INDEPENDENT
HIGHER EDUCATION
AUSTRALIA

IHEA SUBMISSION

BUSINESS AT OECD (BIAC) CONTRIBUTION TO THE 2025 OECD EDUCATION POLICY REFORM DIALOGUES

21 October 2025

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Independent Higher Education Australia appreciates the opportunity to provide feedback on Business at OECD (BIAC) 2025 OECD Education Policy Reform Dialogues, specifically on the consultation paper Nurturing Engaged and Resilient Lifelong Learners in a World of Digital Transformation: Empowering Lifelong Learners Through Strategic Business Engagement. Feedback on the paper is due by 29 October 2025.

IHEA feedback

Introduction

IHEA welcomes the OECD's ongoing leadership in advancing lifelong learning as a productivity measure to support economic reform to put downward pressure on inflation and increase living standards.

While Australia has a strong foundation in education and skills development, it has not yet embedded lifelong learning as a systemic, universal right or entitlement. Current funding and policy frameworks remain largely focused on initial qualifications rather than continuous learning across a person's working life.

Our perspective is very much from that of higher education, and, as such, we support work informed by England's Lifelong Learning Entitlement (LLE) toward the development and implementation of flexible and transferrable learning entitlements across the tertiary system.

Lifelong learning

Lifelong learning enables individuals to upskill and re–skill as they move through their working lives. As Australian workers are expected to frequently change jobs and tasks within jobs, we will need a flexible and adaptable tertiary education system that will enable individuals to update their skills over the course of their working lives.

This adaptability is vital for both individual employability and for maintaining a skilled and productive workforce that supports national prosperity.

The Australian Government has set a target for 80 per cent of the workforce to hold a tertiary qualification by 2050, up from 60 per cent in 2023. However, meeting the target alone will not be sufficient and infrastructure to support lifelong learning is also needed.

While predictions can be made that skills in some broad areas will experience greater demand in the future, specific skill needs can be very hard to predict. Many occupations that will be created in coming decades may be hard to envisage and also rely on technologies that have not yet been developed.

This puts a critical focus on lifelong learning to update skills in response to changing technologies and occupational demands. As such, the education and training sector needs to be dynamic and adaptable.

In 2023, the Productivity Commission recommended that the Australian Government should build a consolidated strategy to ensure that all Australians can access learning throughout their lives and grow with the economy. This covers both the higher education and vocational education and training (VET) sectors.

While some measures are in train to support lifelong learning, the critical element that isn't in place is a more connected higher education and VET sector.

We believe this could be facilitated by a common and shared income–contingent loan system for tuition fees as proposed by the England's LLE initiative, which specifically supports continuous learning throughout a person's working life.

England’s Lifelong Learning Entitlement (LLE)

From September 2026, England’s LLE will be a single funding system to help people pay for higher education or further (vocational) education courses.

The LLE is designed to help individuals train, retrain, and upskill flexibly over their working lives. It provides access to an income–contingent loan equivalent to four years of tertiary study, usable at any stage of life up to age 60.

The LLE will:

- Include qualifications across both higher education and VET, including bachelor's degree or technical qualifications, such as certificate, diploma and higher apprenticeship. Support will be for either full degree or technical qualifications or modules, which are similar to microcredentials.
- Allow individuals to develop new skills and gain new qualifications at a time that is right for them. The loan aims to help people – and employers – to respond flexibly as skills in the workplace and employment patterns change.
- Enable tuition fee limits to be based on credits and the amount of study in a course. This is instead of being based on the number of academic years in the course, as is the case under the existing system. The fee limit directly relates to the amount of study in the course rather than the number of years studied.

In light of these developments in England, which modelled their income contingent loan system on Australia’s, our view is that Australian and likely other global education and training sector funding settings need to be more flexible to support lifelong learning.

As per what is occurring in England, this should not just include conventional qualifications and units of study but also microcredentials.

This aligns closely with the consultation paper’s emphasis on strategic business engagement in shaping flexible, responsive lifelong learning systems.

Opportunities from an LLE

The benefit of an LLE system is that it would deliver a joined–up, efficient and equitable funding mechanism across the tertiary education sector, supporting lifelong learning and improved workforce adaptability.

For Australia, many of the building blocks of an LLE are in place, including a seven year student learning entitlement (in government supported places in higher education), income contingent loans in higher education and for higher VET qualifications and work to progress microcredentials as recognised qualifications.

The LLE takes a further step in the trajectory that Australia is on to support lifelong learning. It does this under a single income contingent loan system, which applies for both higher education and VET. Better connecting the higher education and VET sectors will be critical to underpinning and supporting lifelong learning and the evolving jobs market.

The LLE provides a model for how tertiary systems can work in partnership with employers and business to create adaptable, demand–driven lifelong learning pathways.

Recommendations

The paper identifies the following recommendations to shape further OECD work with relation to lifelong learning, with the engagement of business:

- **Continue to build the evidence base on the importance of lifelong learning** including to highlight investment in lifelong learning programmes and their impacts/outcomes.

- **Emphasise lifelong learning at upcoming dialogues**, including at Ministerial level, as opportunities to deepen international cooperation, share best practices, and further integrate the business voice into education policy design and implementation.
- **Encourage business partnership with government and academic institutions** to ensure that educational systems provide the necessary foundational skills and nurture a mindset of lifelong learning, inspiring individuals to enhance their employability in a dynamic work environment.
- **Underline the importance of digital infrastructure** for affordable connectivity and high–quality hardware for both teachers and learners, thereby ensuring access to learning opportunities.
- **Underline the need for support of reskilling and upskilling** for all ages to cope with the digital transformation of our economies and jobs through apprenticeships, work based learning, and vocational trainings over the course of the career path.
- **Identify effective technology solutions** by working with schools, institutions, and businesses – including SMEs – that support learning and work continuity and leverage connectivity infrastructure and hardware for those without access.
- **Emphasise the value of social dialogue** to ensure that lifelong learning initiatives and policies respond to immediate needs of business and employees.

While these are commendable and worthwhile recommendations, we would also encourage the addition of a more ambitious recommendation, which will assist and encourage member nations, including Australia, to develop, implement and evaluate lifelong learning systems, as follows:

- **Develop an OECD Framework on Lifelong Learning Entitlements.** The OECD should develop a comparative Lifelong Learning Entitlement Framework, drawing lessons from the implementation of the English model and other international approaches, to guide countries in designing:
    - Portable funding accounts for individuals to access learning throughout their life, whether that be higher education, VET or microcredentials.
    - Cross–sector credit recognition systems linking higher education, VET and microcredentials.
    - Models to ensure access, quality and return on investment.
    - Metrics for individuals, business and national outcomes from lifelong learning investments.
    - This framework could serve as a global benchmark to accelerate policy adoption and alignment among OECD members. This may be aided by the development of toolkits for each of the above elements to assist member nations.

Conclusion

The OECD's focus on nurturing engaged and resilient lifelong learners is timely and essential. IHEA strongly supports the OECD's leadership in promoting data–driven and partnership–based approaches to lifelong learning. By fostering stronger collaboration between business and education, embedding digital and AI literacy and developing flexible funding mechanisms, such as lifelong learning entitlements, OECD members can equip individuals and economies to thrive in a rapidly changing world.

IHEA INDEPENDENT HIGHER EDUCATION AUSTRALIA

Who We Are

Independent Higher Education Australia Ltd. (IHEA) is a peak body established in 2001 to represent Australian independent (private sector) higher education institutions. Our membership spans independent universities, university colleges and other institutes of higher education, all of which are registered higher education providers accredited by the national higher education regulator, TEQSA or associate members seeking registration.

There is a long tradition of independent higher education providers in Australia, with the first provider created as early as 1815, only 27 years after the first British settlement in Sydney in 1788. In total, five providers were established between 1815 and 1845 and preceding the first public university. The fifth of these was St James College, which was created in 1845. The founders of St James College were then involved in creating Moore College in 1856, and remarkably Moore College, a University College, still exists and is Australia's longest continuously operating independent higher education provider.

Our Vision is that students, domestic and international, have open and equitable access to world class independent higher education in Australia, built on the foundations of equity, choice, and diversity.

Our Mission is to represent independent higher education and promote recognition and respect of independent providers as they contribute to Australian education, the Australian economy, and to society in general. We achieve this by promoting continuous improvement of academic and quality standards within member institutions, by advocating equity for their staff and students, and by delivering services that further strengthen independent providers' reputations as innovative, sustainable, and responsive to the needs of industry and other relevant stakeholders in both higher education and vocational education and training. IHEA's commitment is to excellence, productivity and growth in independent higher education being delivered through a trusted Australian education system underpinned by equity, choice, and diversity.

IHEA members have different missions, scales, and course offerings across the full AQF range (Diplomas to Doctorates). IHEA has 87 higher education providers that are members, which rises to 124 if those providers' constituent colleges and subsidiaries are included.

IHEA's 87 higher education providers comprise:

- Five private Universities (Australian University of Theology, Avondale University, Bond University, Torrens University and University of Divinity).
- Six University Colleges (ACAP University College, Australian University College of Divinity, Alphacrucis University College, Excelsia University College, Moore Theological College and SAE University College).
- A further eight (Griffith College, International College of Management Sydney, Kaplan Business School, Marcus Oldham College, Morling College, Photography Studies College, The College of Law and Western Sydney University International College) self–accrediting institutes of higher education (nineteen in total including the Universities and University Colleges described above).
- Seventy–one not–for–profit and for–profit institutions of higher education (which includes three self–accrediting institutes); and related corporate entities.

IHEA members teach approximately 74 percent of the students in the independent sector (i.e., more than 130,000 students) and educate students in a range of disciplines, including law, agricultural science, architecture, business, accounting, tourism and hospitality, education, health sciences, theology, creative arts, information technology, human services and social sciences.

IHEA holds a unique position in higher education as a representative peak body of higher education providers. Membership in IHEA is only open to providers registered, or seeking registration, with the Australian regulator – TEQSA. However, some IHEA members are dual and multi–sector providers who also deliver VET and/or English Language Intensive Courses for Overseas Students (ELICOS) courses.

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