Supporting the Contribution of Higher Education Institutions to Regional Development

Peer Review Report:

Sunshine-Fraser Coast, Australia

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This document cancels and replaces the document of May 2006.

The views expressed are those of the authors and not necessarily those of the OECD or its Member Countries.

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PREFACE

This report has been written with three main readerships in mind. The first are the higher education institutions and the representatives of the public, private and community sectors who are working together to enhance the development of the Sunshine-Fraser Coast region through various networks. We hope that the report will help them in this partnership building process for the benefit of the development of the region.

Second, the report is intended to have interest, relevance and benefit to other regions in Australia: to those in the various regional development agencies and higher education institutions across the country as well as to the Queensland State Government and central government in Canberra, particularly the Department for Education Science and Training and Department of Transport and Regional Services. We hope that the thoughts and recommendations here will be given consideration in policy and practice development to enhance regional development outcomes more broadly throughout the nation through the engagement of higher education institutions.

Third, the Organisation for Economic Co-operation and Development which commissioned the study, along with the region, "owns" this review. Their interest is in learning internationally about the role of higher education in regional development across regions in the Member States taking part in the IMHE project. Its aim is to reach a wider international readership, and to provide added value to regions and nations that are not directly involved with this project.

We have attempted to present this Peer Review Report (PRR) in a way that is useful with a minimum of assumptions about local knowledge. We have departed from the initial draft OECD/IMHE reporting template only insofar as the particular characteristics of the region seemed to require this, but not so far as to make inter-regional comparison problematic. We refer to and have drawn upon the region's Self-Evaluation Report (SER) which is available on the OECD website.[1] Readers requiring more background data should refer to that study.

We were grateful for the generous hospitality given to the Peer Review Team (PRT) during its week long stay in the Sunshine-Fraser Coast region. The Peer Review Team were also impressed by the sense of moving forward in a spirit of cooperation that characterised those with whom we met in the region. High expectations were generated by the region's own capacity building process within the development of the Self-Evaluation Report, which for the first time had brought together not only the higher education institutions, but also the communities, government agencies, business and non-government groups in the region.

We believe that much can be achieved in the Sunshine-Fraser Coast region with its entrepreneurial agenda by enhancing the human capital potential of the region through focussed and collaborative action by higher education institutions.

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1. See www.oecd.org/edu/higher/regionaldevelopment.

<center>**EXECUTIVE SUMMARY**</center>

Background: OECD/IMHE review

This review of Sunshine/Fraser Coast in Australia is part of the OECD/IMHE project entitled *Supporting the Contribution of Higher Education Institutions to Regional Development* which embraces fourteen regions throughout twelve countries in 2005-2006. The IMHE thematic review project was launched as a response to a multiplicity of initiatives across OECD countries to mobilise higher education in support of regional development. The aim was to synthesise this experience into coherent body of policy and practice to guide higher education institutions, and regional and national governments. At the same time, the IMHE project was designed to assist with capacity building in each country/region through providing an opportunity for dialogue between HEIs and regional stakeholders and clarifying the roles and responsibilities.

Review process

The Peer Review drew on a self-evaluation process guided by an OECD template. This asked HEIs to critically evaluate with their regional partners and in the context of national higher education and regional policies how effective they were in contributing to the development of their regions. Key aspects of the self evaluation related to: the contribution of research to regional innovation; the role of teaching and learning in the development of human capital; the contribution to social, cultural and environmental development and the role of the HEIs in building regional capacity to act in an increasingly competitive global economy.

The Sunshine-Fraser Coast self-evaluation process was initiated and coordinated within the University of the Sunshine Coast with participation and part funding from the University of Southern Queensland (Wide Bay), the local authorities of Caloundra, Maroochy, Noosa, and Cooloola, private sector representatives, and Sunshine Coast Business Council. The self-evaluation had a strong focus on mutual learning and capacity building.[2] The OECD review visit took place in October/November 2005. The Peer Review Team – David Charles (United Kingdom), Lyn Tait (Canada), Scott Bowman (Australia), and Steve Garlick (Australia) – met national, state, and local government representatives, intermediaries, representatives of key business and public sector agencies, and the universities.

Universities and regional engagement in Australia

The governance of universities in Australia is divided between the State and Federal Governments. Individual universities have a high level of autonomy. While national funding supports teaching and research, there is little funding for regional engagement except through locally funded projects.

Region: The Sunshine-Fraser Coast

The Sunshine-Fraser Coast is a rapidly growing region located to the North of Brisbane in South East Queensland. It consists of coastal communities typified by a focus on tourism, recreation and service provision and inland hinterland that comprises the key arterial road links and a declining agricultural base. The population growth is mainly based on the relocation of people from elsewhere in

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2.   The resulting Self-Evaluation Report and this Peer Review Report are available at the OECD website www.oecd.org/edu/higher/regionaldevelopment.

Australia seeking lifestyle changes. The dependence on new arrivals supports an economic structure that is limited to construction and personal services. The companies in the region are mainly small or medium sized. The economic structure, with its emphasis on subsistence and low cost and lack of internationalisation, has a relatively modest skills requirement.

The region is not clearly defined in policy terms. Hence, there is no single tier of government or governance, but multiple local authorities within two regional groupings. There is consequently a need for better regional intelligence and a clear vision which the local universities should contribute to.

There is lobbying for expanding local provision of higher education and a desire for multiple campuses, particularly by those areas in the region without an existing campus, mainly to retain young people in the region. At the same time, there is a problem of a shortage of job opportunities for graduates in the region.

Universities' contribution to the region

The region has two, relatively young, campus-based universities, the University of the Sunshine Coast (USC) and the Wide Bay campus of the University of Southern Queensland (USQ), plus some small provision by other universities around the fringes of the region. Overall, the region has a low level of provision in terms of student numbers.

A core contribution from the universities is through labour markets and locally oriented courses. There is strong local support for this role and development of placements and internships. This activity should be expanded.

Both universities are developing a regional research focus, but from a low base. National and state funding is limited and oriented to the more established metropolitan universities. Local resources to support research are also limited although there have been some successful partnerships such as the one between USC and the Kingfisher Bay Resort.

USQ has strengthened the formation of a town centre in Hervey Bay and is well connected with local services through shared community facilities. Both universities are developing local partnerships and cultural contributions, but are limited by their youth and scale as well as by local resources.

In spite of resource difficulties and wide-ranging demands from the region, the universities have a strong culture of responsiveness and an entrepreneurial attitude. Processes are being developed in the universities in order to sustain this, including the development of suitable reward systems to encourage staff members to remain engaged. New organisational structures are also being developed by USC with a Regional Engagement Committee at the heart.

Regional vision

While there is a strong potential role for the universities in building the knowledge economy, there is an absence of a clear regional vision. Considerable effort is being devoted to developing institutional visions and leadership with regional engagement at the core. USC has a strong vision to build a Knowledge Precinct and is working with Sunshine Coast strategic bodies on this. Care is needed to ensure that other communities also benefit from the presence of the university.

As yet, there has been no collective action involving both universities. There is a need for more creative targeting of policy resources within the region on university-community partnership to benefit the region.

The Peer Review Team's key recommendations

- Improve incentive structures at the national, regional, and institutional levels to support the regional engagement of the universities and their staff.

- Develop region-wide collaboration and shared strategies, including inter-university collaboration to support the knowledge economy agenda.

- Link an international component to regional strategy especially in terms of growing and making good use of international students and links in partnership with local firms and agencies.

- Develop existing partnerships.

- Create better gateways for local SMEs to access the universities.

- Expand student entrepreneurship programmes.

Detailed recommendations are available in Chapter Seven of this report.

ABBREVIATIONS AND ACRONYMS

ACC	Area Advisory Committee
ARC	Australian Research Council
AUQA	Australian Universities Quality Agency
BLM	Bachelor of Learning Management
CDP	Capital Development Pool
CGS	Commonwealth Grant Scheme
CHASE	Centre for Healthy Activities, Sport and Exercise
CMCD	Centre for Multicultural and Community Development
CQU	Central Queensland University
DEST	Department for Education, Science and Training
EFTSU	Equivalent Full Time Student Units
HECS	Higher Education Contribution Scheme
HEI	Higher Education Institute
ICSC	Innovation Centre Sunshine Coast
IT	Information technology
IMHE	Programme on Institutional Management in Higher Education
iSHARE	Institute for Sustainability, Health and Regional Engagement
MCEETYA	Ministerial Council on Education, Training and Youth Affairs
MLM	Master of Learning Management
MoU	Memorandum of Understanding
OECD	Organisation for Economic Cooperation and Development
PRR	Peer Review Report
PRT	Peer Review Team
QUT	Queensland University of Technology
RSC	Regional Steering Committee
SCORE	Sunshine Coast Office of Regional Enterprises
SER	Self Evaluation Report
SUNROC	Sunshine Coast Regional Organisation of Councils
TAFE	Technical and Further Education (College)

US	United States
USC	University of the Sunshine Coast
USQ	University of Southern Queensland

1. INTRODUCTION

1.1. Evaluation context and approach

This review of the Sunshine-Fraser Coast region in Australia is part of the OECD/IMHE programme entitled *Supporting the Contribution of Higher Education Institutions to Regional Development*. The programme includes fourteen regions and their higher education institutions across eleven OECD countries and Brazil in 2005-2006.

The aim was to synthesise this experience into a coherent body of policy and practice to guide higher education institutions, and regional and national governments. At the same time, the IMHE project was designed to assist with capacity building in each country/region through providing an opportunity for dialogue between HEIs and regional stakeholders and clarifying the respective roles and responsibilities.

The IMHE launched the project in spring 2004 as a response to a wide range of initiatives across OECD countries to mobilise higher education in support of regional development across OECD countries. There was a need to synthesise this experience into a coherent body of policy and practice that could guide institutional reforms and relevant policy measures, such as investment decisions seeking to enhance the connection of higher education institutions (HEIs) to regional communities. Current practice needed to be analysed and evaluated in a way that was sensitive to the varying national and regional contexts within which HEIs operate.

The aim of the IMHE project is to compare and evaluate the efficiency and effectiveness of regional initiatives and partnerships, to provide an opportunity for a dialogue between higher education institutions and regional stakeholders, to assist with identification of roles and responsibilities of stakeholders, to provide advice at the national level on the impact of policy initiatives *e.g.* funding initiatives at a regional and institutional level, and to lay the foundations of an international network for further exchange of ideas and good practice.

Each of the participating regions engages in a self-review process, followed by site visits by international review teams. Participating regions have designated Regional Co-ordinators and Regional Steering Groups to oversee the process. Each regional review is conducted by an International Peer Review Team with two International Experts, one being the Lead Evaluator, as well as a National Expert and Team Co-ordinator. The entire project is coordinated and led through project management at the OECD secretariat and a Project Task Group which is also charged with the task of nominating the members of the Peer Review Teams.

Each regional review will produce two independent reports, a Self-Evaluation Report (SER) and a Peer Review Report. All reports will be published online on the OECD website for the benefit of the participating regions and a wider audience. A final OECD synthesis report, drawing from the experiences of the participating regions and a comprehensive literature review, will follow in 2007.

The focus of the IMHE project is on collaborative working between the higher education institutions and their regional partners. It seeks to establish a regional learning and capacity-building process.

1.2. The Conduct of the evaluation

Self-evaluation process and Self-Evaluation Report

The self-evaluation exercise of the Sunshine-Fraser Coast region was a project initiated and coordinated within the University of the Sunshine Coast under the management of Associate Professor Ron Neller. Local funding for the project was provided by a consortium of funders including the University of the Sunshine Coast, the University of Southern Queensland, the local authorities of Caloundra, Maroochy, Noosa, and Cooloola, and private sector representatives from Noosa Blue Resort, Reed Property Group and Sunshine Coast Business Council.

The process was supported by a Regional Steering Committee (RSC) chaired by Mr Graeme Pearce of the Sunshine Coast Regional Organisation of Councils. The membership of the RSC is detailed in Appendix Two, but included the Vice-Chancellor and Provost respectively of the two campus universities in the region, representatives of local authorities, local representation from state and commonwealth departments concerned with education and innovation, plus local business representatives. Altogether 17 public and private sector bodies were represented on the committee. The Committee discussed, monitored and approved the progress of the self-evaluation process, the structure and methodology of the evaluation, and finally endorsed the Self-Evaluation Report.

The process of self-evaluation was carried out under the supervision of the Regional Coordinator who was supported by a regional coordination team representing the higher education institutions in the region. The working group contributed to the process by interviewing and collecting information from a large number of regional stakeholders from both profit and non-profit sectors, many of them holding key positions in their organisations. All contributors are listed in Appendix Two.

The Self-Evaluation Report was written by the project team based on inputs from the two universities. Both higher education institutions contributed to the Self-Evaluation Report with information and comments to the text. The Sunshine-Fraser Coast SER is an important output from the OECD activity in its own right, as well as a significant resource for the review team. The analyses and issues discussed in the SER are cited frequently in this Peer Review Report.[3] We suggest that the two reports be read together since they are intended to be complementary. It is the intention of the Regional Steering Committee to continue with its regional engagement activity following the completion of the OECD project. It will be producing a shortened and popular version of the SER for general distribution throughout the region.

The Peer Review Team commends the Regional Steering Committee of the project for bringing the higher education institutions together for the first time to carry out a collective dialogue on regional matters of Sunshine-Fraser Coast. While the Self-Evaluation Report was a major effort led by the University of the Sunshine Coast we recommend that the region creates mechanisms to ensure that the learning process bringing together the higher education institutions and the regional stakeholders will not be a one-off activity, but will continue and grow. We recommend that the OECD/IMHE regional review undertaken in the Sunshine-Fraser Coast be followed by a collaborative region-wide process to build on the region's strengths, address its weaknesses, counter threats and exploit

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3.   Unless indicated otherwise, the data in this Peer Review Report are taken from the Sunshine-Fraser Coast Self-Evaluation Report.

opportunities. To ensure the progress of shared efforts we recommend that the review be followed by closer cooperation between the region and its higher education institutions.

International peer review

The international Peer Review Team (PRT) was established in 2005. Professor David Charles (United Kingdom) was nominated the Lead Evaluator, Lyn Tait (Canada) the International Expert, Professor Scott Bowman (Australia) the Domestic Expert, and Professor Steve Garlick (Australia) the Team Co-ordinator. (Details about the Peer Review Team are in Appendix One of this report.)

The Team Coordinator visited the region in October 2005 to agree on the procedures for the review with the region and to give feedback on the draft of the Self-Evaluation Report.

It was agreed that the Self-Evaluation Report should have hard evidence supporting the arguments put forward, a focus on the issues associated with the key regional questions for the Sunshine-Fraser Coast, and Higher Education Institutions' collective response to regional needs. The report should provide a single integrated regional response to OECD instead of a list of institution-specific responses to the questions in the guidelines. It was also agreed that different views of stakeholders and the views of the Steering Committee should be clearly articulated.

In October 2005, a revised draft of the Self-Evaluation Report was submitted to the Peer Review Team along with additional information such as various documents on regional governance and economic development. The review visit took place between 30 October and 4 November 2005. During the visit the Review Team received additional material about various initiatives being undertaken by the higher education institutions and other organisations in Sunshine-Fraser Coast.

The Peer Review Team met members of the Regional Steering Committee of the review, leadership of the two universities as well as national, state, regional and local government representatives, intermediaries, and representatives of key business and public sector agencies including primary and secondary education. Meetings with students were an important element of the review. The Team visited the urban centres of Hervey Bay, Maryborough, Gympie, Noosa, Maroochydore and Caloundra and met with a number of groups and individuals representing interests in these communities. The meetings provided valuable insights that supplemented the written report. The Team was accompanied by the Regional Coordinator in all of its discussions. (Review visit programme is at Appendix Three.)

1.3. The Sunshine-Fraser Coast – Key features of the region

The Sunshine and Fraser Coast areas are located immediately north of the city of Brisbane in South East Queensland. The Sunshine Coast, centred on the City of Caloundra, and the Shires of Maroochydore and Noosa, essentially one rapidly developing city-region, is located between one and two hours drive north from Brisbane and to some degree lying within the commuting zone of that city. The region is primarily focused on the coastal settlements as is typical in Australia, but incorporates an inland hinterland also, although the region is small in area compared with many Australian regions. Fraser Coast to the north of Sunshine Coast includes smaller coastal settlements, notably the city of Hervey Bay, and other inland settlements such as Maryborough and Gympie. The Fraser Coast is sometimes incorporated into a larger Wide Bay-Burnett region which extends beyond this study area. The area designated for the project therefore represents, in the main, a consistent coastal strip with a heavy emphasis on tourism, recreation and service provision with an inland hinterland that comprises the key arterial road links and a moderate agricultural base

The Sunshine-Fraser Coast region has experienced rapid population growth in recent years, which is likely to continue into the future. In 2004 the population of the region was 393 837, 10% of the State of Queensland, and increasing at a rate of 3% per annum. The region is expected to grow to around 650 000 over the next twenty years, increasing its share of the Queensland population to 12.4%. In real terms, however, the region is an extremely small fraction of the total Queensland land area. Population growth is heavily driven by in-migration. Initially, inward migration involved a significant proportion of persons of older ages seeking "lifestyle" changes in their retirement, giving the region an unbalanced population pyramid, with an under-representation of young adults, many of whom migrated out of the region to find study and work opportunities in the capital cities such as Brisbane and Sydney to the south. While growth in this cohort is still very high, since 2000 the population trends in inward migration have been in the age group from 25 to 39 years.

The main industries of the region are service, tourism and retail oriented, with a strong housing and commercial building construction sector due to the rapidly growing population. Agriculture is declining and manufacturing is very small in scale, so tourism is the main export industry, although generally the region is more focused on the domestic market than others.

The region lacks a single structure of governance and is highly fragmented with multiple local authorities within two regional groupings. Both regional groupings extend beyond the boundaries of this study so we are focusing on a region that is made up from part of two other alternatively defined regions. This made it difficult to identify a coherent regional strategy. In the main population centre of the Sunshine Coast, however, the local authorities were reasonably large compared with usual Australian standards.

The region has two main campus universities, the University of the Sunshine Coast at Sippy Downs in Maroochy Shire, and the Wide Bay campus of University of Southern Queensland in Hervey Bay. Both of these are quite small and with a limited set of degree programmes.

Other higher education institutions in the region were not included in the study. Central Queensland University (CQU) has a small presence in Noosa based on a secondary school site, and also focuses on the area to the north of Fraser Coast with a campus at Bundaberg. To the south of the region, Queensland University of Technology (QUT) has a campus at Caboolture. Both CQU and QUT were mentioned by some interviewees as relevant to the development of the region. There are also three research stations for the Queensland Department of Primary Industries focused on aquaculture, sub-tropical fruit and nuts, and horticulture and forestry.

1.4. Structure of the report

The remainder of the report is organised into six main sections. The report starts with an overview of the nature of the Sunshine-Fraser Coast region, exploring some of the key characteristics, focusing on the difficulties in the definition of the region and the absence of a formal governance structure. The region exhibits both commonalities and strong fragmentation simultaneously which both restricts the opportunities for the universities and creates a demand for active engagement. The report then moves on to examine the context for the higher education sector in the Australian and Queensland setting, and examines the universities in the study region and their organisational forms.

Having established a context we then examine a series of dimensions of the engagement of the universities. Chapter Four examines the engagement with the economic development agenda, with industry, and employers. We examine the role of the universities in the evolution of a regional vision for the knowledge economy and the practical interventions by the universities in supporting industry and in assisting with employment. Chapter Five focuses on engagement in terms of place and place-

making and examines the nature of partnerships and initiatives arising from the physical location of the universities given the evolving nature of the built form of the region and the rapid urbanisation of the centres in which the universities are based. This chapter also examines some local partnerships. Finally in this vein, Chapter Six examines the culture of engagement in the universities, vision, resources, capacity building, reward systems and some examples of the exemplary partnerships that have emerged.

Finally, we conclude with an analysis of the key challenges that the universities and region are collectively facing and a summary of our recommendations.

2. THE REGIONAL CONTEXT: A DIVERSE REGION

2.1. Regions in an Australian context

The Sunshine–Fraser Coast is a region with very specific characteristics, which have a major bearing on the nature of the engagement of the universities in this study. In this chapter we explore some of these characteristics, but first we need to clarify what we mean by the region.

The very term "region" has particular connotations in Australia, partly as a result of the physical nature of the country, partly due to policy factors. Unlike European regions which are seen as encompassing the whole of a national territory, and are usually based around significant cities, Australia does not have a standard system of regions. The term "region" is sometimes used to refer to areas which are non-metropolitan. In some ways the equivalent scale of governance and population in Australia to European regions would be state and territory jurisdictions. However, this would be to ignore the real issues of geography in Australia and the huge distances and physical features covered within states. A state such as Queensland is physically larger than the largest European country, yet, with a relatively small population. Direct comparisons are difficult.

Australian regions are presumed by some to be non-metropolitan, typically set up in opposition to the major metropolitan centres. Hence, reference is often made to regions as distinct or separate from the metropolitan centres, especially the state capitals. A recent government document on regional policies defines Regional Australia as "the Australia outside our major capital Cities" (Commonwealth of Australia, 2001). This definition is not universal, however, as areas within the major metropolitan centres also make claims to being a region. This is the case for example in Western Sydney and in a number of areas of Melbourne. In terms of university policy this is significant in that some universities, deemed by national government as "regional", are those based outside of the metropolitan centres rather than those with a particular orientation. National and state governments may use different forms of region for different purposes, so the concept of a region is contested and unstable. In the SER it is noted that the new federal National Resources Management groups identify the Sunshine-Fraser Coast as having a strong community of interest, which might be expected to grow over time, despite the fact that this area has on other measures been "artificially" split between two regional bodies.

In this study the region was defined by the regional steering committee combining two areas which are often defined as separate regions by some public authorities – the Fraser Coast and the Sunshine Coast. Whilst there are similarities in the characteristics of these two neighbouring regions, they are also sometimes seen by some as being part of different regional groupings. Sunshine Coast is closely associated with the South East Queensland region (Greater Brisbane plus Sunshine and Gold Coasts) which is used for planning purposes by the Queensland State Government, whereas the Fraser Coast is not included in this area. The lack of formal recognition of the study area as a scale for policy implementation and the lack of economic integration between the two regions was apparent in the study. It was clear, however, that the Sunshine Coast does not consider itself simply as a part of the Greater Brisbane region despite obvious economic linkages and interdependencies. Similarly, Hervey Bay on the Fraser Coast would appear to face similar challenges and opportunities as the Sunshine Coast, yet the areas in between, such as Cooloola, would seem to have a different dynamic.

The absence of a regional governance structure and the particular characteristics of settlement – with significant distances between major centres – contributed to a sense of fragmentation and uncertainty about the region which was replicated across a wide range of attributes. Nonetheless, the action of the project and the Regional Steering Committee in identifying the region, and working towards collective action, is a positive step.

2.2. Main characteristics and commonalities

Common characteristics

Despite the lack of a coherent governance structure for the region under review and the absence of a formal defined area, there are a number of common attributes linking the areas.

Population growth and rapid construction. The whole of the Sunshine Coast and the main centres of the Fraser Coast are all experiencing rapid population growth as a result of in-migration. Caloundra in the south is perhaps the extreme example with a proposed doubling of its population over the next twenty years, but Hervey Bay is also growing rapidly. A substantial element of the local economy is therefore based on the construction sector in order to meet the housing needs of this growing population as well as the influx of tourists and second home owners.

Ageing population. As with most developed nations Australia has an ageing population, but the region under review is experiencing a more rapidly ageing structure as there is significant in-migration of older people, retirees and down shifters seeking a lifestyle change. Whilst this trend will naturally reduce the numbers of young people in the region as in-migrants may not bring younger family members, the situation is exacerbated by the outflow of productive young adults to Brisbane and other major employment centres as a result of limited job opportunities in the region.

Lifestyle emphasis. The attractiveness of the region for retirees and down shifters arises principally from its apparent quality of life with high amenity value in terms of beaches, climate, leisure facilities and access to natural environment, coupled with low housing and living costs and a relaxed way of life. Development policy for the region continues to emphasise the quality of lifestyle and seeks to enhance this as a means to encourage continued influx of population. Noosa perhaps epitomises this with an emphasis on quality development and notions of the "barefoot executive" down shifters who can continue to connect with business centres elsewhere whilst moving to a relaxed way of life.

Limited economic diversification. The dependence of the region on new arrivals seeking lifestyle shifts as a motor of economic development, perhaps even more than tourism, supports an economic structure that is limited to construction and personal services. The region has very little manufacturing, and is generally dependent on the one-off capital investments made by new arrivals as an economic driver. Most newcomers make massive investments in their first year in property and durable goods and then shift to low expenditure consumption. There seems to be limited drive either by residents or economic development bodies to stimulate diversification into productive activities or to high value added export services.

Reliance on tourism. Tourism is the primary form of export industry in the region, although not as strongly developed as on the Gold Coast to the South, or in North Queensland. Hervey Bay has a strong international orientation due to the presence of Fraser Island, but mainly attracts backpackers.

Lack of job opportunities for graduates. The economic structure with its emphasis on subsistence and low cost and lack of internationalisation, has a relatively modest skills requirement, and most jobs

in the region do not require graduate level skills. The region lacks the big graduate employers that are more common in the cities, such as big professional service firms or high technology employers, and hence most graduate jobs are in the public sector, with the universities themselves being among the biggest employers of graduates.

Desire for higher education. Despite the absence of demand for graduates by employers in the region, there is recognition that the young people in the region want higher education as a means to personal advancement, and in the absence of local universities would move to the cities to study, probably not to return in the medium term.

The above common characteristics unite the two parts of the Sunshine-Fraser Coast region and provide a set of shared needs and concerns for the universities operating in the area. However, despite these commonalities, the region is also divided and subject to considerable fragmentation. The fragmentation of governance in particular represents a considerable challenge for universities in both the profusion of possible partners and the conflicts among the partnership over priorities and needs.

Examples/dimensions of fragmentation

As already noted, the Sunshine-Fraser Coast is administratively considered to be based in two separate regions, although only part of each, so the study area can be seen as two contrasting sub-regions. The problems of fragmentation were not limited to the difficulties of managing across this divide between two regions, but also included internal fragmentation of governance within each of the sub-regions, and the absence of a consistent and coherent regional strategy among the region's main actors.

Multiple councils. Local government in the region, as is typical in Australia, is diverse and generally small scale in nature. The study area has been defined as including 8 local authorities with populations ranging in scale from 141 000 to just over 3000. Two of the authorities, Tiaro and Woocoo have very small populations (under 5000) and lie inland from the Fraser Coast. The remainder are reasonably large by Australian standards, but separation raises questions about competing developments and lack of integrated development planning.

By contrast, the Gold Coast to the south of Brisbane covers a similar land area to the Sunshine Coast, and is also characterised by a string of coastal settlements. It is, however, governed by a single local authority which is the second biggest in Queensland, and one of the biggest in Australia, rapidly approaching half a million population. The Gold Coast has a reputation for having been much more proactive in terms of economic development and tourism, and has a much stronger external identity and branding, no doubt in part due to its more coherent governance. This has produced a very different kind of tourism model, which the Sunshine Coast would not wish to imitate, but has a strong brand image and an effective economic strategy.

The economic development strategies and priorities of the local authorities within the region varied considerably, with competing visions. All the councils made some claim to want knowledge based activities as part of their future strategies, albeit with varying levels of understanding and with different orientations. All had common desires to have a university presence often with similar desires for teacher and nurse education, even though the economics of higher education determine that fewer larger campuses would be more desirable.

Multiple regional development committees. To make sense of the varied interests in the region there were a considerable number of regional development committees, often based on several local authority areas. On the Sunshine Coast for example there was SUNROC and its related body SCORE,

whilst the Fraser Coast was part of a variety of structures within the Wide Bay Burnett region. Additionally, a number of Commonwealth and state government institutions covered the region such as the Commonwealth Area Advisory Committees (ACCs).

Predominance of micro businesses. The economic structure of the region, despite its rapid growth, is heavily focused on small scale service activities. The biggest employers are mainly in the public sector, large retail centres and in a few larger hotels and resorts. The remainder of the economy is highly fragmented and oriented to micro-businesses. As a consequence, there is little cohesion among the expressed needs of business, possibly also due in part to rapid growth. Generally, the experience internationally is that private sector demand for graduates or for university knowledge transfer is driven by larger firms or by coherent clusters. In this region these conditions are absent, suggesting the need for a different approach. There were some medium sized manufacturing businesses located in Gympie and Maryborough, which could potentially provide some demand for engineering skills and expertise, but it was not clear that these could provide a sustainable demand for a new engineering school, and Gympie in particular is quite distant from both campuses.

Confusing business linkages. Building on the fragmented structure of local business, there was little cohesion to the representative bodies for business also.

Multiple education providers. Finally, there were a number of education and training providers in the region in addition to the two university campuses. Other universities offered some provision at the edge of the region, but several TAFE colleges operated across the main towns.

2.3. Issues arising concerning the region of study

The nature of the region and the lack of cohesion and consistent governance of the region raise considerable challenges for the universities.

Effective university strategies are only likely to be possible if there is a clear and collective understanding of the region's aims and objectives. The universities need a coherent definition of the region, as do other regional partners, consistent with economic and social development strategies if they are to effectively respond to regional needs. This, therefore, suggests that harmonisation of scales of policy and governance is needed. The Regional Steering Committee for the project has been an important step in developing this more coherent understanding of the region, providing a basis for a strategic approach within the universities.

The Peer Review Team recommends that regional partners and state government evaluate the structures of governance in the region and seek to develop, from the bottom up, structures that are accepted by the region as a whole and provide greater coherence to regional development strategy.

At the same time, the universities need to build effective partnership structures if the Sunshine-Fraser Coast region is decided on as a sensible scale of action. This could involve the continuation of the Steering Committee developed for this project, or else some other structure which represented the main interest bodies brought together for this project. This is not suggested to be a replacement for whatever body is developed to manage regional development in the region, but complements it with an action group focused on supporting the role of the universities. This point is further developed in Chapter Six.

It also seems necessary for greater capacity within the region to understand the nature of economic and social change, the opportunities and challenges facing the region, and the role that the universities can play. The two universities have some research capacity for addressing regional issues,

but more could be done to build a significant collective capacity to inform local partners and position the development of the region in a wider Australian and global context.

The Peer Review Team recommends that a regional research network is created linking resources in the two universities with research and intelligence activities in local authorities and other partners, especially the business community. This network should seek to develop a comprehensive knowledge base on the region, commission new studies to fill information gaps and build a deep understanding of the region's needs. It should also examine good practices elsewhere in Australia and overseas to ensure that regional economic and social development strategy is based on a rigorous knowledge base.

3. POSITIONING THE UNIVERSITIES IN A REGIONAL AND NATIONAL CONTEXT

3.1. The nature of the universities in the region in their national university system context

Australia has a well developed university sector. However, it should be noted that the sector is relatively young. Sydney University was the first Australian university and was accredited in 1851. The growth in universities was relatively slow until the 1970s. Over two-thirds of Australia's universities have been established in the past 35 years. It was not until 1954 that the first non-metropolitan university – The University of New England was established in Armidale. In 1970 Queensland's second university and its first non-metropolitan university was founded – James Cook University. Australia's newest university – the University of the Sunshine Coast – formed part of this OECD/IMHE review. There are now 37 public and 3 private universities in Australia.

The pattern of investment has been focused in the past on the main cities, with only a more recent move to non-metropolitan universities and campuses. In Queensland, there is still a major concentration of universities in Brisbane, especially seen in terms of research activity. The three Brisbane-based universities together have more than twice as many government funded student places as the four non-Brisbane universities together. Outside of Brisbane, the four other universities occupy distinct territories. James Cook in North Queensland at Townsville and Cairns, Central Queensland University at Rockhampton, Bundaberg and various sites on the central Queensland coast, Southern Queensland at Toowoomba to the west of Brisbane (and on the Fraser Coast) and USC on the Sunshine Coast.

In spite of the focus on specific regions, some of the non-metropolitan universities in Australia have also been developing campuses in the big cities in order to attract overseas students and even Australian students who prefer an urban setting, in order that these universities can cross-subsidise their rural campuses. So CQU has campuses in Brisbane, the Gold Coast and Sydney, and USQ is also developing a campus in suburban Brisbane.

Many regional communities have lobbied for higher education provision for a number of reasons. A reason which was continually mentioned by members of regional communities during this study was that they needed a university presence to "keep young people in the region". However, from evidence provided during this study it is difficult to see how non-metropolitan universities can achieve this objective. Many school leavers aspire to leave non-metropolitan regional areas when they finish their schooling and travel to large cities for their tertiary education. Those who stay in their community to undertake tertiary education often cannot find work that utilises their skills. Many of the students interviewed recognised that they would have to travel to urban centres after they had finished their degrees to find work. In some cases, a non-metropolitan university education only delays people leaving the region for a few years, although some may later return to the region to work or start businesses. Some students that we met were mature students who could only participate in higher education as a result of local university provision, but even some of these recognised the need to move in order to make use of their qualifications.

If universities are to contribute to regional economic development, in this region as in any other, they must do more than simply educate – they must engage with regions to contribute to the formation

of high technology jobs which will enable graduates to remain in their communities. There was only limited evidence that universities are doing this. At the present time, there is no funding available to regional universities to enable them to undertake this role.

3.2. The management and regulation of the university system in Queensland

The university system in Queensland is regulated and managed by both the Queensland State Government and the Australian Federal Government. Each university makes its own strategic decisions. The Chief Executive Officer of universities in Queensland is the Vice-Chancellor. Each University has a university Council which is headed by a Chancellor. Universities have the authority to accredit and offer their own higher education courses and awards.

The Office of Higher Education in the Queensland Government is the department that deals with universities. This office comes under the State Minister for Education. The OECD team was pleased to meet with the director of the Office of Higher Education. Universities are established under State legislation. Queensland approval legislation approves the use of the title university. The State Government also regulates non universities that offer higher education.

The State Government has responsibility for the quality of higher education in Queensland, within a national quality framework. Universities are accountable to the State government for their operations. Under the *Higher Education (General Provisions) Act 2003*, the Minister for Education is the approving authority for the establishment or recognition of new universities, the operation of overseas higher education institutions, and the offering of higher education courses by institutions other than universities.

In 2000 the Ministerial Council on Education, Training and Youth Affairs (MCEETYA) established the Australian Universities Quality Agency (AUQA). AUQA is responsible for:

- Conducting quality audits of self-accrediting Australian higher education institutions and State and Territory Government higher education accreditation authorities on a five yearly cycle.

- Providing public reports on the outcomes of these audits.

- Commenting on the criteria for the recognition of new universities and accreditation of non-university higher education awards, as a result of information obtained during the audits of institutions and State and Territory accreditation processes.

- Reporting on the relative standards and international standing of the Australian higher education system and its quality assurance processes, as a result of information obtained during the audit process.

The emphasis of AUQA is on the quality of teaching and learning and the process does not effectively engage with a wider regional mission for universities, except inasmuch as regional development is a highlighted element of the mission statement of the university.

3.3. Funding systems for higher education and regional implications

Universities are funded by the Federal Government, from student fees through the Higher Education Contribution Scheme (HECS-HELP), and from full-fee paying students.

Universities receive funds from the Federal Government via the Commonwealth Grant Scheme (CGS). This scheme provides funds to universities based on the number of students that they have (determined by an agreement with the Commonwealth Department for Education, Science and Training, DEST) and the disciplines which students study. Each year universities enter into negotiations with DEST to determine the number of students and disciplines. The students supported may be undergraduate, postgraduate or in enabling programmes. Universities also obtain funding from the federal Government via the Capital Development Pool (CDP). Funds from this pool are awarded on a competitive basis. The pool aims to encourage:

- New campus developments in suburban growth corridors and non-metropolitan centres.

- Capital developments to establish or expand courses identified by the government as discipline areas of national importance.

- Communication and IT infrastructure projects which improve educational delivery.

- Projects to rebuild or the restore campus facilities as a result of extraordinary circumstances.

- Capital developments which the Minister considers to be priorities for particular higher education providers.

Universities also receive funding for research through a number of competitive grant schemes.

It can be seen that the first objective of the CDP is to develop new campuses in growth corridors and non-metropolitan centres. The Sunshine Coast is one of the fastest growing parts of Australia and has hence benefited from this scheme. However the value of CDP funding has progressively decreased to the point where HEIs cannot now be granted more than AUD 2 million.

Students also pay fees via the HECS scheme. This scheme allows students to pay their fees "up front" or to pay their fees through the tax system once they have reached a threshold income. The Federal Government offers a range of loans and scholarships to students who are financially disadvantaged.

In 2004, the Federal Government introduced a scheme which recognised the increased costs associated with operating universities in non-metropolitan locations. AUD 122.6 million over four years has been made available to universities operating in so-called "regional" locations. A regional campus is defined as one which is outside of a state capital, in a city with a population of less than 250 000. There are 4 bands of extra funding:

Band 1 Northern Territory (30% loading)

Band 2 Distant (More than 300km from capital) and small (less than 10,000 EFTSU) (7.5% loading)

Band 3 Proximate and large or distant and small (5% loading)

Band 4 Proximate and large (2.4% loading)

This scheme is not intended to promote regional or community engagement. It is, however, intended to take into account the increased costs associated with operating in non-metropolitan areas.

3.4. National and state incentives and investment affecting regional engagement

Universities are funded by the Federal Government to undertake teaching and research. They also receive fee income from activities such as teaching overseas students and consultancies. Universities are also permitted to take a limited number of full fee paying domestic students. Because of the stringent rules for taking such students, non-metropolitan universities have very little income from this source.

Universities do undertake activities other than teaching and research in the communities in which they are based. Examples of this were seen at USC where there were very strong links between the neighbouring high school and the university. University staff spend time in the high school. The local business council also reported that the USC was very involved in the local business community. Communities want universities to become involved in their activity for a number of different reasons including using university's staff skills and having input from a "neutral" party.

USC did not receive any income from this activity. There was a widespread view, held in the communities that the OECD team visited, that universities should be undertaking more activity in the communities. A good example of this was seen in Maroochydore where civic leaders stated that it was difficult to get the USC to sponsor activities in the community. It is felt that communities have little understanding of university funding and hence there may well be unrealistic expectations of what community activity a university is able to partake in.

There are no direct funding incentives from the Australian government to promote community/university engagement. Just prior to the review visit, the federal Education Minister indicated that he was interested in looking at "third stream" funding. It was thought that this might well provide funds which could be used for enabling regional engagement initiatives. When the OECD team met with representatives from the Department of Education Science and Training (DEST) they were asked about this funding. At that stage DEST could not give any clear indication of the nature of the funding or what it would be used for. DEST was asking for submissions from the sector regarding this scheme.

During the review visit, there was widespread support for the principle of third stream funding from both community and university groups. There were, however, differing opinions regarding what this funding should be used for. There was some concern that the scheme would be "hijacked" by the large urban sandstone universities to be used for the commercialisation of research. Using the funding for this purpose was supported by some university staff in the non-metropolitan universities that the OECD team visited. Others thought that the money should be used for "out reach" activities.

The Australian Federal government through the Australian Research Council (ARC) funds "Linkage" research grants. This scheme aims to broker research partnerships between the Australian innovation systems and capture the economic, social and cultural benefits of research. The objectives of the scheme are to:

- Encourage excellent collaborative research within universities and across the innovation system.

- Contribute to a strong knowledge economy.

- Create opportunities for cooperation with related programmes across Commonwealth portfolios.

- Facilitate international linkages both within universities and industry.

- Encourage industry oriented research training.

Although it can be seen that these grants are not aimed directly at regional engagement they have been used to foster links between universities and bodies within the communities. This has been most successful in forming links between regional industry and universities.

The Peer Review Team recommends that the Australian government ensures that resources made available for third stream activities encompass all aspects of engagement, including work with business, regional partners, cultural bodies and communities, including student voluntary activity in the community, and such resources are made available to all universities and not just based on existing commercialisation track record. For example, in the United Kingdom such funds were given to all universities and universities were allowed to develop their own strategies depending on local conditions and this model would be useful to examine.

3.5. Models of university development – USQ and USC

The Sunshine-Fraser Coast region has examples of the different ways in which universities can have a regional presence. The Wide Bay Campus of the USQ is an example of a sub-campus of a university which is located remotely from the main campus. USC is a small autonomous single campus university which has been established to serve a regional community. Within the two regions other universities are also represented in the form of distance learning providers. The most prominent of these is the University of Central Queensland. The only other common model which is not fully represented in the region is the truly multi-campus university model – a model where a university has a number of campuses which are of equal size and status. Central Queensland University is such a university, but has only a very small presence in the Sunshine-Fraser Coast, and not a full campus.

This region, therefore, provides a good opportunity to compare and contrast how universities can organise to deliver a service to regional communities.

Small campus model

The University of Southern Queensland is based at Toowoomba. It is approximately 38 years old and has about 26 000 students including 7 000 international students. The majority of these students are taught through the main campus in Toowoomba. At the time of the review, USQ had one non-metropolitan campus – the Wide Bay campus located at Hervey Bay – and was planning to open another one at Springfield, north of Brisbane in 2006. The Wide Bay campus was visited and meetings were held with staff, students and community representatives.

The Wide Bay campus is typical of regional campuses to be found in Australia. Constructed in 1996/7, it offers a limited number of programmes including Business and Commerce, Nursing, Education, Information Technology, Mass Communication and Community Welfare and Development. The Wide Bay campus has 700 students attending the campus and another 300 externally. Sixty six staff are employed on the campus. The campus is led by a Provost who is a Professor of USQ and also a member of the senior management group of the university. Academic staff on the campus report back to managers based on the main Toowoomba campus. This gave the Provost limited autonomy to drive the direction of the campus. Due to the large distances involved the Provost had to attend many of the meetings of the university via teleconference.

The Wide Bay campus aspires to contribute to the economic, social and cultural development of the region. However, with its limited size, capacity and resources it is difficult to see how this type of campus can have a great impact on these factors. This, like other non-metropolitan campuses, does little research funded through competitive grants. This is because they are too small to attract many established researchers or research teams. It was also noted that there were few regional resources to fund research.

Students stated that they had enjoyed studying at a small regional campus and felt the quality was high due to the small class sizes and close contacts with the academics that were based at the campus. However, the majority of the students were planning to leave the region after graduation. The two main reasons for this were that there were no high technology jobs on the Fraser Coast or, in the case of the education students, that there was a state based employment scheme whereby they were allocated to schools often outside the region. This gives a clear example of how a regionally based university campus does not achieve the often stated aim of the community to keep young people and talent in the region – it only postpones them leaving. It should, however, be noted that many of the mature students interviewed stated that if they had not been able to study locally they would not have been able to at all. This would indicate that non-metropolitan university campuses contribute to the up-skilling of the population which may well contribute to national economic development, but not necessarily to regional economic development. Access to higher education for mature aged students, particularly in a region of low university participation, may be one of the most important reasons for having non-metropolitan campuses such as USQ Wide Bay.

Representatives from the local community including civic leaders and business people all agreed on the importance of a university presence to the future development of the region. There were mixed views regarding how well USQ had contributed to the region. There were some questions regarding the responsiveness of the Wide Bay campus. There was some thought that because issues had to be referred back to the main campus there were long time lags in the decision making processes. There was a feeling that there had been an improvement since the appointment of the new Provost. USQ was also making an effort to appoint people from the region onto its governing body.

The sphere of influence of small non-metropolitan campuses seems to be quite narrow. Meeting with the communities of Maryborough and with Cooloola Regional Development Committee indicated that they did not see the Wide Bay campus as a major resource. Maryborough like many communities stated that they wanted their own university campus. It is interesting to note that many communities see the issue of university provision as a challenge of supply when in fact it is one of demand. The communities feel that they should be supplied with more university education when in fact there is very little demand for university education and the universities are reluctant to set up new facilities.

There are direct economic benefits to having a regional campus. The campus provides relatively well paid jobs. The campus expends approximately AUD 2.4 million per year. Taking multiplier effects into account this has a total impact of AUD 5.8 million. This is not an insubstantial amount in a region such as Wide Bay.

Central Queensland University also has a presence at Pomona near Noosa. This small "campus" with around a dozen staff is formed by a partnership between Education Queensland, Central Queensland University and the Noosa Shire Council. This campus offers three of CQU's programmes; Bachelor of Learning Management (BLM), Bachelor of Creative Enterprises and Master of Learning Management (MLM). In Noosa, CQU co-exists with the Cooroora Secondary College, where coursework associated with each programme is conducted. The OECD team did not have the

opportunity to visit this site. It is understood that there had been some concerns expressed by USC that CQU was operating so closely to its geographic base.

In summary, small non-metropolitan sub-campuses do have some positive benefits to the communities in which they are located. They offer access to higher education for people who, for what ever reason, cannot travel to urban centres for their education. They also have a direct economic impact. However, it should be noted that due to their limited size they have little impact on regional economic development. While there is little evidence that they undertake large scale research or foster the creation of high technology jobs which would enable their graduates to stay in their communities, they contribute to middle management and professional skills which are important to sustaining existing economic activities.

Autonomous university model

The University of the Sunshine Coast is a new University which opened in 1996. At the time of the review visit it had 4 280 enrolments. The campus is located in the suburb of Sippy Downs about 15km from the city of Maroochydore. This in turn is about 100km north of Brisbane. The university was built on a green field site. The university offers a growing number of programs and is beginning to establish itself in some fields of research.

At the time of the visit, the USC employed 328 staff. The university is having an impact on the region. The suburb of Sippy Downs is growing very rapidly and this growth is being led by the university. A great deal of residential development is taking place round the university and one of the State's largest secondary schools has recently been opened adjacent to the university. Prior to the review visit, an announcement had been made that there would be a large hospital development close to the university. The university was making very close links with the community around the university the links with the high school were particularly impressive.

Civic leaders from the neighbouring communities stressed that they were pleased to have USC based so closely to them. There was, however, some concern expressed at the impact that the university was having on the plans that local councils had for the region. The USC was acting like a magnet for development at Sippy Downs. This was drawing activity away from the city centres. Maroochydore seemed to be particularly affected. It has been recognised that universities which are based in city centres seem to be able to engage with their communities more effectively than those based on green field sites remote from city centres. In the case of USC, it may be that the university is acting as a focus for the development of a new community which is distracting from the established ones in the region.

It was interesting to note that USC is situated midway between the Caloundra and Maroochydore. In Noosa, it was felt that the university was still too distant from the community to engage. In response to Noosa's strongly expressed desire to USC to have a physical presence in Noosa, the university had decided to open a study centre in Noosa to undertake some business studies teaching. However, it is clear that the University will not often be able to respond to such requests. This is yet another example of a community's deep desire for a university presence – even in this case where a university is situated relatively closely. In some cases, a community's desire for a university presence seems to be more emotional than practical.

A high proportion of the students interviewed reported that they were planning to leave the region and travel to Brisbane when they graduated because there were few jobs available locally. USC had recognised this and had introduced some polices to try and foster the creation of high technology jobs

in the region. The most impressive of these initiatives has been the creation of the Innovation Centre Sunshine Coast (described in more detail in the next chapter).

Feedback from various parts of the community indicated that USC had been successful because it had been able to react quickly to the needs of its community. It was, however, of some concern that community representatives thought that this responsiveness was being reduced as the university got larger. USC would be well advised to ensure that as it grows it does not lose its responsiveness which has served it so well. The issue of responsiveness may become increasingly important to universities as they make partnerships with their regions. Community and industrial entities may expect much faster decision making than many universities are accustomed (see recommendation in Chapter Six).

There are many benefits to having an autonomous university such as USC. As it grows, the direct impact it has on the economy becomes more important. USC is one of the largest employers on the Sunshine Coast. Also the university has the scale to implement polices such as the innovation centre which will enable the community to keep graduates in the region. Such universities, however, must take great care not to overlook the plans and aspirations of the communities in which they are located.

Non-physical presence

Other universities were present in the region, but did not have a physical presence. Because of the vast distances between centres in Australia a number of universities have established distance learning activities. Many universities offer degrees to students via distance education – hence students do not have attend the campus of their university. These degrees are delivered using paper based or on-line materials. Maryborough does have a tertiary education centre which acts as clearing house for such programmes.

Central Queensland University was the university most often mentioned to the OECD team. This university seems to have many students studying by distance education in the region. On the whole, students stated that they were satisfied with the programmes which they were undertaking by distance learning. It was also clear that students valued the opportunity to undertake higher education without having to leave their communities.

There is no doubt that distance education provides opportunities for people to study for degrees who would have no other opportunities. The impact of this type of activity on economic development of regions is interesting. It is clear that the economic benefits provided by operating a physical campus do not exist. No wages are paid locally and there is no physical campus to provide work for local people. In fact the money paid by students in fees is lost to the region. However, this needs to be balanced against the benefits of up-skilling a group of the population who would have no other opportunities for such up-skilling. The same problem is faced by these graduates as by others qualifying in smaller non-metropolitan communities – there are few jobs available which will make use of their new found skills. If no such jobs are available, the impact on economic development is questionable. Distance education providers have little if any impact on the creation of jobs in non-metropolitan regional communities. However, like other university activity in non-metropolitan regions they do provide professionally qualified people who help to make up for shortages of such professionals in these communities. This is particularly important in health care.

The universities in the region have very different models of development and operation, each with accompanying strengths and weaknesses related to provision of education to students, development of research and regional engagement with their local communities and region.

The Peer Review Team recommends that the region's post-secondary education work together to build a collective vision for the region and to form partnerships to build on each others strengths, maximise use of scarce resources, and create a focus on priorities for regional economic and social development.

4. BUILDING A REGIONAL KNOWLEDGE ECONOMY

4.1. Evolving role of universities in regional economies

Regional economies are complex, dependant on a number of factors and their interplay. Obvious features, such as the resource base of the region, physical infrastructure, the environment, existing and emerging businesses in the area, and the skill base of the population play a significant role in the development of a regional economy. However, more and more, factors such as the policy framework for regional development in the country and the availability of education and learning opportunities for new entrants into the regional labour market are seen as critical factors in enhancing economic performance and strengthening regional competitiveness.

The role of higher education institutions in regional development has undergone significant change in recent years. Traditionally, HEIs have tended to be self-contained entities focused on the creation and development of basic knowledge that makes a contribution to global knowledge. There tended to be little emphasis on local or regional needs. The trend in the past decade of active involvement of national governments in setting regional policy frameworks and, indeed, pursuit of these goals through provision of funding incentives and/or infrastructure to achieve regional development goals has impacted the university sector in particular. The recognition that higher education institutions play a pivotal role in economic development is now a fundamental underpinning of most economic development strategies, both at a national and regional level.

It is not only increased emphasis on regional development that has had an impact on universities and how they operate. Changes in approaches to regional development have also had an influence. Emerging models of regional development emphasise development based on the unique assets and circumstances of the region and the development of knowledge-based industries. This has resulted in a re-examination of the role of universities in the regions. A knowledge-based or learning economy demands a larger number of graduates and an employment orientation in teaching. A learning economy also demands the provision of on-going opportunities for a wide variety of residents to access lifelong learning opportunities.

Universities are expected to be involved not just in the creation of knowledge, but also in the application of knowledge, often within their local or regional communities. They are expected to take an interdisciplinary approach to their activities and engage in partnerships with industry, with communities, and with a variety of stakeholders. These factors impact all aspects of a university's role – teaching, research and community service. Indeed, universities function within an interesting environment of institutional autonomy strongly influenced by funding incentives for performance expectations (only one of which is regional development/engagement), community expectations and available business opportunities.

4.2. Potential contribution of the universities in building a regional knowledge economy

There are a variety of contributions that universities can make to development of the knowledge economy in their regions. The discussion below briefly outlines some of the ways that expertise within universities can be applied to processes and practises necessary for the development and maintenance

of the knowledge economy. As such, it focuses on the role of universities in labour markets, in research for and with business and with support for enterprise. It also includes a discussion of USQ Wide Bay and USC's activities in relation to each of the identified themes in an attempt to assist those universities evaluate their progress in regional engagement as it relates to building a knowledge economy.

Developing a vision for a regional knowledge based economy

There are two approaches to a university's participation in helping shape the vision for the regional knowledge economy. The first is a more traditional role that universities play through the interaction of their staff, in either formal or informal capacities, with local planning agencies, organisations and other networks. The provision of information, international case studies, analysis and planning expertise is offered to assist regional development exercises; the university provides expertise, but is not usually directly involved in planning.

The second approach is to exercise leadership through formal channels, *i.e.* through membership on regional development committees as a university representative. This provides for direct input into planning processes, but is not always a comfortable role for university officials as it often results in participation in political arenas and a more "hands on" contribution than the traditional arms-length provision of expertise. This approach provides for direct linkages between anticipated economic forecasting/planning for the region and institutional planning for future course offerings, research activities and other funding decisions.

Both universities involved in the review on the Sunshine-Fraser Coast – USQ Wide Bay and USC – are recently established institutions (in relative terms) that reflect the emerging trend of new, active relationships between universities and the regions in which they are located. Both universities recognise the significant role they play in the economic future of the region and both have actively pursued regional engagement strategies as part of their mandate.

USQ Wide Bay has a mission to serve its local and global communities based on the principles of partnership, service and engagement. The university is committed to regional engagement and has undertaken initiatives to establish working relationships with municipal and regional officials. They have membership on the Area Consultative Committee and are involved in regional data analysis. USQ is in the process of developing a regional research unit and is considering models of community engagement. However, at the time of the review visit, there appeared to be few formal, ongoing linkages with regional planning exercises and USQ's involvement on key regional issues and future planning exercises appeared to be somewhat limited.

The governance and policy mechanisms at USQ Wide Bay are centralised at the Toowoomba main campus and the strategic plan for USQ Wide Bay is part of the strategic plan for USQ Toowoomba. This means the degree of autonomy and access to discretionary funds may be somewhat more limited than if USQ Wide Bay were an independent entity. There are strengths to this situation, however, in that USQ Wide Bay's commitment to distance education, backed by their on-campus expertise at Wide Bay and facilities and expertise at Toowoomba, provides for flexible distance education offerings to a diverse range of students. However, USQ's approach to regional engagement to date has been more traditional in nature, relying on provision of information and less formal linkages.

USC is the result of over twenty years of community activism, which was ultimately supported by the Queensland and Commonwealth Governments, with a view to providing higher education opportunities in an area of high demand, and to bolstering the region's economy. Its stated mission is

"to be the major catalyst for the innovative and sustainable economic, cultural and educational advancement of the region…" The USC approach to regional engagement has been to work to embed regional engagement into the university culture. The university has membership on several regional development committees (notably SCORE, a committee of SUNROC, Sunshine Coast Regional Organisation of Councils) and has recently formed a Regional Engagement Committee that reports to the Vice-Chancellor. This Committee, composed of members from the university only at this point, collects information on regional engagement and plans to identify gaps in the university's regional engagement activities. The Committee is working from the SUNROC plan on future development, attempting to link regional growth forecasts to university activity.

USC's vision to create a Knowledge Precinct comprising developments in and around Sippy Downs is a primary focus of urban growth in the area. The university is actively pursuing this vision through formalising their membership on relevant regional planning organisations and by specifically linking the university's planning activities to regional forecasts. USC is taking an active approach to pursuing regional engagement, although there are aspects of the university's engagement strategy that appear to need attention through ongoing dialogue with municipal officials. (See further discussion below.)

The Peer Review Team recommends that the universities work with local and regional planning authorities on an ongoing basis to build a common vision of what development of a knowledge economy means for the region so that all partners essential to the realisation of that vision have common expectations of development. This will allow planning activities to focus on priorities.

4.3. The regional labour market

Universities have a significant impact on local and regional labour markets through the provision of graduates for regional employment opportunities. In some cases, university programmes involve internships or work terms with local businesses so that theoretical learning is accompanied by practical work applications, making the graduate employment ready and enhancing the transition from post secondary to work. If the economy in the region is robust, this approach usually increases the retention of graduates who might otherwise go elsewhere.

In addition, some courses offered at the universities may incorporate elements of learning that are directly related to the needs of the business community. If, for example, the region is characterised by a significant geriatric population, some aspects of nursing may emphasise the theory and practise of providing services to this population. Courses designed with an eye to local needs and trends strengthen the links between the community and the university and increase the probability of attracting local students.

USQ Wide Bay and USC have a number of boards and committees to identify regional needs and student demand to, in turn, inform programme development. Both universities recognise that the majority of their students come from the region and that many would like to stay in the region after graduation. Hence, there is a focus at the institutions on sectors that currently provide employment in the region, for example tourism, construction, nursing and teaching.

Both universities have also developed (or are developing) courses and degrees designed to meet emerging needs of regional growth industries. Coastal studies, marine tourism, sport and technology and animal, plant and marine biotechnology are examples. These offerings are usually developed with the assistance and involvement of external partners from industry or national institutes in an attempt to meet regional needs and link to national labour markets or expertise.

The two universities received much credit from the business groups for the emphasis they have given to responding to regional labour market needs. During the OECD team's discussions with business and regional planning groups, many voiced overall satisfaction with the universities' response to current and emerging labour market trends.

The use of internships, work placements, fieldwork, and student course and research projects in partnership with local businesses are evident at both universities. It appears that the universities, recognising the useful employment links this provides, use available opportunities to incorporate these elements into courses. The business community indicated their strong support for these elements and expressed willingness to work with the universities to strengthen these offerings and do whatever they could to provide useful links to employment in the region. With this strong support from business, the opportunity exists to work with industry partners in future opportunities and to maximise linkages. The only limitation appears to be the current sluggishness of the economy that does not have the capacity to absorb graduates who often have to seek employment outside the region.

The Peer Review Team recommends that there is further expansion of internship programmes, and that local authorities and business contribute to a coordination post to assist in identifying suitable placements.

A knowledge economy demands constant upgrading of learning and skills. The universities could play an important role in meeting the need for lifelong learning initiatives, particularly in helping to address the need for ongoing professional development. This requires a move to flexible educational offerings geared to non-traditional students who are more likely to be in the labour force.

The distance education courses offered through USQ are designed to offer professional updating and/or improve career prospects over three study periods. This is likely to be an area of opportunity for the universities as the population of the region ages and as the knowledge economy progresses.

The Peer Review Team recommends that studies are carried out in both sub-regions as to the current level of lifelong learning delivery and future needs, with the active involvement of the universities, TAFE colleges and other regional partners.

The Peer Review team also recommends that the universities should be encouraged to put graduate follow-up studies in place to track trends and inform planning and development at the university. Graduate follow-up studies provide essential information for ongoing regional engagement.

4.4. Research opportunities

As in other countries, it appears that the national government, the main provider of research funds, has policies for these funds that sometimes tend to favour larger, established universities, emphasising status quo funding patterns. Recently established institutions that have not yet developed critical research mass may have difficulty competing for research funds.

The two universities in the Sunshine-Fraser Coast region have tended to concentrate on teaching as they established their presence in the region. If they are to exploit available national funds, the universities need to design and pursue a focussed research agenda. It takes time to establish a research culture at a university and to build a reputation for internationally recognised research. This is seen as an area needing additional attention over the next few years.

The USQ Wide Bay research agenda is to focus on regional research. The university is currently exploring opportunities in tourism and other regional priorities such as marine research. It appears that they have a somewhat limited scope for research activities as they are under the administration of Toowoomba and the strategic plan for USQ.

USC's goal is to pursue the application of international research to the sustainable advancement of the region, and in its regional engagement processes to embed the outcomes of such research in the region in a meaningful way. Their research agenda is still under development, but the university's approach to identify research strengths, establish external partnerships and establish and support research centres is quite comprehensive. One example of USC's research priorities is the establishment of the Institute for Sustainability, Health and Regional Engagement (iSHARE). See Box 4.1.

Box 4.1. **Institute for Sustainability, Health and Regional Engagement (iSHARE)**

The Institute for Sustainability, Health and Regional Engagement (iSHARE) provides a research platform for the interface between environment and health disciplines. A regional advisory board brings community, business leaders, and researchers together to engage in identification of priorities. There is also an international benchmarking group to provide input and feedback.

An outstanding example of collaborative research under the administration of this Institute is The Fraser Island Research and Education Facility, developed in co-operation with the Kingfisher Bay Resort and Village. This teaching and research laboratory on Fraser Island, along with an environmental camp, provides a base for advanced environmental and eco-tourism research and education. The significant level of private sector support for this facility from the Kingfisher Bay Resort, as well as the interaction between the university and the Resort in identification of relevant research and education projects, makes this facility a model of collaboration.

As a result of this initiative, the research capacity at USC has been greatly enhanced and the eco-tourism offerings through Kingfisher Bay Resort have been strengthened.

The Peer Review Team commends the USC for its regional engagement initiative in fostering environmental and eco-tourism objectives on Fraser Island.

Another example of innovative research identified by the OECD team during their visit to the Sunshine Coast was the Centre for Healthy Activities, Sport and Exercise (CHASE). See Box 4.2.

Box 4.2. **The Centre for Healthy Activities, sport and Exercise (CHASE)**

With a mandate for research that promotes the understanding and enhancement of sport performance and the development of healthy activities in the community, this Centre has launched a series of research projects, many of which involve industry or national agency support and applications. In addition to research projects, consultancy and a range of services and products for sports, schools, coaches and officials and the aged community are offered.

The initiative has a significant impact in the community, especially in the school system.

One issue identified during the review visit was the lack of a single point of entry/gateway for those in the community interested in pursuing research projects with the university. For example,

although a culture of regional engagement is being encouraged at USC, access to the university is usually confusing to those outside the university.

The Peer Review Team recommends that a clear point of entry at each university for those wishing to pursue research projects is developed. This would strengthen the profile of the universities in the community and should also encourage more research projects.

4.5. Enterprise development/business competitiveness

Research activities at universities can be used to develop new businesses, new products, new markets or new processes in engineering products in the region if there are relevant linkages between the university and the business community. This requires appropriate mechanisms at the university to promote knowledge transfer and commercialisation. Both universities have plans in this area that are not yet fully developed and will be useful to the community when finished.

Assistance to start-up firms is always a key to economic development in the regions. Both USQ and USC provide consultancy services to new businesses and have developed intellectual property policies that are essential when dealing with business development. USC has also set up the Innovation Centre Sunshine Coast (ISCS). See Box 4.3.

Box 4.3. **The Innovation Centre Sunshine Coast (ICSC)**

USC has established the Innovation Centre Sunshine Coast (ICSC) as a company of the University, with the aim of being a catalyst for the creation of high value jobs in knowledge-based sectors across the Sunshine Coast. The company is housed in a purpose-built centre, and was running an on-campus innovation incubator providing business development support and has had some success in attracting small start up knowledge-based firms.

The ICSC support services provide a valuable service for enterprise development and, most importantly, encourage the development of links between emerging businesses and the university on an on-going basis.

The business community thought that links between regional businesses and the universities could be strengthened. It seems that so far the new firms have mainly originated from outside the university, and on the basis of metrics from elsewhere USC would need to develop a much more significant research base before it could expect regular start-up firms from its own activities.

ICSC is taking steps to encourage the creation of a culture of entrepreneurship as well as an Innovation Centre Accelerator to provide support for further businesses. This is seen as a positive step, but given that the region suffers from a currently sluggish economy and has an unemployment rate above the national average, it is suggested that USC encourage further emphasis on the support for entrepreneurship in the wider community. This could be linked to the development of entrepreneurship programmes and short courses in the Business School.

The Peer Review Team recommends that the universities concentrate on building a culture of entrepreneurship to encourage business start-ups in the region. This could be accomplished through stronger linkages between ICSC at USC and curriculum development; stronger links between business and the universities in general; and establishment of mechanisms at the universities to promote knowledge transfer and commercialisation.

Entrepreneurship should also be encouraged and developed among the students, especially given that a much higher proportion of today's students will end up in self-employment in future. At USC there should be effort to enhance links between ICSC and the curriculum developed in other courses to encourage graduating students to consider business formation as a viable career option. Opportunities related to the retirement community, for example, may provide some options for business start-ups. This is also relevant to USQ whose course offerings include many related to public service employment opportunities. There is likely to be much greater impact to the region from graduate start-ups than from the relatively few staff establishing their own businesses. Elsewhere there are well established models of enterprise programmes in which students develop business plans and launch businesses, mentored by local entrepreneurs. We understand that some of these activities are already undertaken in the region's universities, but expect that there is considerable potential for expansion. We were told, for example, there is no scheme to provide finance for graduate entrepreneurship.

The Peer Review Team recommends further investment by universities and regional partners in graduate entrepreneurship programmes and a mainstreaming of the development of enterprise skills.

4.6. Regional collaboration

It appears that the economic development stakeholders in the Sunshine-Fraser Coast region – citizens, the municipal officials, federal and national government officials and the business community – are united in their recognition of universities as key and critical players in the economic future of the region.

Firstly, they value the universities for their potential in providing local opportunities for their youth to attend post-secondary education. They also value the universities for the employment they provide and the nucleus of skilled people the existence of a university brings to the region. There is recognition of the universities' contribution to the cultural and social fabric of the region.

The business community recognises the benefits of the university's contribution to the economic base in terms of research contributions, partnerships and collaboration. Those involved in some of the co-operative ventures appreciate first hand the potential impact of the university on the regional economic base. Of course, the universities in the region are relatively new (established within the last ten years) and the economic development plan for the region is still under development. Work is being done on the vision and there is still considerable work to be completed on implementation plans to realise the vision.

The Sunshine Coast has a complex network of economic planning processes and committees that has obviously been structured to bring the key players together in planning for the future. The universities have been included in some of these processes, but given the complexity of structures – national, state, and municipal – it requires tremendous effort to co-ordinate planning activities and implementation plans.

There is a sense that the economic development plan for the region, with the involvement of a large number of stakeholders, and the three municipalities with their individual planning processes, is somewhat fragmented. Despite the existence of several committees and processes, it appears that not everyone shares the same vision or plans for implementation of the vision in the region. This became evident during discussions held by the review team.

The Peer Review Team recommends that there is a need to formalise a framework to link the key players and stakeholders in the region to facilitate strategic planning and collaboration.

A particular issue appears to be the regional plan for the development of a knowledge precinct at Sippy Downs. This involves not only development of the university campus facilities, but also the surrounding areas, including a school system with strong links to the university, housing developments and transportation systems. As such, the university needs to work closely with the municipal and regional officials to realise the university's plans. Agreement on infrastructure development in an environment of limited budgets is essential to ensure future efforts are well co-ordinated and co-operation is maximised. More dialogue with officials may be necessary as concern was expressed during the review team's discussions that USC was independently pursuing development of university facilities. Some thought this preoccupation with physical infrastructure might be at the expense of responsiveness to regional engagement in other areas.

USQ Wide Bay is also pursuing linkages and networks in their community. Their contribution to the development of information and communication technology in the community is notable and a key contribution to the successful pursuit of a regional knowledge economy.

Co-ordination and a shared vision for development are especially critical on the Sunshine-Fraser Coast where economic forecasts predict growth fuelled by retirements and the sea change phenomenon rather than business expansion. Such growth results in population expansion with high demands for public services, usually accompanied by modest consumption. Given limited federal support for development in the region, it is essential that the business community and the university work together on future plans.

It is also essential that the two universities work together to assess the various strengths of each in the delivery of post secondary education. An assessment to determine if there is an obvious division of roles or "territory" that avoids duplication and benefits each institution may be useful. To date, it appears that co-ordination and planning between the two universities is fairly limited. This may be attributed to the efforts required by both institutions to become established and to meet the demands by students.

A Regional Steering Committee has been established by the regional councils and we would encourage that body to address inter-university collaboration as well as collaboration with TAFE and schools, to address the future capacity of the region.

4.7. International dimensions

Universities serve as a gateway to international knowledge bases and provide access for local businesses, entrepreneurs and policy makers to a rich array of information on international best practises. The potential for collaboration on international research and pilot projects also exists because of the linkages that universities have with institutions in other countries.

The ability of the universities to attract foreign students also strengthens international linkages. In addition to enhancing cultural exchange in the region, international students are often seen as enhancing cultural exchange and exposing the business community and residents to the customs and practises of other country, thereby potentially promoting business competitiveness.

USC has made considerable effort to attract international students, with good success, given that international students are generally attracted to larger urban centres. The Study Abroad programme has attracted a significant number of US students. The international research linkages support the desire of the university to have an outward looking orientation to the international community to complement its regional focus. It is sometimes difficult to get the mix of international versus regional orientation balanced, especially in smaller regional universities.

Some of the regional partners saw considerable opportunity for the region in attracting more visitors from overseas, whether as international students or as visiting academics and conference attendees. For a tourism-based region a university can extend the nature of the offering and diversify the market. Noosa Shire, in particular, saw opportunity here fitting with their up-market profile. Elsewhere local tourism and marketing organisations work with their local universities in helping to attract academic conferences.

The Peer Review team recommends that the universities and local councils examine whether a collective effort might help increase numbers of visiting students and the attraction of academic conferences. Opportunities may also be identified where the universities could help existing tourism operators, such as at Kingfisher Bay, to enhance their offering or where university attractions themselves may be developed and marketed alongside other tourism facilities.

5. PLACES FOR ENGAGEMENT: CONSTRUCTING THE REGIONAL UNIVERSITY

5.1. Aspects of the physical location and development of the two universities

The two university campuses in the Sunshine-Fraser Coast region are both relatively young, and are still developing. The decision to establish the campuses is therefore, in both cases, relatively recent and the planning around the establishment and development of the campuses still fresh in the minds of local partners and stakeholders. In both cases, the particular nature of the campus and its location had significant implications for the partnership with local authorities, and for the kinds of relationship the universities developed with their immediate communities, and those that were not so close.

The sites of the two campuses are quite distinct. USQ's Wide Bay campus is located in the town centre of Hervey Bay, and provides a library that is shared between the University and the local community. As a relatively small campus its footprint is quite modest and it was able to occupy a site just to the rear of the main shopping strip yet highly accessible to the local population, including those that travel by public transport.

USC by contrast has a very large site, only partly developed so far, in a suburban location away from the three main town centres of the Sunshine Coast. Indeed, the site lies at the fringes of Maroochy Shire, adjacent to the City of Caloundra and has had significant implications for the planning of its surroundings which had previously been assumed to be developed as residential. The immediate surroundings retain areas of open land, including some zoned as wildlife reserves and the campus features wild kangaroos.

The contrast between the two campuses illustrates the way in which the physical location can affect the nature of the relationship and the types of partnership that can develop. Some of the lessons and experiences that can be learned from this region relate very specifically to these physical aspects and the ongoing development of the universities within their communities.

5.2. Demands for multiple campuses and economic realities

Although decisions concerning the establishment of the current campuses are now fixed, there are future opportunities for growth, including the establishment of new disciplines and faculties, and hence there are potential opportunities for new university buildings. This potential raised a variety of questions among different communities concerning both further development on the existing sites and the possibility of new sites or campuses. We already noted the desire among many of the communities within the region to have a university presence in order to retain young people and connect with local industries and growth priorities. These desires were apparent in discussions with proposals for additional themed campuses made by a number of mayors in the region. A clear problem for the universities is the need to satisfy the ambitions of these communities as to the future expansion of the universities without compromising the economic viability of the university. Elsewhere in Australia a number of small satellite campuses have been established by universities, and indeed USQ Wide Bay may be seen as one of these. In many cases, these campuses are too small to achieve scale economies and consequently run at high unit costs in a time of financial pressure.

In the north of the region the particular tension lies between the need to develop the USQ campus in Hervey Bay in order to provide a wider range of degree courses, and the desire of Maryborough in particular for a campus of the University. It was suggested by community representatives that Maryborough could be the focus for new programmes in areas such as engineering and performing arts, although the economics of such programmes and the desirability of spreading limited resources within the region would probably militate against this.

The tensions within the Sunshine Coast originate in the decision to locate the USC campus at Sippy Downs, a decision which still prompted dissatisfaction on the part of all the local mayors. All three main councils on the coast would have preferred to host the university within their town centres, and even Maroochy which does host the university would have preferred a central location. Having seen the university develop on its suburban location again all the mayors were looking for new facilities to be located elsewhere within the sub-region in order to enhance the impact on the urban centres, again with little real debate about the economic viability of a model of a multi-nodal university.

A model of development by multiple campuses in the region would appear to emphasise a narrow perspective of universities as teaching-based units with little need for cross disciplinary synergy and interaction. We would expect a major university to gain significant benefit from having a number of disciplines on the same campus allowing greater synergy and collaboration, including students being taught across several programmes. There is a trade-off for the region between having some teaching located close to students and having a strong central location where all programmes are delivered and where students can combine different specialisations in a richer learning experience. The problems of delivering high level student support services also depend in part on economies of scale, and in many ways a single campus can offer much better facilities than small sub-campuses.

The Peer Review Team recommends that local interests focus on strengthening the existing campuses in order to ensure scale economies and synergies rather than wasting effort in seeking additional campuses.

5.3. Building the "new town" around USC – tensions and partnerships

The University of the Sunshine Coast was established at the Sippy Downs location, one of six locations examined as part of the development of the new university, with the decision being made by the State government. As part of the decision to establish the university in this area, a strong philosophy of regional engagement was established by the founding vice-chancellor (who remains in post) with the university intended to be a major catalyst to its region, and adopting the name of the region in its title. Having designated the site, there was inevitably strong developer pressure to proceed with planned housing around the University site, and the University sought to modify the planning context to avoid being in a sea of low density housing.

The University has been in a position to seek State government assistance to modify the development control plan for the surrounding area, creating a framework for developing a university town. This vision for the town to be developed over a 25 year period is a powerful statement of how a university can contribute to its community, and the current level of implementation involves new schools, a proposed hospital, and an innovation centre, as well as a commitment to a style and density of housing development that is unusual for its region. The plan features public transport and pedestrian/cycle links, wildlife corridors and a high quality of amenity, certainly better than the standard housing estates formerly planned for the site.

Yet, these attempts to leverage planning and community benefits from the new university also bring conflicts as the proximity of the site to the boundary with Caloundra City means that the Caloundra local plans needed to be altered as well to connect with the new road layouts around the University. The University attracts investment, such as the new hospital earmarked by the State government, which might otherwise have been located in the town centre, and the strong vision of the university provides a challenge for the local mayors who themselves have to develop their own visions for their councils and the region.

What is developing though is a very high quality urban space, with signature building on the campus which creates a special character for the University, and with integrated activities around the site for sport, schools, health and business. Schools at either side of the campus are physically connected across university land, share access to university facilities and connect with University educational programmes. It is expected that this model of interaction continues to develop over the next few years.

Future plans include the development of cultural facilities open to the public – an art gallery and library, follow-on accommodation for entrepreneurs (a business accelerator) and of course the hospital complex. These developments should increase the numbers of people coming onto the campus, but the problem remains of easy access from the wider region as whilst easily accessible by car, the campus is not easily connected by public transport from the main urban centres.

The benefits of the University to its immediate neighbours also raise tensions when people living elsewhere in the region perceive a more limited access to those benefits. By building a close relationship with the local community the University risks antagonising the relationship with others in the wider region who potentially feel cut off from the benefits. This will always be a difficult balancing act and needs careful management to ensure all parts of the community feel connected with and supportive of the University. It was our view that more effort might be needed to address the wider community in the coming years.

The Peer Review Team recommends that the University of the Sunshine Coast increases its effort at building links with communities across the Sunshine Coast as a whole to balance the strong benefits focused on its immediate surroundings This work has already begun through the Integrated Regional Transport Plan (SunTran), which has been coordinated through SunROC.. *Public transport links may also be a key part in these plans.*

5.4. Positioning USQ in the town centre

USQ's Wide Bay campus is a very different kind of development and was located in the centre of Hervey Bay in order to help the development of a core centre for the town. Hervey Bay, as is typical of many coastal settlements, is made from a string of small centres that have merged into one, although there is a dominant retail core at one of these centres. USQ's campus is located adjacent to that centre, easily reached by the local public transport networks and convenient for people combining visits with other activities.

The special feature of the USQ campus is the development of shared facilities between the university and the community, principally in the form of a shared library and art gallery. The relatively small scale of the campus ensures that the library itself is relatively modest in scale and not intimidating for non-academic users, and as the gateway onto the campus, it is easily accessible. Further development of the site will introduce other activities that could have a public use such as a bookshop and refectory.

The Peer Review Team recommends that the universities should seek to continue their commitment to public access to create institutions that are open and welcoming to the whole community. We further recommend that greater efforts are devoted to make knowledge and research accessible to the population.

For example, the regional research centre, currently under planning, could incorporate a shop-front access for individuals and community organisations as well as businesses to university expertise and student projects. Similar schemes are well established in the Netherlands and at the two Belfast universities.

One issue which emerged in discussion and concerns the external awareness of the university was the question of graduation ceremonies. At present, the university does not have a suitable venue for these and holds them in Maryborough in a regional theatre. Whilst there are benefits in the University having some activity in Maryborough to send the message that it is a region-wide institution, it is unfortunate that this opportunity to showcase the success of local students in Hervey Bay, the main centre of population on the Fraser Coast, has been missed. It would seem to be desirable to seek some means whereby some form of ceremony and demonstration of the University's presence could be organised in the town, ideally with some form of public procession. It is clear that greater visibility for the University would help to encourage further participation by local students.

The Peer Review Team recommends that USQ Wide Bay re-examines its policy on graduation ceremonies to organise some form of public event in Hervey Bay in order to increase its profile.

Longer term it is expected that the University may develop into a generator of export earnings for the region through transnational students, however, this will require both an expansion of the site and an upgrading of the wider local facilities. This would require long term collaboration between the university and the local council to ensure the University can develop *in situ* with a well integrated town centre site, and that the local centre can be upgraded to supply the more diverse sets of services expected of demanding international students. Collaboration would also be necessary to create a unique profile for the campus in order to develop a distinct place in international markets, perhaps by using the Fraser Island brand identity and developing related programmes.

5.5. Partnerships for local community development

The preceding discussion about the locations of the two campuses draws attention to the importance of the universities for the development of their communities. Despite the attractiveness of the region to tourists and down shifters, there are significant community service needs, for the elderly, economically disadvantaged, disabled *etc*. Although not particularly dispersed by Australian standards, across much of the region there are challenges in terms of accessibility for those that have need for public services.

In parallel the SER notes the importance of Richard Florida's creative capital theory and the need for regions to develop a "quality of place" if they are to attract and retain the creative class (Florida, 2002). The region makes much of its quality of life as a foundation for new knowledge based industries, but as Florida shows this has to be rooted in a vibrancy and buzz in the community, an acceptance of difference, and access to quality public services. Indeed, the Creative Class agenda has been taken up in SunROC's Knowledge Economy Strategy 2005.

The universities are establishing themselves as central elements in their local communities, heavily engaged in local community partnerships from social care to cultural events. An interesting example of this is the collaboration between USQ Wide Bay and local partners in developing a

counselling service staffed by student counsellors and connected in via their degree programme and partners to the professional community services. This combination of partnership and student engagement would seem to be the optimum approach given the limited staff resource available to the two universities. In another partnership USQ and the Community Health Service share use of USQ facilities for flu vaccinations to the local community. USC also make their health facilities open to the general public and promote good health in the community, whilst a recent campaign on crime prevention illustrates another dimension of potential collaboration.

A special role that universities can fulfil relates to an understanding and acceptance of cultural difference, with universities as multicultural communities themselves carrying the obligation to act as beacons of excellence on this measure. USC takes this role particularly seriously with an innovative compulsory module on cross cultural sensitisation and communication. USC also has a Centre for Multicultural and Community development (CMCD) with a wide range of projects involving active cooperation with different minority groups across the region. CMCD is also organising a number of conferences including a major event on Racisms in the New World Order held on the Sunshine Coast at the end of 2005.

Both universities are active in the support of local indigenous communities across a wide range of initiatives: scholarships, dedicated support staff, special courses, dedicated social space, welfare collaborations, and small-scale research projects.

The Peer Review Team commends the universities in the region for their engagement in local partnerships for community development and recommends that governments at all levels (local, state and federal) continue to support these activities.

5.6. Cultural developments

Universities have a variety of roles in regional culture. They provide infrastructure, they can support events and activities through their students and staff, they may preserve distinct local cultures, they provide an audience for local cultural activities, they contribute to cultural industry labour, they support regional cultural partnerships and their students make their own contribution to local culture. Inevitably the scale of contribution will depend on the scale and level of development of the university and its emphasis on arts, but even small universities can have a significant effect on the life of their local community.

In terms of infrastructure, USC is looking to make a significant new investment in a cultural centre, including a 500 seat venue, in partnership with local councils, TAFE and schools. There is considerable investment in events through the multicultural programme including a festival FESTURI. Both universities provide art exhibitions, and promote local artists. Other artistic performance includes film, drama, concerts *etc*. USC brings the Australian String Quartet for a performance once a year, their only non-metropolitan performance of the year. These activities add greatly to the local cultural scene, although the universities recognise that more is needed and more could be done, hence USC's focus on developing a new Cultural Centre.

Sport must also be mentioned as an element of local culture that is quite strong. Again USC is active in the development of facilities such as an international quality athletics stadium and other facilities which are shared with local schools and the community.

The Peer Review Team commends the universities for their engagement in the cultural agenda and recommends further partnership work at the local level to strengthen this role.

6. EMBEDDING ENGAGEMENT IN UNIVERSITY CULTURE

6.1. Visions and leadership

It was clear from our meetings with the leadership of the two campus-based universities in the region that both of the institutions had a strong focus on regional engagement and strong visions for how they sought to contribute to their regions. A sense of responsibility and engagement with the region was evident from the top down and the Vice-Chancellor of USC and Provost of USQ Wide Bay were both personally committed to this cause.

Regional engagement was centrally written into the mission statements for both institutions, although with varied degrees of specificity. In the case of USQ, the vision of the whole institution emphasises its role as a learner-focussed and community-oriented university, yet with an emphasis also as a transnational educator. Its mission is "to develop, enrich and serve its regional and global communities" yet these statements make no mention of the specific communities or how they are defined in spatial terms. So there is commitment to serve a community, but the community to serve may change over time. The form of engagement is also stated as being particularly focused on education or lifelong learning, and our understanding of the role of the Wide Bay campus was that its primary role was to provide educational opportunity for the region with other potential aspects of a regional mission being less well developed.

The University of the Sunshine Coast seemed to take a broader definition of regional engagement, and its mission since foundation had revolved around being "a catalyst for the innovative and sustainable economic, cultural and educational advancement of the region". The newly formulated Strategic Plan of the University has two strategic themes – sustainability and regional engagement – and it could be argued that both are core to this current study. USC's regional strategy also sees a role for the University as a leader in the region, helping to suggest alternative regional futures, leading on new initiatives to support innovation and economic development, stimulating the development of the new Sippy Downs township and participating in regional governance. This is a more comprehensive perspective on regional engagement and is arguably more appropriate for an autonomous university rather than a small remote campus such as USQ Wide Bay. USC leadership argues that they have taken regional engagement more seriously than any other university since foundation, presenting the University as first and foremost a tool for region-building. That vision is highly commendable.

USC has also sought to develop organisational structures for connecting the vision to practice within the University. The newly formed Vice-Chancellor's Regional Engagement Committee looks to support the Vice-Chancellor in developing and monitoring the regional development strategy and connecting in various officers and academic leaders to this agenda. Previously, the agenda was managed in a very hands-on way by the Vice-Chancellor himself. With the growth of the University this position could not be sustainable. The new committee will need time to establish itself and build an understanding with the external region, in addition to the existing set of relationships developed by the Vice-Chancellor.

Visions and missions are, however, only significant in the sense that they drive the allocation of resources and affect the behaviour of the staff within the institution. The ownership of these visions by

the most senior management on campus ensures that they are taken seriously, but does not necessarily guarantee the scale of resources needed to realise benefit due to other financial pressures on the institutions as is examined below. A key element in ensuring the availability of adequate resource is the development of joint visions linking universities and other regional partners. In this case, it is clear that the two universities were each pursuing their own regional missions in separate regions, with little or no commitment to collective activity outside of the OECD review project. They were, however, seeking to work closely with their respective regional partners, and were having some success in ensuring that they each featured in the visions of their regional partners.

One aspect of joint working with regional partners was identified by USC as a set of Memoranda of Understanding. USC reported 108 such agreements, which on face value sounds impressive. However, this approach may involve a risk that the MoUs become a substitute for closer collaboration. They may also reflect the top-down nature of engagement strategy and may require considerable management time. Comparison may be made with other universities where regional engagement is driven by the actions of academic staff and the central administration plays a less prominent role. A rich network of local partnerships can be developed without the need for MoUs. Therefore, we would rather see service contracts than MoUs.

USQ Wide Bay as the smaller institution inevitably played a smaller role in its own region, although its educational role was seen as core to the success of the region. The evidence for real leadership by the campus in the regional community was, however, limited. It seemed that there was considerable participation in regional affairs, but limited capacity for leadership. In contrast USC was in a much stronger position to give the time and expertise to take on a leadership role alongside the local authorities and other regional actors. The importance of that role was also partly affected by the degree of fragmentation and lack of maturity of regional structures, with key bodies such as the Sunshine Coast Regional Organisation of Councils having only been established in recent years. Regional collaboration and vision as a principle is only a recent development, and our meetings with local authorities revealed a continuing divergence of priorities and visions, including the place of the universities in the future development of the region.

The Peer Review team commends the two universities for their adoption of regional engagement within their vision and mission, and encourages them to devote more attention to building a collective vision of the future of the region and the place of the universities in that future, through joint activities and through effective partnership with regional partners. In the face of a weak level of regional partnership and governance we recommend that the universities work together to maximise their effect on shaping regional strategies.

6.2. Resources and capacity

The scale of contribution of the universities to the region is largely a consequence of their ability to direct resources towards this objective. In part this is about the direction of mainstream activities such as teaching programmes and research, in part about opportunities for discretionary investment in additional regionally oriented services and facilities.

USC and USQ Wide Bay are both relatively new and small compared with other universities and campuses in Australia, and hence their resources are relatively limited. This is particularly true in the research field where nationally resources have been concentrated among the older city-based universities, with little funding being available for the newer institutions or regional campuses. Given that most of the resource available to USC and USQ Wide Bay is for teaching only, with little for research, and no significant national funding streams for regional engagement, the support for

engagement has had to be found from within the core teaching budget, or through additional support from the region itself.

One concern expressed by regional partners was that the universities need a higher profile among Sunshine–Fraser Coast business and residents. They thought more visibility was required so residents appreciate the role and contribution of the universities to the region. It was also suggested that the resources at the universities were underutilised by municipal and regional planning officials and the universities should be more involved in regional development studies. Some of the business community and regional officials thought that the universities could be more visible on key regional issues and demonstrate leadership on issues related to sustainability and future growth.

For USC the past ten years have seen the establishment of a new university within a very tight budgetary environment, and regional objectives have had to be funded from a top-slice on the teaching and capital allocations. It was acknowledged that this had meant the institution had had to operate with higher student staff ratios than desirable whilst the university was being developed. In order to achieve this there has been a close central control over financial management. We had concerns that whilst resources were being applied to key infrastructures with a regional role, the perceived heavy teaching loads on staff would limit the possibilities for creative outreach on the part of the majority of teaching staff. Experiences elsewhere suggest that when faced with relatively high teaching loads it is optional activities that tend to be squeezed.

This has been particularly the case with research. There is limited capacity for research in both institutions, revealed by the low levels of external research income. USC has the lowest research income of any public university in Australia, with less than one million Australian dollars of research block grant income in 2005, and low levels of external grant income from other sources. USQ has a much better performance in aggregate, but with its research being mainly concentrated at Toowoomba. We saw little evidence of research activity at USQ Wide Bay. Of course, both institutions are building up capacity from a start-up position, but without any significant support from either federal or state government. Such an absence of resources for research limits the capacity of the universities to develop research programmes targeted at regional needs. This not only affects the ability to work with industry, but also with a wide range of other partners, including support for cultural development and support for community activities.

USQ Wide Bay placed considerable emphasis on the contribution of time of individual staff, and provided a listing of multiple forms of engagement for individual members of staff, often as adjunct to their teaching responsibilities. However, this mainly involved participation in local committees whereas the support that can be provided through action research projects or demonstration projects was limited. There were some local research projects, but small in scale, and often without funding. In recognition of the need for greater local research capacity, USQ Wide Bay had developed a proposal for regional research centre, which would seek to attract local projects to be delivered by staff on campus or if necessary by staff from Toowoomba. There appeared to be no funding available from the local region or from state government for this development.

The benefits that the region will receive from the engagement of the universities depend on the availability of resource. USC and USQ Wide Bay have been given limited resources compared with other universities in Australia. Thus, whilst the region has the advantage of its own universities, the advantages are limited by resources. Local partners mainly asked for the universities to do more for the region without suggesting how they could help the universities with funds for additional tasks.

The Peer Review Team recommends that regional partners examine how they can pool some of their resources in packages that can be used by the universities to build critical mass in identifying regional priorities, and in delivering projects that are of regional benefit.

The Peer Review Team also recommends that regional partners should support the universities as they pursue additional national funding and/or changes to funding programmes that disadvantage smaller regional universities.

6.3. Responsiveness

Beyond the question of resources is the issue of responsiveness. We felt that both universities were as responsive as they could be given their resource base, but wondered whether this culture of responsiveness could be maintained as the institutions grew. Whilst growth was important in order to ensure that the two institutions had the necessary resource to support their regions, there was also a risk that they would become focused on their internal needs rather than the region. This was particularly an important issue for USC which was starting to reach a more mature stage of development, and would need to ensure that it managed performance criteria for external consumption and climbed up the league rankings of universities.

There is a clear tension here: to really benefit the region the universities would need to grow substantially, enhance their quality profile and attract more students from outside the region and overseas. Yet, by doing so, the regional mission might easily be neglected and the focus on working with regional partners might be difficult to maintain. In essence, the universities need to find a model for development that combines mainstream growth, and the effective management of that, with mutual support in the region.

A key part of this process has to be convincing the local partners of the need for collaboration in this strategy. At present, the local partners seem to be focused on their own short-term visions for what the universities can deliver, and demand responsiveness to their own agendas. They need to be convinced that significant future growth by the universities is in their interests and to harness their support to that agenda. Only by a shared agenda can the combination of responsiveness to the region be effectively delivered alongside the growth of the universities.

The Peer Review Team recommends that the two universities continue to build a culture of responsiveness and an externally oriented perspective across all aspects of the institutions' work.

6.4. Rewards and incentives for staff

Considerable emphasis was placed on the time contribution of individual members of staff to the regional mission. Universities were dependent on the goodwill of staff in giving up time that could be spent on personal scholarship and development, or in many cases ate into evenings and weekends. It was therefore essential that staff saw regional engagement as beneficial for themselves in career terms as well as for the institution and the region.

HR policy of USC is especially interesting in that it has recently been amended to emphasise the importance of regional engagement or service as an activity that is relevant to promotion. In an academic environment where promotion all to often depends on research performance, with little consideration of teaching excellence, then placing service alongside research and teaching as a three-legged approach is highly significant.

USC was also making effective use of adjunct and visiting staff, including many from the local community as a way of extending the expertise available to the university in regional engagement as well as a way of recognising the contributions made by outstanding individuals from the community. Again this approach is innovative and helps to ensure effective partnership.

The Peer Review Team commends the USC for its initiatives to encourage the active involvement of academic staff in regional engagement. *The Peer Review Team recommends that both universities continue to explore how regional engagement can be better supported and rewarded through the promotions system and through the use of other incentives.*

7. CHALLENGES AND RECOMMENDATIONS

The commitment of both USQ Wide Bay and USC to regional engagement is very evident. Both universities have recently taken concrete steps to enhance research and engagement with their communities. The business community and regional planners indicate that they see a role for significant input from the universities in regional development.

Indeed, the business community stated that they would welcome a higher profile and more active involvement for the universities. The business community also wants to work with the universities to provide input into course development, research projects, as well as develop student internships and work placements. This coupled with the existing expertise at the universities and the extensive infrastructure they have in place, provides a very positive environment for successful collaboration. The existence of some excellent initiatives of collaboration between the university and the community (iSHARE, CHASE, shared library facilities, *etc.*) provide positive models to build on.

With the dialogue emerging from many of the consultations related to preparation for the OECD/IMHE project, there appears to be an opportunity – and goodwill – to address the current fragmented approach to planning in the region. If an effective mechanism could be created to provide for meaningful dialogue between the universities and the stakeholders, there should be a positive impact on regional development planning and co-ordination. There is an opportunity for the universities to show leadership in this area.

Increased co-ordination between municipal, regional and university officials could also pave the way for applications for development funds from the available state and national programmes.

The review has also identified new opportunities that the universities could exploit. The possibility of co-ordination among the providers of education in the area – including TAFE and the schools – is one that would well serve the region and its students (both traditional and non-traditional) and result in well articulated pathways for transition from secondary to postsecondary education and the world of work. Co-ordination could build on strengths and avoid unnecessary duplication.

The contribution of university research to regional development is a key element. There are opportunities, particularly for USC, to build on the excellent start to developing a critical mass in certain research areas related to regional development plans, such as tourism, marine studies, and health and lifestyle issues. The business community has indicated that they would appreciate university research on priority issues related to the region. This offers the opportunity for follow-up and future action.

There are also opportunities for the university to focus on entrepreneurial offerings which may assist some graduates to create businesses in the region and help graduate retention. There is also the opportunity to market and promote the universities to non-traditional students.

There are, however, some significant challenges facing the universities and the region, chief among them being the need to achieve critical scale for effective engagement. Both universities are small and with limited resources. As a consequence of fragmentation, the community also has limited

available resources for regional development activity. Both sides will need to work together closely to leverage their available resource to strengthen the university base and ensure the universities continue to focus on regional needs. Without a joint and exerted effort opportunities will be lost.

7.1. Recommendations

In the following sections we list our recommendations embodied in the previous chapters according to the level in the higher education/regional development system to which they are most relevant, starting from the federal level and moving through to the state and local level and finally to the universities. Our recommendations are not meant to be substantive judgements and should not be read in isolation from the text from which they have been extracted.

Recommendations to the national and regional government

The Peer Review Team recommends

- That the Australian government ensures that resources are made available for third stream activities encompassing all aspects of engagement, including work with business, regional partners, cultural bodies and communities, including student voluntary activity in the community, and that such resources are made available to all universities and not just based on existing commercialisation track record. We recommend that the government should examine the UK model where such funds were given to all universities and universities were allowed to develop their own strategies depending on local conditions.

- That government at all levels (local, state and federal) continue to support the universities' engagement in local partnerships for community development.

- That regional partners and state government evaluate the structures of governance in the region and seek to develop, from the bottom up, structures that are accepted by the region as a whole and provide greater coherence to regional development strategy.

- That the region creates mechanisms to ensure that the OECD/IMHE learning process bringing together the higher education institutions and the regional stakeholders will not be a one-off activity, but will continue and grow.

- That the OECD/IMHE regional review is followed by a collaborative region-wide process to build on the region's strengths, address its weaknesses, counter threats and exploit opportunities and that the review is followed by closer cooperation between the region and its higher education institutions.

- That the framework to link the key players and stakeholders in the region is formalised to facilitate strategic planning and collaboration.

- That studies are carried out in both sub-regions as to the current level of lifelong learning delivery and future needs, with the active involvement of the universities, TAFE colleges and other regional partners.

- That local interests focus on strengthening the existing university campuses in order to ensure scale economies and synergies rather than wasting effort in seeking additional campuses.

- That partnership work is continued at the local level to strengthen the HEIs' role in the cultural agenda.

- That regional partners support the universities as they pursue additional national funding and/or changes to funding programmes that disadvantage smaller regional universities.

- That the universities and local councils examine whether a collective effort might help increase numbers of visiting students and the attraction of academic conferences. Opportunities may also be identified where the universities could help existing tourism operators, such as at Kingfisher Bay, to enhance their offering or where university attractions themselves may be developed and marketed alongside other tourism facilities.

- That regional partners examine how they can pool some of their resources in packages that can be used by the universities to build critical mass in identifying regional priorities, and in delivering projects that are of regional benefit.

Recommendations to the higher education institutions

The Peer Review Team recommends

- That the universities work with local and regional planning authorities on an ongoing basis to build a common vision of what development of a knowledge economy means for the region, including for seniors that have retired to the region, so that all partners essential to the realisation of that vision have common expectations of development.

- That the universities devote more attention to building a collective vision of the region and the place of the universities in that future through joint activities and effective partnership with regional partners. In the face of a weak level of regional partnership and governance we recommend that the universities work together to maximise their effect on shaping regional strategies.

- That the region's postsecondary educational institutions work together to plan and coordinate educational activities for the region, to build a collective vision for the region and form partnerships to build on each others strengths, maximise use of scarce resources, and create a focus on priorities for regional economic and social development.

- That the universities continue to build a culture of responsiveness and an externally oriented perspective across all aspects of the institutions' work.

- That the universities continue to explore how regional engagement and active involvement of academic staff in regional engagement can be supported and rewarded through the promotions system and other incentives.

- That a clear point of entry is developed at each university for those wishing to pursue research projects in order to strengthen the profile of the universities in the community and encourage more research projects.

- That the universities continue their commitment to public access to create institutions that are open and welcoming to the whole community and that greater efforts are devoted to make knowledge and research accessible to the population.

- That a regional research network is created linking resources in the two universities with research and intelligence activities in local authorities and other partners, especially the business community. This network should seek to develop a comprehensive knowledge base on the region, commission new studies to fill information gaps and build a deep understanding of the region's needs. It should also examine good practices elsewhere in Australia and overseas to ensure that regional economic and social development strategy is based on a rigorous knowledge base.

- That the universities concentrate on building a culture of entrepreneurship to encourage business start-ups in the region and that further investments are made by universities and regional partners to support graduate entrepreneurship programmes and to mainstream the development of enterprise skills.

- That there is further expansion of internship programmes, and that local authorities and business contribute to a coordination post to assist in identifying suitable placements.

- That the universities put graduate follow-up studies in place to track trends and inform planning and development at the university.

- That the University of the Sunshine Coast increases its effort at building links with communities across the Sunshine Coast as a whole to balance the strong benefits focused on its immediate surroundings. Public transport links may also be a key part in these plans.

- That USQ Wide Bay re-examines its policy on graduation ceremonies to organise some form of public event in Hervey Bay in order to increase its profile.

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APPENDIX 1. THE OECD REVIEW TEAM

Lead Evaluator

David R. Charles is the David Goldman Chair of Business Innovation in the University of Newcastle upon Tyne Business School and Director of the Institute for Policy and Practice. He has a PhD in economic geography, and his research interests over a 20-year research career include innovation management, the role of universities in regional development, regional technology policy and urban development. He has led major research projects on universities for among others the European Commission, Universities UK, the Higher Education Funding Council for England, and the UK Office of Science and Technology. David has recently completed a five partner study for the EU on processes of learning in cities and is currently researching regionalised science policies.

International Expert

Lyn Tait has had a 25-year career in public administration in the Canadian provinces of British Columbia and Alberta. She has served as Deputy Minister in several portfolios: British Columbia Ministry of Small Business and Tourism; British Columbia Intergovernmental Secretariat; and the Alberta Department of Career Development and Employment. She has a strong public policy and strategic planning background, and extensive experience in dealing with diverse stakeholder groups on sensitive and high profile issues. Her public service career covered a wide range of assignments ranging from negotiator in the Charlottetown Constitutional discussions on devolution of federal sector responsibilities to planning for new budgets and programmes in the post secondary sector. Since her retirement from public administration, Lyn has been engaged in a number of projects related to post-secondary policy and planning. She chaired the 2004 cross-Canada consultations for the Canada Millennium Scholarship Foundation and in 2005 co-chaired the Development Conference on Work and Learning for the Canadian Council on Learning. She has served as a consultant to the Council of Ministers of Education, Canada, in their organisational review and has completed projects for various government departments and private foundations on issue review and policy development.

National Expert

Scott Bowman is Pro-Vice-Chancellor (Cairns, International & Development) at James Cook University based at the Cairns campus. Prior to taking up this position, he was Dean of the Whyalla campus and Director of Regional Engagement at the University of South Australia prior to this he was Head of the School of Clinical Sciences at Charles Sturt University. Professor Bowman trained as a radiographer in the UK and holds the Diploma (DCR), a Higher Diploma of the College of Radiographers (HDCR). He has a MA in Politics and Government, from Guild Hall University in London and a PhD in Clinical Judgement and Decision Making from the Open University in the UK. Professor Bowman also has a keen interest in health professional education and holds a Teachers Diploma of the College of Radiographers (TDCR) and a Certificate of Further and Adult Education (FAETC). Professor Bowman's main research interests are university community engagement, judgement and decision-making, models of care in professional practice, extended and expanded roles for health professionals, and patient care in medical imaging.

Team Coordinator

Steve Garlick has more than twenty years experience in the field of regional development as a policy developer and ministerial adviser, programme manager, regional practitioner, and researcher. He was a senior executive in the Australian Government for around twelve years in the areas of regional development, industry and local government. He holds Masters and PhD degrees in economics. He is currently Professor of Regional Engagement at the University of Sunshine Coast and an adjunct professor in regional development at Swinburne University of Technology in Melbourne. His research interests are in the fields of regional and community development, higher education, and institutional performance assessment. For the last eight years he has researched and published particularly in the area of universities and regions. He also runs a research consultancy business. He has a keen interest in ethics. In his spare time is the president of an Australian native animal caring organisation and, with his wife, cares for injured and orphaned wildlife on their property near Canberra.

APPENDIX 2. REGIONAL CO-ORDINATORS, REGIONAL STEERING COMMITTEE, AND AUTHORS OF THE REGIONAL BACKGROUND REPORT

Regional Coordinator

Associate Professor Ron Neller, OECD/IMHE Regional Coordinator (Sunshine-Fraser Coast Region), University of the Sunshine Coast

Regional Steering Committee

Mr Graeme Pearce, Executive Director, Sunshine Coast Regional Organisation of Councils (SunROC) (Chair)
Cr Don Aldous, Mayor, Caloundra City Council
Mr Brian Arnold, Economic Development Manager, Cooloola Regional Development Bureau
Mr Stephen Dixon, Managing Partner, Bell Dixon Butler, Lawyers
Mr Colin Graham, Chief Executive Officer, Innovation Centre Pty Ltd
Mr Phillip Harding, Resort Owner/Developer, Noosa Blue Resort
Mr Ian Hawke, Director, Commonwealth Office of Higher Education
Mr Steve Hogan, Chief Executive Officer, Sunshine Coast Area Consultative Committee
Cr Barbara Hovard, Mayor, Maryborough City Council
Mr Craig Humphrey, Director - Sunshine Coast, Department of State Development and Innovation
Ms Kirsti Kee, Regional Executive Director - Wide Bay Burnett, Education Queensland
Ms Cherrell Picton, Secretary, Sunshine Coast Business Council
Ms Tory Richards, General Manager, Reed Property Group
Professor Ken Stott, Provost, Wide Bay Campus, University of Southern Queensland
Professor Paul Thomas, Vice-Chancellor, University of the Sunshine Coast
Dr Peter Whitney, State Manager - Queensland, Commonwealth Department of Education, Science and Training
Mr Ron Wynn, General Manager, Wide Bay Group Training
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Ms Ruth Hilton, Manager (Research & Higher Degrees), Pro-Vice-Chancellor's Office (Research), Office of Research Administration
Mr Luke Parker, University Statistician, Planning, Quality & Statistics

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Mr Ian Hawke, Director, Commonwealth Office of Higher Education
Mr Steve Hogan, Chief Executive Officer, Sunshine Coast Area Consultative Committee

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Mr Ron Wynn, General Manager, Wide Bay Group Training

APPENDIX 3. PROGRAMME OF THE REVIEW VISIT

OECD review visit to the Sunshine-Fraser Coast Region, 29 October – 4 November 2005

Saturday 29 October

Arrival of International Peer Review Team into Brisbane

Sunday 30 October

2.30 pm to 3.30 pm   Hervey Bay

Associate Professor Ron Neller, Ms Louise McLaren and International Peer Review Team informal meeting to finalise/confirm/discuss the review visit

4.00 pm onwards   Fraser Island, Kingfisher Bay Resort

Tour of Resort and Research Facilities
Dinner with Mr Ivor Davies, Kingfisher Bay Resort

Monday 31 October

9.00 am – 10.30 am   University of Southern Queensland – Wide Bay Campus (USQ)

Professor Ken Stott, Provost
Ms Lauretta Wright, Associate lecturer, Faculty of Arts
Mr John McMaster, Wide Bay Co-ordinator, Faculty of Education
Ms Ronda Eastall, OECD/IMHE Project Officer USQ

10.30 am – 11.00 am   University of Southern Queensland - Wide Bay Campus (USQ)

Professor Ken Stott, Provost, Wide Bay Campus
Mr John McMaster, Wide Bay Co-ordinator, Faculty of Education
Dr Patrick O'Brien, Lecturer, Faculty of Education
Ms Penny Richards, Lecturer, Faculty of Business
Dr Trudy Yuginovich, Associate Dean & Nursing Program Coordinator, Faculty of Sciences
Ms Ronda Eastall, OECD/IMHE Project Officer USQ

11.00 am – 12 noon	University of Southern Queensland Wide Bay Campus (USQ)
	USQ Students Meeting
12.30 pm – 2.30 pm	
	Mr Stephen Dixon – Bell Dixon Butler Lawyers Mr Ron Wynn – Wide Bay Group Training
3.30 pm – 4.30 pm	Hervey Bay City Council
	Cr Ted Sorenson, Mayor Mr Leigh Bennett, Chief Executive Officer
6.45 pm onwards	Dinner – Hervey Bay
	Professor Ken Stott, Provost, USQ Associate Professor Ron Neller, USC Mayor Ted Sorenson, Hervey Bay City Council Cr Donna Neilson (proxy for Mayor Mick Venardos) Mr Stephen Dixon, RSC member Mr Cameron Bisley, Wide Bay Burnett Area Consultative Committee Mr Noel Gorrie, CEO, Maryborough City Council (proxy for Mayor Hovard) Ms Kirsti Kee, Education Queensland Mr Brian Arnold, Cooloola Regional Development Bureau Mr Ron Wynn, Wide Bay Group Training

Tuesday 1 November

9.30 am – 10.30 am	Education Queensland, Maryborough
	Ms Kirsti Kee, Regional Executive Director
11.00 am – 12 noon	Maryborough City Council
	Cr Barbara Hovard, Mayor, Maryborough City Council Mr Noel Gorrie, CEO, Maryborough City Council Mr Andrew Jackson, Economic Development Manager Mr Chris Foley, Independent Member of Parliament for Maryborough Mr Lee Hochberg, Interim Manager, AiemNET
12.00 – 12.45 pm	Lunch
	Cr Barbara Hovard, Mayor, Maryborough City Council Mr Noel Gorrie, CEO, Maryborough City Council Mr Andrew Jackson, Economic Development Manager, Maryborough City Council Mr Chris Foley MP, Independent State Member for Maryborough Mr Lee Hochberg, Interim Manager, AiemNET
1.00 pm – 2.00 pm	Wide Bay Burnett Area Consultative Committee
	Mr Cameron Bisley, Executive Officer
3.15 pm – 4.15 pm	Cooloola Regional Development Bureau
	Mr Brian Arnold, General Manager

Wednesday 2 November

9.00 am – 10.00 am University of the Sunshine Coast

Professor Paul Thomas, Vice-Chancellor

10.00 am – 10.30 am University of the Sunshine Coast

Professor Greg Hill, Deputy Vice-Chancellor
Associate Professor Pam Dyer, Acting Dean, Faculty of Arts and Social Sciences
Professor Deborah Ralston, Dean, Faculty of Business
Professor Rod Simpson, Dean, Faculty of Science, Health and Education

10.30 am – 11.00 am University of the Sunshine Coast

Campus Tour with Associate Professor Ron Neller, USC
Mr John Lockhart, Executive Principal, Chancellor State College

11.00 am – 12 noon University of the Sunshine Coast

VC's Regional Engagement Advisory Committee

1.00 pm – 2.00 pm University of the Sunshine Coast

Dr Brendan Burkett, Director, Centre for Health Activities, Sport and Exercise (CHASE)
Mr Narayan Gopalkrishnan, Director, Centre for Multicultural and Community Development
Dr Scott Prasser, Director, Sunshine Coast Research Institute for Business Enterprise
Associate Professor Ron Neller, Director, Institute for Sustainability, Health and Regional Engagement

2.15 pm – 3.00 pm Maroochy Shire Council

Cr Joe Natoli, Mayor
Mr Graeme Pearce, Chair, OECD/IMHE Sunshine-Fraser Coast Regional Steering Committee

3.15 pm – 4:15 pm Sunshine Coast Business Council

Ms Tory Richards and Members
Mr Graeme Pearce, Chair, OECD/IMHE Sunshine-Fraser Coast Regional Steering Committee

4.30 pm to 5.30 pm

Mr Steve Hogan, Sunshine Coast Area Consultative Committee
Mr Craig Humphrey, Department of State Development and Innovation
Mr Graeme Pearce, Chair, OECD/IMHE Sunshine-Fraser Coast Regional Steering Committee

6.45 pm onwards Dinner
Professor Paul Thomas, Vice-Chancellor
Professor Greg Hill, Deputy Vice-Chancellor

Professor Robert Elliot, Pro Vice-Chancellor
Associate Professor Ron Neller
Hon Chris Cummins MP
Mayor Joe Natoli, (HOST), Maroochy Shire Council
Mayor Don Aldous, Caloundra City Council
Mr Graeme Pearce, Chair of the Regional Steering Committee
Mr Phillip Harding, Noosa Blue Resort
Mr Steve Hogan, Sunshine Coast Area Consultative Committee
Mr Craig Humphrey, Dept of State Development and Innovation
Ms Tory Richards, Reed Property Group
Mr Colin Graham, Innovation Centre Sunshine Coast

Thursday 3 November

10.00 am – 11.00 am   Noosa Council

Cr Bob Abbot, Mayor

12 noon – 1.00 pm   University of the Sunshine Coast

Lunch
Professor Paul Thomas, Vice-Chancellor
Professor Greg Hill, Deputy Vice-Chancellor
Professor Robert Elliot, Pro Vice-Chancellor International and Development, USC

1.00 pm – 2.00 pm

Ms Carolyn Siddel, Elected Student Representative to USC Council
Ms Treasa Taylor, President, USC Student Guild
Ms Roxann Tjea, Director, USC Student Guild
Ms Maria Arena, Post Grad Student, Faculty of Art and Social Science
Mr Adrian Abnett, Faculty of Science, Health and Education, Under Graduate Student
Ms Angie Roberts, Faculty of Business, Third Year Student, Peer Adviser
Mr Michael Gardiner, Faculty of Arts and Social Science, First Year Student

2.00 pm – 3.00 pm   Cooloola Shire Council

Cr Mick Venardos, Mayor
Mr Russell Faulkner, Chief Executive Officer
Cr Donna Neilson, Councillor

4.30 pm – 5.30 pm   Caloundra City Council

Cr Don Aldous, Mayor
Mr Graeme Pearce, Chair, OECD/IMHE Sunshine-Fraser Coast Regional Steering Committee

Friday 4 November

10.00 am – 11.00 am   Office of Higher Education Queensland, Brisbane

Mr Ian Hawke, Director

Mr Graeme Pearce, Chair, OECD/IMHE Sunshine-Fraser Coast Regional Steering Committee

11.00 am – 12.30 pm Feedback from the International Peer Review Team

Associate Professor Ron Neller
Mr Graeme Pearce and Ms Louise McLaren

2.45 pm to 3.45 pm Commonwealth Government Department of Education, Science and Training, Brisbane

Dr Peter Whitney, State Manager, Queensland
Attendee from the Canberra Office