social structure, trends and changes, as these affect PURE and the development agenda.*

The central part of Melbourne City is described frequently as the most European of Australian cities. It is the only non-United Kingdom city to feature in Asa Briggs' classic study of Victorian, meaning nineteenth century, cities. It ranks in various listings among the world's most liveable

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cities, but within Australia there is keen competition with Sydney, which is larger, appears often to be more favoured by the federal government, and is commonly classed among the world's leading and most visually exciting cities. It is fitting symbolically that Sydney housed the 2000 Olympics, whereas in 2006, Melbourne was home to the Commonwealth Games. Melbourne hosted the 1956 Olympics at the iconic Melbourne Cricket Ground and its reputation as Australia's sporting capital has developed since based on horse racing (especially the internationally significant Melbourne Cup), tennis (the Australian Open as one of 4 grand slams), formula one motor racing and the home of AFL football, the unique national game in Australia. Culturally, Melbourne has a year round calendar of events especially the Comedy Festival, plus world class art galleries, museums and the State Library to support its position as one of only two UNESCO World Cities of Literature (the other is Edinburgh).

Like all Australian capital cities, Melbourne dominates Victoria in terms of population and influence, more so even than in the geographically larger States where there are significant economic and to a lesser extent population concentrations far from the capital. Even in Victoria, however, there is concern for the fortunes of remote rural and outback regions – 'the bush' in Australian language and lore. This has political implications, notably in recent years in the brief but dramatic flourishing of a jingoistic One Nation party; and into a tendency to caricature more affluent city-dwellers as the chattering or cappuccino classes. With this partial exception, Australia and its cities are remarkably tolerant, multicultural and at ease with themselves and their minorities, with the exception of indigenous Aborigines who on all indicators suffer a massively inferior standard of living.

With its central business district at the head of a huge bay, Melbourne has Australia's largest port, and sprawls far to the west, north and east, and to the tips of the bay on either side. The cost and dysfunctionality of continuing urban expansion led the Victorian Government in 2002 to adopt the *Melbourne 2030* blueprint as a focus for planning, leading to intense debate and conflict about urban development and inner city infill, protection of green spaces, and transport.

Despite extensive sprawl a combination of rail, bus and tramway public transport and good roads makes the city one of the easiest for travel. Travel to work (or recreation) times are modest for a city of this size. The city centre itself is laid out in an easy grid formation on the original design which makes for ease of navigation by car and on foot, compared with Sydney. There is also a good cycleway network, if not of northern European standard, which is relevant to sustainability.

The city has moved its identity from a declining old industrial (rust belt) zone to a place which is trying vigorously to attract inward investment and to support key information and communications technology (ICT) sectors, including in the biosciences and advanced materials. Industries such as automotive and aerospace have also undergone significant restructuring and modernization to be internationally integrated.

Melbourne's role in national knowledge generation is very important, as apart from the universities, there is the largest concentration of divisions of the national Commonwealth Scientific and Industrial Research Organisation (CSIRO), a number of autonomous research institutes (especially in the biosciences and advanced manufacturing) and many skills-oriented Technical and Further Education (TAFE) colleges. The University of Melbourne and Monash University are both highly significant research universities internationally, and with the others, offers a very important foundation for the development of an 'intelligent' city.



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3. *Identify and draw together a reference list of the main data sources available on the socio-economic, environmental, etc. condition of the region, and recent trends.*

- www.growingvictoria.vic.gov.au
- www.futuremelbourne.com.au

4. *Summarise any existing efforts to monitor and benchmark progress against purposes and targets. Please comment on any interest in and pressure for the measurement of quality and outcomes, including value for money auditing, that you are aware of in the region. [It is hoped that the project will assist an understanding of what kinds of indicators and quantitative measures of regional development and the contribution of HEIs to this work and are useful.]*

There have been no public efforts to either benchmark the higher education sector or its performance as such. However, there are a number of initiatives that are relevant to this question.

The Victorian Government sees Victoria's knowledge resources as a critical source of economic advantage, and has initiated a number of projects to understand this resource better, and how it supports innovation and development in industry.

The regional lead agency, the OKC, was established between the eight universities in metropolitan Melbourne and the City of Melbourne following a major review in 2007 of the economic impact that the university sector makes to the Melbourne economy (>\$4.2M p.a. directly). Copy of this review will be provided to the CDG for reference.

Another example is where the Committee for Melbourne has taken a lead, as for some years it has had a Higher Education Task Force, in recognition of the potential significance of Higher Education in Melbourne's economic and social development. The Committee is a stakeholder in the OKC.

Some of Melbourne's universities are recognised favourably in the various international rankings such as that conducted by the Times Higher Education Supplement with both the University of Melbourne and Monash University ranked in the top 100 globally. Locally, the main form of 'benchmarking' is that conducted around the scores required for entry to the programs offered by the University.

There is a national assessment of research performance that has influenced research funding for infrastructure and research training. A new scheme, Excellence in Research in Australia (ERA) is being developed. Also the outcomes from the federal government's review of Higher Education in 2008 (the Bradley Review) and the National Innovation System (the Cutler Review) are expected to significantly impact the sector in 2009 and beyond.

5. *List the main existing forms of collaboration between HEIs and the region. You may need to consider the region as a single administrative entity, but also note and include more localized and specialized significant HEI partnerships with other stakeholders - public, private, and NGO or third sector.*

Universities have a focus on teaching and research, plus extended engagement with industry, government and the community. Of the 8 in greater Melbourne, 2 are research intensive, 3 are well integrated with industry, 2 are regionally and rurally focused, and 1 is focused on social inclusion and equity. VET institutions are focused on education and training towards vocational outcomes. All HEI's have a strong focus on international students at the VET and/or undergraduate level.

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University research and expertise base is extensive covering:

- advanced materials and manufacturing
- ICT and related
- architecture and design
- fundamental sciences
- medical and health sciences
- biotechnology
- arts, humanities and social sciences
- economics, business, finance and management
- sustainability

Culture of competition for resources which has restrained a truly collaborative culture. Variable levels of regional and community engagement across HEI's.

University models vary related to breadth, depth and scope of under-graduate training; and linkage with VET training, i.e. diversity in HE market. There is increased dependence on private and international students to fund operations – a feature of the sector in Melbourne is the heavy reliance on international students for financial security, with between 25% and up to nearly 50% of individual university enrolments based on international students. It is the leading 'export industry' in Victoria (>A\$4B p.a.) and third highest nationally (>A\$14B p.a.).

Current federal reviews of HE and Innovation systems are likely to impact the sector in terms of funding, operational models, potential mergers, and greater focus on student demand drivers.

6. *If there are any examples of good practice in HEI-regional engagement that you think of special interest, perhaps for inclusion later in a PURE Good Practice Manual, please make a note of them to call to the attention of the CDG.*

There are many examples of good practice. One example is the Combined Schools of Social Work committee, which includes representatives of the Social Work units at the six relevant universities, and coordinates placement of students for field education with the major providers of social work placements. However, there is no overall capacity to record or identify these activities.

Another in the creative field is the Design Victoria initiative from state government and the participation across four universities (RMIT, Swinburne, Monash and Melbourne).

The recent response to the Victorian bushfires has demonstrated a strong capacity in all of the universities to engage with their regions, albeit on an ad hoc rather than a systemic basis. [Note the approach being applied by the University of Melbourne – refer CDG info pack.]

Specific examples that may be developed further as case studies are:

- Deakin University and Geelong industry integration
- Victoria University integration with LeadWest economic development, plus the partnership with the AFL Western Bulldogs team locally.
- Monash University primarily participating in the South East Melbourne Innovation Precinct
- University of Melbourne and Carlton community partnership.
- La Trobe University and developments in the northern suburbs industry belt.
- Australian Catholic University and a social partnership with the Fitzroy community.

Some of the above will be included in the initial CDG visit schedule.

Part 2

1. What are:

1.1 The main problems and challenges

Key challenges include:

- clarity about the 'regional' in Australia, and appropriate forms of regional governance, coordination and collaboration across the region to realize its potential;
- improved capacity to link knowledge resources and economic activity. It happens, very well in some circumstances, but there is vast potential for improvement;
- integration of the technical and further education sector with the higher education sector (the universities) for articulation across the education spectrum, and skills and capability support to meet industry and community needs.

1.2 The main development aspirations that are shared by stakeholders in the region?

Economic issues:

- Transition to advanced manufacturing and high technology, services and knowledge intensive industries.
- Impact of emissions trading on established industries.
- International competitiveness and productivity growth to support a prosperous, knowledgeable, and connected city.
- Population growth and infrastructure; especially transport, energy and water.
- Skills shortages in various professional and technical areas.

Social issues including health:

- Ageing population and provision of health and community services.
- High quality education and training for lifelong learning including equity of access.
- Building friendly, confident and safe communities including social inclusiveness.
- Fairer society that reduces disadvantage and respects diversity, including homelessness and equity of access to skills and employment.

Environmental issues:

- Sustainability of natural and urban environments including smart buildings and urban design.
- Adjustment to climate change and impacts, especially water resources and potential sea level changes.
- Efficient use of natural resources for reduced carbon footprint, waste and water usage.

Cultural issues:

- Multicultural diversity and harnessing for economic and social development.
- Strong cultural climate and calendar.
- Development of a knowledgeable, creative and connected city to support economic, cultural and social development.

Please consider the full spectrum of civil, economic, social, cultural, and environmental factors, including issues of sustainability, where these apply.

In particular, what impact is the current global financial and economic crisis – and the global environmental crisis (global warming etc) - having on your thinking and long-term planning as a region and different stakeholders? What has really altered (or is changing) in your policy planning since one year ago?

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The possibility of better resource allocation for education (restoring government commitments to OECD levels) would appear to be greatly reduced, given government's fiscal priorities in the current deficit budget environment. This will increase the need for productivity and efficiency based savings as well as innovation in teaching, research and outreach provision by universities. The Bradley and Cutler Reviews at the federal level have created the baseline from which such developments may occur.

2. *What are the main changes that are looked for in taking part in PURE?*

2.1 *For the region as a whole, and for particular communities and interests within it?*

Connectivity between HE sector and regional industries and communities to support economic and community development opportunities; especially in outer Melbourne and adjoining rural and regional areas geographically, across industry sectors including SME's, and in community engagement.

2.2 *Within and on the part of higher education institutions i.e. sought by the HEIs themselves, and looked for by other stakeholders from HEIs?*

Improved understanding of the opportunities for regional engagement and models to facilitate, while being cognizant of the operating and financial issues for HEI's. Improved understanding of 'how to collaborate' – driven by recognition of the opportunities.

The need for engagement beyond teaching and research to industry, government and the community is recognized across all universities but through different perspectives and models, i.e. active vs passive and extent. Government recognition of the 3rd stream as a public good but not supported in separate funding.

2.3 *In terms of how regional and local government are managed?*

Understanding and governance of the 'regional', and of regional activities has long been recognised as a major issue in Australia, as the boundaries for local and regional governance do not always match the apparent economic, political, cultural and environmental patterns of action and issues. The state and federal governments have their own forms of regional administration which are not aligned typically, although the Victorian Government has embarked on a strategy of aligning at least the state administrative boundaries and of trying to implement 'joined up' government.

From time to time, various bodies (such as 'area consultative committees' and water catchment authorities, with relevant resources and powers) have been established across local government with a view to coordinating policy and programs on key issues. On occasions, local government has itself set up regional networks, such as the Inner Melbourne Action Plan involving four municipalities, with a similar purpose.

In effect, responsibility for regional development policy is shared across all three levels of government, with some effort to coordinate the work of state government and local governments. Bodies such as the Committee for Melbourne have come to play an integral role in identifying major issues, particularly in relation to infrastructure, and in linking together different stakeholders with an eye to the whole of Melbourne. The OKC is an example of this type of initiative, with the role of developing a range of projects which will begin to explore ways in which the city's knowledge resources are a foundation for regional development. The Committee for Geelong has a similar role in Geelong.



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2.4 In terms of the role and policies of central government?

Review of central government policy is well advanced already in the wake of the Bradley and Cutler reviews. Both clearly espouse a role for higher education that is more 'connected' than at present. Resource allocation will attempt to shape actual practices, but this has proved historically to be a rather blunt instrument.

3. What key issues do you wish to discuss with the CDG when it visits your region?

- **Clarity about the 'regional' in Australia, and appropriate forms of regional governance, plus coordination and collaboration across the region to realize its potential. In particular, how the HE sector is to contribute to such outcomes through a mix of collaboration, 'co-operation' and leadership.**
- **Improved capacity to link knowledge resources and economic activity. It happens, very well in some circumstances, but there is vast potential for improvement especially in terms of alignment with the skills and capability agenda of industry and government. This is particularly the case with the connectivity of the HE sector with the SME sector in industry.**
- **Integration of the technical and further education sector with the higher education sector (the universities) for articulation across the education spectrum, and skills and capability support to meet industry and community needs.**