Accounting education in Australian Colleges of Advanced Education: A story of transition

Elaine Evans
Macquarie University

Roger Juchau
University of Western Sydney

Keywords: Accounting education; Colleges of Advanced Education; Accounting profession; Accounting history

JEL classification: M41, M48

* Corresponding author
Dr Elaine Evans
Department of Accounting and Finance
Macquarie University, NSW 2109, Australia
Ph: +61 2 9850 6477
Fax: +61 2 9850 8497
Email: eevans@efs.mq.edu.au

Acknowledgement: This project was funded by the Department of Accounting and Finance at Macquarie University and the School of Accounting at the University of Western Sydney. We wish to thank Dianne King for her research assistance.

Accounting education in Australian Colleges of Advanced Education: A story of transition

Abstract

The contributions of Australian Colleges of Advanced Education (CAEs) to accounting education between 1966 and 1988 were potent. CAEs accelerated the growth of accounting pedagogy and scholarship in Australia following the establishment of formal university courses in Accounting and the appointment of the first fulltime university chair in 1955. This paper provides an historical account of the emergence and evolution of the academic discipline of Accounting in CAEs, demonstrating their linkages and benefits to the profession and the academy. They made valuable contributions to professional education and practice, institutional leadership, community development and applied scholarship. The paper focuses on a much overlooked period of accounting education development in Australia.

1. Introduction

For over 20 years from 1966 to 1988 Colleges of Advanced Education (CAEs), including Institutes of Technology, contributed greatly to the progress and standing of accounting education and the accounting profession in Australia. By 1988, there were twenty nine advanced education institutions offering degrees in accounting. All were accredited by the Australian Society of Accountants (ASA) now CPA Australia and The Institute of Chartered Accountants in Australia (ICAA), the two professional accounting bodies in Australia.

The development, contribution and accomplishments of these CAEs need to be recognised, given that more than half the accounting graduates in Australia during and beyond that period, received degrees and diplomas from them. They employed large numbers of academic staff, and graduated students from across the age, gender, workplace and location spectrum from within and outside Australia. The majority of students attended on a part time basis.

The paper first provides a background to government and professional actions relevant to CAE origins and development. Next, a review is made of the initiatives giving rise to Accounting as a graduate profession. The paper then explores the growth, development and challenges that Accounting experienced in CAEs until their disappearance in 1989. Concluding observations are provided on the impact and significance of accounting education conducted by CAEs.

2. The Murray Report and the Australian Universities Commission

Towards the end of the 1950s, it had become apparent from various manpower projections that expansion of existing tertiary education institutions on its own was not

enough; Australian government policy-makers wanted higher education to adapt to the needs of society by providing more high level technologists and more applied research workers (Davies 1989). To understand the changes in Federal Government policy in relation to higher education, it is necessary to look at two important bodies: The Murray Committee 1957; and the Australian Universities Commission 1959.

In 1957, the Committee on Australian Universities (the Murray Committee) was set up and from its recommendations came Federal Government grants for capital purposes and a substantial increase, not only in the funds made available to universities by the Federal and State Governments, but in the proportion contributed by the Federal Government. This, together with the establishment of the Australian Universities Commission (AUC) in 1959, to act as a liaison between universities and governments and to advise the Federal Government on universities' needs, began a new phase of Federal Government participation in the development of state universities (Australian Council for Educational Research 1964).

The task of the Murray Committee was to indicate ways that the universities might be organized to ensure that their long-term pattern of development was in the best interests of the nation, and in particular to inquire into such matters as: the role of the university in the Australian community; the extension and coordination of university facilities; technological education at university level; and the financial needs of universities and appropriate means of providing for these needs.

The Report of the Committee on Australian Universities (the Murray Report) contained seeds for the expansion of the tertiary education sector and ultimately the creation of CAEs. It outlined the role of the universities in the community, stating that industry and commerce were calling for more graduates and declared that every boy or girl with the necessary brain power must, in the national interest, be encouraged to come forward for a

university education, and there must be a suitable place in a university for every one who desired it. Interestingly, the list of necessary graduates did not include accountants, but did include economists (The Parliament of the Commonwealth of Australia 1958).

The Report expressed disappointment that public opinion in Australia was not yet alive to the fact that 'what makes the strength of a nation today is its professional and scientific man-power'. It observed that there had not been the same public recognition in Australia of the vital importance of science and technology to the life and progress not only of industry but also of the nation, as there had been in the United Kingdom and the United States. A further observation was that there was little participation in research by private industry.

The Report argued that '… professional training should be the function of the universities and all forms of non professional training should be the function of the technical colleges'. There was general discussion of technical colleges offering diplomas which could be recognised as degree courses, if there was a means of doing so. Also, there was an argument that technical colleges should not offer degrees and universities should not offer diplomas (The Parliament of the Commonwealth of Australia 1958: para. 287).

The Report predicted that the enrolment in universities[1] would move from 36,465 in 1957 to 70,785 in 1965; a 94% increase in just eight years. In extending those numbers to 1967, it was predicted that enrolments would rise to 80,000; an increase of about 120% over 10 years. The Committee recognised strong grounds for the establishment of a second Victorian university in Melbourne. It also noted that ' … it must be expected that the NSW University of Technology will assume many of the features of a traditional university. In such

[1] In 1957, there was: The University of Sydney, New South Wales University of Technology, The University of New England, The University of Melbourne, The University of Queensland, The University of Adelaide, University of Western Australia, University of Tasmania, Canberra University College and Newcastle University College. The Australian National University did not have undergraduate students.

an event, it might be more appropriately become known as The University of New South Wales. Such a change in title would in any case be desirable were it ever to grant degrees in medicine such degrees granted by a University of Technology might place their holders under some disability' (para. 318).

The Committee affirmed:

> … that government cannot escape the duty to satisfy itself that there are enough facilities for university education to enable those young men and women of the nation who ought to have a university education to acquire it; it must also be responsible for ensuring that the nation has a provision of universities to train graduates in the numbers and of the kinds which the country's situation demands; and it must also satisfy itself that the universities have the facilities and resources to conduct effectively research of the kind which can best, and in some fields perhaps can only, be conducted in universities (para 328).

Further chapters of the Report identified the lack of a national policy for financial assistance to universities and the need to expand university education.

The Murray Report provided a new emphasis to the role of the university in the community and in national development and gave fresh purpose to government support of universities. The report produced guidelines for a partnership between universities and the states and led to a major increase in Federal Government funding. It recommended establishing an Australian University Grants Committee within the Prime Minister's Department to advise the government on the level of financial assistance required by universities.

In July 1959, a permanent Australian Universities' Commission (AUC) was established to advise the Prime Minister on the financial needs and the balanced development of universities (Australian Council for Educational Research 1964). Sir Leslie Martin, Professor of Physics at The University of Melbourne, was appointed as chairman of AUC and was to have a close working relationship with Prime Minister Menzies. The AUC was a

statutory authority, whose recommendations would not be subject to Federal Treasury scrutiny (Davies 1989).

After the acceptance of its First Report in November 1960, the AUC felt it had obtained the trust of universities and governments because it had established the routines necessary to enable it to discharge its main advisory functions. In relation to the later years of the 1960s, the first triennium was a golden age for the AUC and its chairman, Professor Martin, could see that growth in the magnitude of the funds required would necessitate a greater need for the AUC to measure the educational needs of universities against governments' capacity to pay.

The AUC believed that the basis of its effectiveness as an advisory agency was its right to make independent assessment of the needs of universities from submissions and continued discussions. Total funds involved in the proposals of each university were considered confidential. As AUC Commissioners began to read submissions for the 1964-66 trienniums, they became convinced that many of the requests were unreasonable; a lack of concern for realistic submissions had developed. The AUC was unable to establish standardised procedures. States' priorities were schools but they had to match the ever-increasing grants to universities (Gallagher 1982).

The AUC had transformed the university scene but incurred some criticism from the Federal Government, which resulted in a curb on any further increase in funding for universities and a requirement to find cheaper, alternative means to satisfy the demand for higher education outside the university system (Anderson and Eaton 1982). The political decision was to recommend ways in which the demand for university education could be met within financial limits and to consider the pattern of tertiary education in relation to the needs and resources of the nation.

The Murray Report had initiated a new phase of Federal Government participation in universities; and the AUC had increased Federal Government funds to universities. During this period there were: threats to accounting education in technical colleges with the Murray Report's recommendation that all forms of non professional training be the function of the technical colleges; pressure on the accounting bodies to adopt matriculation entry standards in line with the requirements of the growing university sector; and a continuing lack of agreement between the two professional accounting bodies in relation to accounting education requirements for membership**.**

3. The Education Initiatives of the Professions

Paralleling these developments in Federal Government policy tertiary education funding in the late 1950s and early 1960s, the two professional accounting bodies were continuing to develop policies and procedures in relation to accounting education. However, they needed to react to a number of external forces that the government had recognised and reacted to, namely the growing economy and the complexity of business. The question of the location of accounting education in higher education institutions was an inevitable outcome.

Prior to this expansion of education in higher education predicted by the Murray Report in 1957 and facilitated by the establishment of the AUC (and its funding models), accounting education in Australia in 1959 was largely controlled by the professional accounting bodies. Candidates for membership of the Australian Society of Accountants (ASA) could complete courses at technical colleges or universities which comprised subjects recognised by the ASA as being equivalent to subjects in its own professional examinations. An alternative was for a candidate to pass all the examinations set by the ASA.

In the 1950s, the ASA had established procedures for subjects in university and technical college courses to be recognized as equivalent to subjects in its own professional

examinations. This monitoring was a result of the earlier introduction and growth of accounting education in technical colleges and universities in the 1940s and 1950s (Birkett and Evans 2005). The relationship of the professional bodies and the education institutions was mediated through a process of approval firstly of subjects and then courses. In the case of the ASA, the State Councils submitted a recommendation to the National Education Committee (NEC), which in turn reported to General Council. Those recommendations involved exempting candidates from ASA examinations on the basis of passes in equivalent university subjects. General Council, on the basis of recommendations from the NEC accepted a list of universities and their equivalent subjects. State Councillors were either on university advisory committees or had access to subject outlines etc., from which judgements of equivalence could be made. It was possible for university graduates to be exempted from all ASA examinations. That was not usually the situation, as a number of university courses did not include Commonwealth Taxation Law and Practice (Report of ASA Education Committee 21 April 1958: 26).

Candidates for membership of The Institute of Chartered Accountants in Australia (ICAA) could complete courses at technical colleges or universities which comprised subjects recognised by the ICAA as being equivalent to subjects in its own Intermediate Examinations. An alternative was for a candidate to pass all the Intermediate Examinations set by the ICAA. For the ICAA, the processes for recognition of these subjects were identical except that recognition was ascribed to subjects deemed to be equivalent to subjects in the Intermediate Examination Groups 1 and 2.[2] The ICAA wanted a closer relationship with the Universities on a practical as well as an academic basis, especially from the point of view of university training for the accounting profession. Unlike ASA candidates, ICAA candidates

[2] Intermediate Group 1 examinations comprised Accounting, Auditing and Commercial Law. Intermediate Group 2 examinations comprised Company Law, Banking and Exchange, Bankruptcy Law and Miscellaneous Law.

were never fully exempted from ICAA examinations and had to complete the Final Examination irrespective of whether they were technical college or university graduates (Minutes of ICAA Executive Council 13 October 1957: 1829).

As accounting education grew in the universities and technical colleges, so did the recognition given to the role of academics and their contributions. Professors R. J. Chambers, A. A. Fitzgerald, L. Goldberg, R. Mathews and E. B. Smyth had been influential with both the ICAA and the ASA during the 1950s and early 1960s. Writing in *The Australian Accountant*, Chambers (1956) expressed the view that some accounting teachers found the existing syllabi of the professional bodies to be much less than they believed necessary. He argued that there should be some means for constant and continuous consultation between the education committees of the associations and the teaching profession - not so much to ensure that educational institutions conform to the requirements of the professional institutions, as for advancing the level of education and competence of those who seek to enter the profession. Chambers criticised the absence of explicit statements of educational policy and piecemeal changes in the curriculum.

Also writing in *The Australian Accountant* C. R. Hicking (1960), a member of the ICAA Council, argued for a correlation between university education in accountancy and increasing the status of the profession. He observed that a comparatively recent development of particular importance to the profession was the increasing interest of the universities in accountancy education as evidenced by the establishment of Chairs of Accountancy in The University of Melbourne and The University of New South Wales (UNSW), and the appointment of Associate Professors and Lecturers at other universities. He regarded this as reflecting the increasing status of the accounting profession in Australia and the proper blending of academic instruction with practical experience, and believed that the profession would accrue considerable benefit.

Braddock (1960: 252) of the (then) Adelaide School of Mines, writing in *The Australian Accountant* in 1960, also suggested this relationship. He wrote that the development of accountancy teaching in universities and technical colleges was welcomed as conferring status on the profession, assisting in meeting other professions on a common basis educationally. He argued that the relationship between profession and the higher education institutions was important and acceptance by the professional accounting bodies of qualifications gained in these institutions is not a blind acceptance of others' standards, but a truly joint and co-operative venture by the profession and the educational authorities. He speculated about whether the professional bodies ceasing to conduct their own examinations was premature, but acknowledged that this was a development which had been met by all other professions and would have to be faced by the accountancy profession.

The Australian Association of University Teachers of Accounting (AAUTA) was founded in 1960 (Goldberg 1987) within this context and Chambers, the first President, wrote to the ICAA announcing the formation of an association of teachers of accounting whose objectives were to advance education in accounting, to encourage research in accounting, to develop media for the discussion of accounting and to promote closer relations among university teachers and others interested in the development of accounting. Membership was limited to full time teachers in institutions of university rank, a very contentious issue at the time (Minutes of Executive Council 7 November 1960: 2140). AAUTA firmly believed that accounting education for the profession should be located in universities. So this set the scene for some interesting interchanges between teachers in universities and teachers in the emerging CAEs of the mid and late 1960s.

The late 1950s and early 1960s are characterised by a consolidation of accountancy studies in the university and technical college sectors. This was due to rapid technological developments changing the nature of accounting work. That work required a movement away

from the technical aspects of accounting, where education in technical colleges was sufficient, to higher education institutions where education for the profession could be provided as a precursor to professional examinations. Many of the reforms were driven by changes in Federal Government policy that recognised the value of education in a modernising society.

However, further accounting transformation would take place as the recommendations of the Vatter and Martin Reports were adopted by the professional bodies and the Federal government.

4. Accounting as a Graduate Profession

Two far-reaching reports had an impact on accounting education; one (the Martin Report) commissioned by the Federal Government in 1961 and the recommendations implemented in 1965; and the other (the Vatter Report) commissioned by the professional accounting bodies in 1964 with the recommendations being implemented in 1967. The consequences for accounting education in CAEs are outlined below.

4.1 The Martin Report

The appointment of The Committee on the Future of Tertiary Education in Australia (The Martin Committee) in August 1961 was a direct outcome of the dramatic increase in funding to universities. The Martin Committee was a committee of the AUC and had no independent status. Sir Alexander Fitzgerald, Foundation Professor of Accountancy from 1955-58 at The University of Melbourne and Martin's close friend, was on the committee. Fitzgerald had been Chairman of the Commonwealth Grants Commission from 1946 to 1960. Martin relied heavily on friends and former colleagues at The University of Melbourne to assist him in his inquiries. The Committee's report concluded that the existing system of

tertiary education in Australia was restricted too closely to traditional forms of university education and that there was a considerable waste of talent among students of potential ability who needed opportunities for other kinds of education. In particular, accounting was seen to be narrow and specialised (Anderson 1990). The Committee called for a wider, more diverse range of tertiary opportunities and acknowledged that the non-university tertiary institutions were weak. Its solution was new institutions to be called colleges of advanced education and the name was to be extended to institutions of higher level studies developed from the principal metropolitan technical colleges. These new institutions were not expected to offer degrees only diplomas. They were not prevented from offering degrees but this would be accomplished without Federal Government financial assistance.

The Report of the Committee on the Future of Tertiary Education in Australia (the Martin Report) (Australian Universities Commission 1964), adopted in 1965, set the shape of higher education in Australia for the next 20 years. Knowledge was separated into two sorts: basic and applied. The binary system was established for universities to engage in basic research and educate future researchers; and CAEs were expected to conduct applied research. The effect on accounting education was to place it in a specialised higher education program

Very soon after the adoption of the Martin Committee's recommendations, the Victorian Institute of Colleges was established and most closely followed the Martin concept with the power to approve and make awards. In other states, a Board of Advanced Education was established to coordinate and develop colleges. In Western Australia, a Tertiary Education Commission was set up and the Western Australian Institute of Technology (WAIT) was initially developed out of the Perth Technical College. In New South Wales, a Higher Education Authority was set up and the Department of Technical Education supervised the development of diploma courses in the New South Wales Institute of Business

Studies (later known as the New South Wales Institute of Technology [NSWIT]) on the site of Sydney Technical College but no metropolitan colleges were developed. In Queensland, developments lagged behind those in other states but an Institute of Technology (QIT) was established at Central Technical College Brisbane. In 1960 the South Australia Institute of Technology (SAIT) evolved from the South Australian School of Mines and Industries and Boards of Education were set up. Also founded later were the Tasmanian College of Advanced Education and the Canberra College of Advanced Education (Hudson 1975).

In 1963, when the Martin Committee called for submissions, Bennett and Mathews wrote a submission on behalf of AAUTA. Extracts from this were reproduced in the April 1963 *AAUTA News Bulletin*:

> While the universities recognise the responsibility to the profession which this (students specialising in accountancy) implies, we feel that universities should not concern themselves too closely with problems of professional training as distinct from more general educational objectives. Many subjects which the professional accountant must be familiar with, in particular a detailed knowledge of bookkeeping, auditing and business practice, lack analytical content and have no place in undergraduate university courses. We believe strongly, however, that the professional training of accountants should be superimposed upon analytical courses of the kind provided by universities for purposes of their bachelor of economics and bachelor of commerce degrees. Research and collaboration with economists, statisticians and mathematicians has led to accounting being recognised in the universities as one of the basic social sciences. (Bennett and Matthews 1963)

They urged Government to recognise the dual role of accounting as a professional subject and an academic discipline.

The ASA announced that a joint committee consisting of ASA, ICAA, Australasian Institute of Cost Accountants (AICA) and the Public Accountants Registration Board (PARB) would consider the ramifications of the Martin Report (Middleton 1965). There was concern expressed about the Federal Government's attitude towards the proposal for a degree

course as ‘the avenue to ultimate professional membership through the technological institutions’ (Middleton 1965: 227)

4.2 *The Vatter Report*

A 'Survey of Accountancy Education in Australia' was proposed by the ASA Executive Committee and endorsed by the ASA General Council in 1960 (Minutes of ASA General Council 20-22 June 1960: 68). When the ASA approached Haskins and Sells Foundation for support for the survey, the Foundation decided that it should not participate in the project unless it was equally sponsored and supported by both the Society and the Chartered Institute (Minutes of ASA Executive Committee 9 March 1961: 3).

The response from Haskins and Sells Foundation prompted the ASA to approach the ICAA to seek their cooperation but they were not interested in cooperating with the Society in a joint survey of accountancy education in Australia as suggested by the Haskins and Sells Foundation. In 1962, the ICAA was asked to reconsider but it responded by saying that it was busy with its own Committee of Review. That Committee recommended a target intake of university graduates only into the ICAA even though this would cause a problem for the provision of adequate personnel at lower levels (Minutes of ICAA General Council 14 May 1962: 5974; Minutes of ASA Executive Committee 18 June 1962: 34).

In November 1963, the ASA reported that William J. Vatter, Professor of Business Administration, University of California at Berkeley, had accepted a Fulbright Scholarship and would conduct the survey. In February 1964, the ASA announced that the ICAA and Australasian Institute of Cost Accountants (AICA) had agreed to participate in the survey and jointly sponsor it with the ASA (Minutes of ICAA Executive Committee 31 January 1964: 2510; Report of ASA Education Committee 2 April 1964: 6). The committee appointed to advise Professor Vatter comprised representatives from industry, accounting

firms, the academy and the Public Accountants Registration Board (PARB). Vatter (1964) recommended that education for the accounting profession should be undertaken in universities and ‘upgraded technical colleges’. The new colleges of advanced education fitted this bill very nicely. Various state governments wasted no time in establishing accounting courses in the new tertiary institutions.

5. Professional Responses

Because the two professional accounting bodies had no way of knowing the quality of courses in the new CAEs, from 1967 the ASA instituted a new level of approval - 'provisional approval' (ASA Minutes of Executive Committee 6-7 October 1966). As a monitoring device, each Divisional Council was to appoint a sub committee to study educational developments in the field of accountancy and maintain personal contact with the various state educational institutions. Direct influence through Boards of Examiners was no longer possible and in 1969 the Divisional Councils were requested by the Registrars to seek representation of ASA Councils on Councils and Committees of Advanced Education.

In March 1967, *The Australian Accountant* listed the courses that had been granted provisional approval (Andersen 1967: 128). These were:

> Diploma in Commerce of the NSW Department of Technical Education;
>
> Associate Diploma in Accountancy of the Queensland Institute of Technology;
>
> Diploma of Technology – Accountancy of the South Australian Institute of Technology;
>
> Diploma of Accountancy of the Tasmanian Department of Education;
>
> Associateship in Accounting of the Technical Education Division of the Western Australian Department of Education; and
>
> Diploma of Business Studies – Accounting of the Victorian Department of Education.

By the end of 1967, the ICAA had agreed on its procedures for recognition of courses. The Council would approve in principle the recommendation to grant exemption for approved courses at tertiary level and the Education Committee was to be responsible for

recommending the courses to be approved. In fact the courses were identical to the ones approved by the ASA, although approval was not done on a joint basis. The ICAA had secured the same arrangements but recognition operated in a different way. Diplomas/degrees from Institutes of Technology and degrees from universities were granted exemption from Groups 1 and 2 of the Intermediate Examinations. Certificates from technical colleges were granted exemption from Group 1 only (Minutes of ICAA General Council 13 November 1967: 7052.4).

The internal mechanisms for recognition were continuing to evolve. The two accounting associations negotiated agreed positions. However the 1968 Wiltshire Committee, anticipating that CAEs would award degrees as well as diplomas, received separate submissions from the ASA and ICAA, even though the ASA had sought cooperation with the ICAA. At a meeting of the ICAA Executive, Finance & General Purposes Committee on December 10, 1968 it was reported that Mr Orr, the President of the ASA had written to the Federal Minister for Education and Science concerning the interest of the accounting associations in education at the tertiary level, especially whether degrees or diplomas should be given by colleges of advanced education. Mr Orr wanted the ICAA and the ASA to jointly sign the letter. The minutes record that Mr Hepworth, Chairman of the Education Committee, in a letter dated 5 December 1968 recommended that both the accounting associations be represented on any body appointed to advise on 'comparability of standards in awards' in accounting courses and that the two bodies could well nominate a representative each. The ICAA decided to seek representation on any such body. Originally, the ICAA Executive considered that a degree should be confined to university graduates but now, in line with the Wiltshire Committee [3] it suggested that degrees be issued by CAEs (Minutes of Meeting of ICAA Executive, Finance & General Purposes Committee 10 December 1968: 3452).

[3] In 1968, the Federal Government set up a committee to inquire into awards at CAEs. The problem was that

In the 1960s, accounting as a profession was looking to align itself with university and technological study (as distinct from technical study). Previously the relationship of the professional bodies with technical institutions and coaching colleges was important for the ASA and the ICAA respectively. Many of the courses in those institutions and colleges provided instruction for the accounting bodies' examinations. In past decades this relationship had gone through various stages with the acceptance of increasing responsibility by the technical institutions and coaching colleges for the examination preparation of students. The influence of the accounting bodies was exercised through representation on advisory committees, appointment of staff and other matters judged relevant to the efficiency of instruction. But the Martin and Vatter recommendations changed the perception of technical education in relation to the [accounting] profession.

6. CAEs Responding to Accounting Demand Growth

The recommendations of the *Vatter* and *Martin* Reports took further fruit in 1970 when the ASA introduced a qualifying exam for graduates of both CAEs and Universities (Australian Society of Accountants 1969). This change recognised the value of allowing tertiary institutions to shape and innovate their curriculum to align with their own institutional goals, and at the same time, provided a single national identification for those graduates planning professional careers in accounting.

This change gave wider standing to CAE awards as they were accorded the same standing by the ASA as degrees from universities. This policy change was signalled back in 1965 (Australian Society of Accountants 1965) when the ASA indicated that it was to abandon professional examinations and prospective members would be required to complete

---

CAEs were offering genuine alternatives to universities but could only offer a 'diploma' and not a 'degree'. The report of the Wiltshire Committee published in 1969 recommended that CAEs could confer a bachelor's degree for at least 3 years of study in an intellectually demanding vocational discipline. An advanced diploma would still be conferred for study with an emphasis on vocational skills.

a recognised degree or diploma before being eligible to sit their qualifying exam (Report of ASA Education Committee to General Council 18 April 1966).

How this announcement played out with the accounting groups in CAEs is difficult to trace but it would have given them confidence to move their awards from diplomas to degrees. For example RMIT, one of the twenty CAEs in play at this time, announced that it would introduce a Bachelor of Business in Accountancy in 1971 following approval by the Victoria Institute of Colleges.

Encouraging signs then greeted the CAEs in 1970. Recognition and reputation, however, were going to be constant challenges as they pushed their accounting awards into the competitive world of university degrees and professional body qualifications. Supported further by the sentiments of the Wiltshire Committee[4] (The Parliament of the Commonwealth of Australia 1969) CAEs could believe that their awards now had a standard of excellence and a richness of content comparable to any sector of tertiary education.

The CAE system in 1970, especially in Victoria and Western Australia, was in a sound position to respond to the opportunities for student growth in accounting studies following professional recognition initiatives. Table 1 gives a view of the relative size of universities and CAEs in 1970.

Insert Table 1 here

7. Establishing Territory

Recognition of CAE awards by the professional bodies was timely given the reported demand and supply conditions for professionally qualified accountants in December 1971. A severe shortage of accountants was being registered and a large number of unfilled advertised

[4] This Committee recommended that CAEs be given the power to confer degrees with distinctive titles (B. Tech., B. App. Sc., B. Bus. S.) and also to award masters degrees.

positions reflected this crisis in supply. The advent of new CAE courses suggested that supply conditions would be improved in the medium to long term. Dyall, from RMIT, was commissioned by the Federal Government to do a study on why demand had continued to outstrip supply.

In June 1972 Australian CAEs (see Table 2), were offering recognised professional courses.

Insert Table 2 here

In June 1972, the twenty CAEs offering accounting awards could believe that prospects for growth and increased recognition were high. Whilst most awards offered were diploma level, plans were in hand in all states to move from diploma to degree awards by 1976. This prompted Carrington from UNSW to remark that CAEs would soon cease to occupy their nominal role and become universities, in fact, if not in name. Whatever the roles for CAEs and their responsibilities for accounting programs, it was becoming clear that they would soon be a dominant player in the accounting landscape. Perhaps the view of Mathews (1972), now at ANU, on the role of CAEs, was being realised. He took a positive view on their role in tertiary education which resonated with the views of many college leaders of the early 1970s. The basis for differentiating between colleges of advanced education and universities was therefore not related to the question of educational standards, but must be sought by reference to differences in aptitudes and motivation on the part of students on the one hand, and differences in academic structure and in the vocational orientation of courses on the other (Gibson 1971; Mathews 1972).

In 1973, a background series on Universities and CAEs which profiled those CAEs offering accounting awards commenced in *The Australian Accountant* (Australian Society of Accountants 1973a, b, c, d, e; Australian Society of Accountants 1974 a, b, c, d, e; Australian

Society of Accountants 1975a, b, c, d, e, f). The series carried through to 1976 (Australian Society of Accountants 1976a, b, c, d). The profiles of the various CAEs gave a background on courses, staff, and facilities as well as details of special features of their operations, location and education mission. The profiles of newer CAEs, for example Nepean, Riverina-Murray and Macarthur, were not included. A list of the staff heading up the accounting programs at these colleges in this period is given in Table 3.

Insert Table 3 here

Staff leading the accounting programs at these colleges in this period made valuable leadership contributions to the development of the discipline of Accounting by involvement with the professional bodies. Their contributions, together with their colleagues, led to the advancement of educational ideas and practices, the expansion of applied research, new text books and contributions to the Accounting Association of Australia and New Zealand (AAANZ) formerly AAUTA and its journal. Later some of these staff, as well as some of their colleagues, were appointed to professorial positions in accounting (see Table 4) in both the older and new generation universities (formed post 1987).

Insert Table 4 here

CAEs claimed that they were giving accounting education a fresh agenda and mandate to bring the profession and practice of accounting to students through a more intensive, vocational and personal approach and giving greater recognition to the importance to both the affective and cognitive dimensions of education. Perhaps more importantly, claims were made in the profiles of the diversity of curriculum arrangements providing a wide array of approaches to constructing the foundation, core and elective elements of accounting programs. And, not surprisingly, a common theme in the claims was recognition and use of technologies in supporting teaching and learning activities.

By 1974, nearly ten years since CAEs were founded, the accounting profession saw the discipline of Accounting in the CAEs prospering and, in part, benefiting from Federal Government support for resource growth and capital development. Further impetus to growth was signalled when in 1974 the new Federal Labor Government took over the funding of tertiary education as well as abolishing student fees. One effect of the removal of fees was to increase the proportion of school leavers and full time students attending accounting courses at CAEs which, hitherto, had high enrolments from mature-age and former technical college students, most of who studied part time or through distance mode. The latter groups of students kept CAEs linked to employment conditions and demands as well as providing a valuable link to the profession and practices of accounting. Importantly, as many CAEs had regional and outer urban settings, such local students also provided community viewpoints and provided a means for CAEs to demonstrate to their communities the benefit of applied or vocational oriented education.

The links of CAE accounting staff with their university colleagues were improved following their eligibility for admission to AAUTA in 1971 and their subsequent involvement in annual conferences. This complemented contributions being made to the *AAUTA News Bulletin*. At the 1973 annual AAUTA conference in Geelong, 16 papers were presented; four were from CAE staff. Attendees at the conference included 68 university staff from Australia and New Zealand and 76 staff from CAEs. By 1975, CAE membership of AAUTA had grown to 173 representing 43% of its membership. CAE staff had established critical ties with their university counterparts through the agency of AAUTA and its successor organisation AAANZ. They jointly hosted annual conferences with universities. For example, the 1977 annual conference was hosted by Kuring-gai CAE and Macquarie University. CAE paper contributions to conferences were grew and by 1980, at the AAANZ conference at Townsville, 19 papers of the 53 papers presented were by CAE staff. They also contributed to

AAANZ through service as elected officials. Gibson from Gordon was the first CAE staff member to be elected President in 1973 followed by three CAE presidents in succession; Branford (1974, Tasmania), Hunter (1975, Swinburne) and Winfield (1976, WAIT).

CAE accounting programs and staff were benefiting from the growth of the CAE sector. In 1966, 26 colleges were operational in the sector with a total enrolment of 24,300 students. By 1977 there were around 50 colleges (about a half of which had accounting programs) with a total enrolment of 140,000 students. Observers of the CAE sector would note the continued drift of CAEs toward more conventional academic practices and awards and it was a striking fact that by 1977 around 50% of college students were enrolled in postgraduate or bachelor degree courses. This growth reflected the active support of state government regulating agencies which accredited all new courses and approved funding for these courses.

Other signs of achievement and development in college accounting continued in 1978. SAIT produced its own academic journal, *Accounting Forum* (still published), which was a first for a CAE. RMIT, which had been running a Business Studies Research Lecture series for six years, brought out leading US academic, Charles Horngren, to deliver the lecture and provide his support to lecture elsewhere in Sydney and Melbourne. And more generally CAE staff were contributing to professional and academic literature. In a sample core ten year period, 1978-1987, the journal *Accounting Education* (now *Accounting & Finance*) had 16 articles by CAE staff and 65 from university staff; *Accounting Forum*, had 67 articles from CAE staff and 28 from university staff. In the professional literature, *The Australian Accountant* had 74 articles from CAE staff and 131 from university staff whilst in *The Chartered Accountant in Australia* 26 articles came from CAE and 115 from university staff.

The release of the Williams Report in 1979, which resulted from a Federal enquiry into education and training in Australia, commended the changes in accounting education and professional preparation and accorded recognition to CAE contributions to these changes. The reported observations on Accounting reflect how vital the CAEs were to implementing these transitions:

> One might contend that the rise in educational standards was wasteful, and so it would have been if the nature of the job had not changed and if the only point of education was to prepare people for jobs. But all agree in dismissing the latter hypothesis, and evidence abounds to show that the nature of many jobs has changed considerably, as for example in the accountancy profession, where the practitioner is now expected to exercise talents far more diverse than those formerly required for bookkeeping and auditing. So both the Australian Society of Accountants and the Institute of Chartered Accountants in Australia, stipulate basic requirements for the members – of three years full time courses, (or equivalent) encompassing certain elements at a CAE or university: a justifiable change from 20 years ago, when few accountants were graduates . . . and some had not completed year 12 before taking professional examinations (Education, Training and Employment 1979: Section 98).

In the decade of the 1970s, accounting in CAEs enjoyed the fruits of the 'binary' system. They confidently implemented courses and staff development and secured some parity of esteem with universities through elevating their awards to degree status, participating in academic and professional associations and contributing to academic, educational and professional literature. Their staff enjoyed comparable salary conditions to university staff. Accounting in CAEs benefited from the strong demand for accountants and growth in students, now freed from the burden of fees, who sought vocational and applied degrees. Staff in the CAEs continued to confront issues of peer respect and reputational power when contending with university acceptance in common areas and groups of interest.

Decentralisation of CAEs brought strong ties to communities and gave access to educational opportunity to a range of students. In accounting, part time and mature age students welcomed access to a 'local' college where they could pursue a professionally recognised award (Hayward 2006). In many respects the brief for CAEs, as set out by the Martin Committee, was well realised by accounting groups as they shaped their affairs, brought Accounting to more communities and improved supply to a critical professional labour market.

8. CAEs Facing Troublesome Times

CAEs were settling into their stride by 1980 and signs of progress and achievement in Accounting were evident. Dyall's (1982) study of the supply of accountants in Australia, reported the output of accounting degree majors of CAEs. In 1980 output was 1732 (1643 in 1977) and was projected to grow to 2465 by 1985, an increase of 733. In 1980, over 20 CAEs were supplying accounting graduates and, in terms of accounting graduates, they were matching universities which produced 1819 graduates in 1980 and were projected to supply 2399 by 1985.

More formal research activity by CAE academics became evident at the start of the decade. For example, there were pioneering efforts on the study of accounting history. The vehicle for reporting histories was the *Accounting History Newsletter* (now the journal *Accounting History*) whose inaugural editors were two CAE academics, Gibson from Gordon and O'Keefe from Riverina CAE (later Riverina – Murray Institute of Higher Education). These editors published 17 issues of the newsletter from Winter 1980 through to 1989 when its successor, *Accounting History*, was published with Gibson as the first editor.

Further evidence of CAE involvement was supplied by Melbourne academic Phillip Cobbin (1996) who reviewed publications and research output of Australian accounting

academics from 1960-1990. He reported that about 1250 items had been published of which 184 had been in the area of accounting education. In the period 1970-1990 more than half of these education items came from CAE academics, whilst in the non-education area university academics were dominant. In such conditions, where CAEs were beginning to assert their presence after having enjoyed generous support from governments, they could rightfully believe that the road ahead would be untroubled.

In what has been described as draconian measures, in 1981 the Federal Government under Prime Minister Fraser announced cutbacks in tertiary education activities and funding.[5] In the history of Australia, Harman (1982) claimed, there were no comparable examples of such extensive, dramatic and sudden cutbacks in government functions or such thorough pruning of government agencies. For CAEs the result was rationalisation, consolidation and amalgamations as well as constraints on expenditure. Further limits to activities were imposed to avoid duplication with universities and to ensure adherence to the vocational objective. Whilst some increase in funds came to CAEs to help move resources from teacher education to business and technology courses, the net outcome was to push CAEs into tight budgetary conditions and to dampen their growth.

By 1982, the professional accounting bodies were noting the adverse affects of funding on the supply of graduate accountants and acknowledged the resourcing problems of Accounting in CAEs and universities. Student/staff ratios in Accounting, already higher than most other faculties, had been stretched further and some courses had not been able to maintain an appropriate output of accounting graduates in relation to other tertiary graduates. The funding squeeze had hit accounting departments hard. The Australian Society of Accountants reported in the 1982 September issue of its journal, the profession's concerns regarding the deterioration in funding and the increase in student/staff ratios in CAEs and

[5] The 1981 Committee of Review of Commonwealth Functions was known as the 'Razor Gang'.

universities (see Salmon 1982: 530). In CAEs the student/staff ratio in 1976 was 13.7:1 and by 1980, it had blown out to 18:1. They noted the adverse consequences of these ratios for student engagement and teaching standards and contended that the profession would not stand by and see accounting departments carrying a larger burden than those in other academic departments.

Further light on Accounting in CAEs was shed by Houghton's (1982) profile study on accounting and finance educators in Australia and New Zealand. The generalised conclusions did not split features or characteristics of universities and CAEs. One element of difference, however, was revealed on staffing levels where CAEs appeared to have less staff in ranks below lecturer and this, it was conjectured, was because CAEs relied extensively on casual staff to supply tutorial style roles. Houghton noted that for both sectors the proportion of accounting and finance educators holding higher degrees was relatively low when compared with management academics and other academic staff. The vast majority, though, held some form of professional accounting qualification.

The continued pressure on resources and difficulties encountered by accounting educators prompted an AAANZ membership survey of accounting education in Australia (1982-83) conducted by Peter Standish (then President of AAANZ). He reported the survey results in *Accounting and Finance*, in November 1983. In part it gave an overview of the features of accounting staff and operations as well as commentary on policy issues arising from the survey responses (responses included 162 CAE educators). The survey provided some data on CAE operational features. For example the majority of staff who responded were less than 49 years old (77%), most were male (90%), only few possessed a PhD (7), the majority (51%) had 10-19 years fulltime academic experience, and, in 1982, the average publications per CAE staff member was 1.0 compared to University staff (1.7). The majority of students in CAEs (94.1%) were enrolled in undergraduate degrees. Using the metaphor of

‘being at the crossroads’ Standish (1983), in part, concluded that both universities and CAEs would probably take a downhill course with intensifying battles over money and greater efforts to secure a fair share of the resources needed for a truly professional standard of education.

However growth, resource pressures, staff shortages, graduate output inadequacy and other difficulties in tertiary education and the profession led the two professional accounting bodies at the end of 1985 to establish a task force (Gardener 1986; Task Force for Accounting Education in Australia 1988) to undertake a major review of the future of accounting education in Australia and to invite submissions on accounting education on a range of matters including educational models, cost structures of accounting education, core and prerequisite knowledge for an undergraduate degree, graduate demand and supply, entry and accreditation requirements. Commissioned research on a number of these issues was conducted by Birkett (1989) who examined education models, trends, and professional tasks and was supplemented by research on supply and demand of accounting graduates by Wallace (1987).

The Task Force handed down its report in February 1988 and, not surprisingly, drew comment from the professional and business media. Typical headlines appeared on the state of accounting education claiming it was ‘at risk’ and ‘at the crossroads’. Not surprisingly, the presidents of the professional bodies (which, together with AAANZ, had supported a $100,000 budget for the Task Force) spoke out on the ‘current crisis on education’ and ‘future education at risk’ issues and called upon the Australian Federal Government to act promptly and decisively to solve the structural and funding crisis in accounting education.

9. Reform and Review

While the ink was drying on the report of the Task Force, the big reforms on tertiary education were being ventilated. The reforms brought on by Dawkin's Task Force on Higher Education in Australia, and the subsequent discussion paper (Green Paper) in 1987 and definitive paper (White Paper) in 1988, signalled a major transformation of the university and CAE sectors into a Unified National System (the Dawkins reforms). The purpose of these reforms was to allow the higher education system to 'descend from the clouds and harness itself to industry and commercially productive research and study', and transform education into an activity for the economic good. Accounting education, at degree level, would be soon conducted by a higher education system comprising 37 universities. And these developments were to unfold on the back of a period of decline in funding to Australian universities. Between 1975 and 1987, government capitation grants had declined by around 23% in real terms.

Between 1987 and 1988, there was intense lobbying activity, not only by the AAANZ in submissions to Education Minister Dawkin's review of the higher education system, but also by the ICAA and ASA through campaigns, submissions and deputations to the Federal Government and to Dawkins to improve accounting education in Australia and especially to remedy the conditions identified by the Task Force for Accounting Education in Australia (1988). Of particular focus was placing the issues of gross under funding and understaffing of accounting education on the political agenda.

In CAEs, the conditions in Accounting were of little significance to senior management as they absorbed the signals and implications of their institutions moving to university settings where they would have to compete for teaching and research resources on the basis of institutional merit and capacity. Faced with the prospect of a standardised

funding base as well as a more commercial and entrepreneurial approach to selling courses and securing private sources for research, their attention was directed at these larger issues as well as the macro issues of institutional translation and establishment to deal with competitive forces arising through a Unified National System. CAEs were to become 18 new university players in the education market where established universities had powerful reputations and monopolised high value education. They were to face market segmentation where they were likely, for some period, to remain low in the university pecking order. They had the challenge to position themselves in the university sector as well as differentiate themselves from each other. They were to adopt slogans emphasising such elements as customer friendliness and employability of graduates – 'A university for the real world' and 'A university for students'.

Many accounting staff in CAEs may have supported the AAANZ submission to the Dawkins enquiry which drew attention to the substantial unmet demand for accountants and the ongoing decline in the quality of accounting education. AAANZ's recommendations to improve funding and education quality through private funding (via tax incentives), and to introduce private tertiary institutions and ultimately the introduction of a fee–based tertiary education system, may however have not resonated well with those CAE staff who held that education was a public right and an investment in the nation's future. And it is doubtful whether AAANZ's response to Dawkins' (1988) Green Paper which recommended progressively decreasing public funding in higher education and relying on demand–side resourcing policies would have similarly resonated with these groups.

By 1988 CAEs had truly sniffed the winds of change. The emergence of the unitary system of tertiary education in 1989 meant the CAEs had entered the university landscape, promising a diverse education and research provision, new challenges for staffing and accounting governance, changes in relationships with professional and educational agencies

and new demands on the academic leadership of Accounting. The financial media by early 1989 quickly captured the challenges and difficulties besetting Accounting, reporting that some universities and CAEs had been threatened with a loss of accreditation because of staffing and other problems. Also flagged was an extensive review of the Accounting discipline in higher education funded by the Federal Government, the ASA (now the Australian Society of Certified Practising Accountants ASCPA) and ICAA, and conducted by a review panel (Mathews, Brown and Jackson). The review, at a cost of $500,000, was to take 12 months and report to the government by May 1990. It was announced after the government funded an additional 6,000 accounting places in tertiary institutions. The review looked at universities and at CAEs, a number of which were planning to be become universities in their own right or were to become absorbed by existing universities. Table 5 lists the 1987 CAEs offering accounting and their ultimate University 'home'.

Insert Table 5 here

The release of the Mathews Report (1,100 pages) in July 1990 (Department of Employment, Education and Training 1990) stimulated positive and negative reaction amongst the key stakeholders and, by November 1990, it became apparent that the resource provider (Baldwin, Labor Education Minister) and the current and future resource allocators (Vice-Chancellors) were ignoring Mathews.

Not surprisingly both government and the institutions (via their official spokespersons) opposed the key recommendations because the resourcing policy recommendations required considerable changes in the level and channelling of funds to accounting departments. To an educator's eye, the key thrust of Mathews' recommendations was hardly ground-breaking. The calls for a four year degree to allow a more balanced and diverse education, more improvement in the way funds were allocated, the reduction in class

sizes and student/staff ratios (a target student/staff ratio of 16:1), the raising of qualifications and numbers of academic staff, the improvement in teaching methods and resources and the boosting of research were greeted by the professions and accounting educators as just, well-founded and long overdue (Tippett 1992).

However the rejection in November 1990 by the Higher Education Council of the major recommendations in the Report meant that the implementation of Chairman Mathews' final recommendation in the report, that the Minister for Higher Education should commission a study in 1993 to report on progress towards the implementation of the proposed program, was highly unlikely. As a cynical observer might have commented, a final investment of $500,000 to provide the blueprint for major reforms in accounting education, had been flushed down the drain. The chronic neglect and the need for revitalisation identified by Mathews was now apparently placed on an 'infinite-pending' agenda. The interventionist tone of the Report was criticised especially by vice-chancellors who considered that the directional and reallocation tone of Mathews was out of bounds. The Vice-Chancellor of UNE labelled the accounting review 'extremely interventionist' and rejected recommendations attempting to usurp the decision processes of universities.

In the wake of Mathews' Report, both the Australian Society of Certified Practising Accountants (ASCPA) formerly the ASA and ICAA issued new joint accreditation standards broadening the guidelines issued in 1988. Commenting in *BRW* Ann Johns, the ASCPA's education director, reported new standards including student/staff ratios of 16:1 by 1994, lecture groups not to exceed 250 by 1995, tutorials limited to 15 by 1995, 80% academic staff to hold a masters degree or better by 1995, and departmental funding flow of $4 500 per student in 1990 dollars by 1995. These benchmarks were never attained and new accreditation guidelines were to be issued in 1996. Critics of the 1991 push by the ASCPA to drive education quality via input specifications were quick to point out that there was no

demonstrated link between designated inputs and the quality of the education outcomes of accounting courses.

The problems and issues raised by Mathews could be placed both in university and CAE sectors. Certainly the number of full time staff in CAEs had not kept pace with the growth of student load and the consequent high student staff ratios threatened the quality of accounting education. And CAEs shared with their university counterparts funding shortfalls arising from policies and practices of government and institutions which generated funding approaches based on historic cost relativities of different disciplines and a disregard of the education needs of Accounting. The under funding of Accounting both penalised students and staff and undermined education and academic standards. Accounting schools and departments suffered from a long-standing failure by their institutions to allocate sufficient resources to achieve educational outcomes comparable to other disciplines.

10. Concluding Remarks

Overall, the story of CAEs is one of success. In 1971, less than 2% of Australia's population aged 15 years or over held a degree or higher educational qualification. By 1991, this proportion had risen to 8%. The ABS attributes this increase in part to 'the progressive upgrading to degree status of courses which were at diploma level or lower in 1971' (Hayward 2006: 84). This period broadly coincides with the CAE era and this growth of the participation rate in higher education must be largely attributed to their work. In respect of fields of study, *Social Trends* indicates that the percentage of Australians with degrees in 'business administration' rose from 11.9% pre-1971 to 16.8% in 1991. And accounting made a significant contribution to that rise.

From their beginnings, CAEs grew to be a diverse group of institutions and evolved into university-like institutions through the levels of awards which they offered. After

incorporating teachers' colleges in 1973, the CAE system grew further. In 1975, 30% of their students, in 1980, 50%, and in 1985, 55%, were studying for degrees. By 1980, CAEs were running masters' degrees and undertaking research. Accounting enrolments in diplomas and degrees grew strongly. In 1980, when total enrolments in universities and CAEs were almost equal (around 120 000 student load), around 15% of CAE students were studying Accounting.

CAEs diverted some of the flow of accounting students from universities and recruited academic staff, most of who had prior training in universities, and adopted university practices to assist CAEs to gain size, prominence and confidence. CAEs accounted for much of the growth of mature age, female, part time and external students studying accounting. The diversion of staff diluted accounting staff ranks in universities and promising clusters of university staff were weakened as they took higher positions in CAEs. By the mid 1980s, 17 universities and 28 CAEs were competing for a pool of academic staff at a time when shortages of experienced scholars were well and truly on the register. It is not clear whether the less expensive CAE degrees, emerging in the late 1970s, encouraged university leaders and government policy makers to drive down costs of degrees, like Accounting. Lines of demarcation between accounting academics in CAEs and universities were not always clear. They all belonged to the one academic association and the same academic and appointment recognition criteria (higher degrees, publications) applied in both types of institutions. The residual aura of university experience prevailed in CAEs. The pursuit of research was also undertaken by CAEs. Their capacity to offer higher research degrees and to take a role in generating competitive research grew during the 1980s.

The CAEs made notable contributions to the future professorial manpower of both the established universities and the new generation universities which followed the Dawkins

reforms. A number of academics either started their scholarly careers in CAEs or spent time in CAEs as stepping stones in their career pathways.

11. Postscript

As part of this research a number of these professors were contacted to report how their CAE experience impacted on their scholarly development and outlook. Predictably responses made compared life in CAEs with universities, identifying, not unsurprisingly, the higher teaching loads and uneven research ethos that prevailed in their CAEs and what that meant for their personal development. Particular benefits mentioned from the CAE experience included understanding the value of strong professional linkages, deeper appreciation of teaching and learning practices, stronger empathy with part time/adult learner communities and insights into the scholarly dimensions of effective pedagogy. Less positive experiences included lack of support for pure research and the eschewing of a scholarly ethos by some staff.

A number of these professors, as early career academics, had their first CAE contact in the early to mid 1970s and experienced CAEs at their embryonic stage. Given this development environment it is unlikely they would have encountered settled scholarly conditions calling for scholarship beyond that required to mount effective teaching programs. Some, as experienced academics and professionals, had been recruited by the CAEs to take on leadership positions and directly shaped both the scholarly and administrative conditions for accounting education and research. These leadership positions, while valuable for future careers in the professoriate, gave scope for securing experience in institutions seeking to establish identity, status and market position in periods where federal and state higher education policies were generating uncertainty about CAE funding security and education mandates. The impact of their leadership can be seen in the relative success of the growth and

diversity of CAE education programs and the acceptance and recognition of CAE graduates both by the accrediting bodies and employers. And many of these leaders also took key leadership roles in advancing the interests of professional, academic and community associations which supported and assisted the recognition of CAEs. The sobering and disturbing conclusions of Mathews, cast an understandable shadow on Accounting as well as masking some of the achievements of CAEs, which despite the falling resources for the discipline of Accounting throughout the 1980s, were able to carry through with the momentum that was created in the 1970s.

The Dawkins reforms brought CAEs to an end. Their removal generated reflections from education and industry leaders on whether their disappearance was a mark of progress or failure in tertiary education policy and development in Australia. The CAEs were, in effect, assemblies of professionals and educators, set alight by the opportunities supplied by the binary arrangements, and created an education market demanding accessible and vocational courses and which catered to the needs of the then non-conventional groups e.g. a mature age, part time student body. Accounting moved easily into the CAE scene bringing appealing professional courses to expanding urban areas and major regional centres throughout Australia. In many respects they were able to stand shoulder to shoulder with their university cousins once they became fully operational. Their graduates won wide acceptance by employers and the professions and helped to alleviate manpower shortages in accounting. They made significant contributions to their communities and their support associations. The accounting education enterprise in Australia was progressed and enriched by CAEs. And for many observers their loss to the Australian education scene robbed the nation of a vital, yet different, educational arena where vocational education and applied disciplines had a supportive and dynamic home.

As CAEs were being swallowed up by the unified national system, their accounting departments could take some heart from their successful entry and sustained contributions to Accounting and, with respect to educational practices, lost no favourable comparison with their university counterparts. A range of conjectures have been raised here to explain the creation and demise of CAEs. Manpower supply, institutional economics and regional development arguments may be invoked to explain why CAEs were created and where they were located. The interplay between higher education policy and pork barrel politics also might account for some of the CAEs. However, there are those who may argue that some of the latter-established CAEs were simply a means to make teachers' colleges more viable and community-relevant institutions rather than mono-purpose institutions which had long passed their value to communities requiring access to a broader range of professional courses.

CAEs were extinguished by the Dawkins reforms that viewed the binary system as no longer generating outcomes that met Federal Government policy. Dawkins and his advisers saw a unitary system of universities as better able to meet national and international aspirations in relation to higher education. Between 1966 and 1988, the CAEs contributed greatly to the progress and improved the standing of accounting education and of the accounting profession in Australia and these contributions and accomplishments are recognized here.

References

Primary Sources

Minutes of Australian Society of Accountants Executive Committee, March 1961.

Minutes of Australian Society of Accountants Executive Committee, June 1962.

Minutes of Australian Society of Accountants Executive Committee, October 1966.

Minutes of Australian Society of Accountants General Council, June 1960.

Minutes of Meeting of ICAA Executive, Finance & General Purposes Committee, December 1968.

Minutes of The Institute of Chartered Accountants in Australia Executive Committee, October 1957.

Minutes of The Institute of Chartered Accountants in Australia Executive Committee, November 1960.

Minutes of The Institute of Chartered Accountants in Australia Executive Committee, January 1964.

Minutes of The Institute of Chartered Accountants in Australia General Council, May 1962.

Minutes of The Institute of Chartered Accountants in Australia General Council, November 1967.

Report of Australian Society of Accountants Education Committee, April 1958.

Report of Australian Society of Accountants Education Committee, April 1964.

Report of Australian Society of Accountants Education Committee, April 1966.

Secondary Sources

Andersen, C. W., 1967, Accountancy Education – Present and Future, *The Australian Accountant,* 37(3), 126-32.

Anderson, D. S., 1990, The Undergraduate Curriculum Education Recruits to the Profession, in *Mere Technicians? Papers from the AVCC Workshop on a Coherent Professional Curriculum,* ed. D. Anderson, Occasional Papers, No. 7, AV-CC, Canberra, 22 - 40.

Anderson, D.S. and E. Eaton, 1982, Australian Higher Education Research and Society, Part I, Post-War Reconstruction and Expansion 1940-65, *Higher Education Research and Development,* 1(1), 5-32.

Australian Council for Educational Research, 1964, *Review of Education in Australia 1955-1962.* ACER, Hawthorn.

Australian Society of Accountants, 1965, Future Educational Policy of the Society – Changes Announced, *The Australian Accountant*, 35 (November), 566-572.

Australian Society of Accountants, 1967, Professionalism, *The Australian Accountant*, 37 (March), 125.

Australian Society of Accountants, 1969, Educational Requirements for Admission to the Society and Introduction of Qualifying Examination, *The Australian Accountant*, 39 (October), 452.

Australian Society of Accountants, 1973a, Footscray Institute of Technology, *The Australian Accountant.* 43(4), (May).

Australian Society of Accountants, 1973b, Canberra College of Advanced Education, *The Australian Accountant*, 43(6), (July).

Australian Society of Accountants, 1973c, The Western Australian Institute of Technology, *The Australian Accountant*, 43(8), (September).

Australian Society of Accountants, 1973d, The Tasmanian College of Advanced Education, *The Australian Accountant*, 43(9), (October).

Australian Society of Accountants, 1973e, The Queensland Institute of Technology, *The Australian Accountant*, 43(11), (December).

Australian Society of Accountants, 1974a, Warrnambool Institute of Education, *The Australian Accountant*, 44(3), (April).

Australian Society of Accountants, 1974b, The Capricornia Institute of Advanced Education, *The Australian Accountant*, 44(5), (June).

Australian Society of Accountants, 1974c, South Australian Institute of Technology, *The Australian Accountant*, 44(7), (August).

Australian Society of Accountants, 1974d, Prahran College of Advanced Education, The Australian Accountant, 44(8), (September).

Australian Society of Accountants, 1974e, Gordon Institute of Technology, *The Australian Accountant*, 44(11), (December).

Australian Society of Accountants, 1975a, Swinburne College of Technology, *The Australian Accountant*, 45(2), (March).

Australian Society of Accountants, 1975b, Caulfield Institute of Technology, *The Australian Accountant*, 45(3), (April).

Australian Society of Accountants, 1975c, Royal Melbourne Institute of Technology, *The Australian Accountant*, 45(5), (June).

Australian Society of Accountants, 1975d, Preston Institute of Technology, *The Australian Accountant,* 45(6), (July).

Australian Society of Accountants, 1975e, Darling Downs Institute of Advanced Education, *The Australian Accountant,* 45(7), (August).

Australian Society of Accountants, 1975f, New South Wales Institute of Technology, *The Australian Accountant,* 45(9), (October).

Australian Society of Accountants, 1976a, Mitchell College of Advanced Education, *The Australian Accountant,* 46(2), (March).

Australian Society of Accountants, 1976b, Kuring-gai College of Advanced Education, *The Australian Accountant.* 46(3), (April).

Australian Society of Accountants, 1976c, The Ballarat College of Advanced Education, *The Australian Accountant,* 46(5), (June).

Australian Society of Accountants, 1976d, The Northern Rivers College of Advanced Education, *The Australian Accountant,* 46(6), (July).

Australian Universities Commission, 1964, *Report of the Committee on the Future of Tertiary Education in Australia.* Government Printer, Melbourne. [Martin Report]

Bennett, J. W. and R. L. Matthews, 1963, Submission to the Commonwealth Committee on Tertiary Education: Accounting in the Universities, *AAUTA News Bulletin,* 3: 1, April.

Birkett, W. P., 1989, The Demand for, and Supply of Auditing Education: A Delphi Study. *Task Force for Accounting Education in Australia.*

Birkett, W. P. and E. Evans, 2005, Control of Accounting Education within Australian Universities and Technical Colleges 1944-1951: A Uni-Dimensional Consideration of Professionalism, *Accounting, Business & Financial History*, 5(2), 121-143.

Chambers, R. J., 1956, Educational Policy A Suggestion, *The Australian Accountant,* 26 (February), 73-80.

Cobbin, P., 1996, A Chronological Listing of Articles on Australian Accounting Education Literature Published between 1960 and 1994. University of Melbourne.

Davies, S., 1989, *The Martin Committee and the Binary Policy of Higher Education in Australia.* Ashwood House, Melbourne.

Dawkins, J.S., 1988, *Higher Education: A Policy Statement.* AGPS, Canberra.

Dyall, J. F., 1982, *Supply of accountants and affiliate accountants in Australia over the five years,* 1981-85, RMIT, Melbourne.

Education, Training and Employment, 1979, *Report of the Committee of Inquiry into Education and Training,* February, Vol. 3, AGPS Canberra. [Williams Report]

Department of Employment, Education and Training, 1990, *Accounting in Higher Education: Report of the Review of the Accounting Discipline in Higher Education,* Vols. 1-3. Australian Government Publishing Service, Canberra. [Mathews Report]

Gallagher, A. P., 1982, *Coordinating Australian university development: a study of the Australian Universities Commission, 1959-1970.* University of Queensland Press, St Lucia.

Gardener, J., 1986, Task Force for Accounting Education in Australia. The Australian Accountant, 56 (November), 60.

Gibson, R. W., 1971, Accounting in Universities and Colleges of Advanced Education: A Different Education, *AAUTA News Bulletin,* 12(1), (December).

Goldberg, L., 1987, *Dynamics of an Entity.* AAANZ, Melbourne

Harman, G., 1982, The 'Razor Gang' Moves, the 1981 Guidelines and the Uncertain Future, in (Eds) G. Harman and D. Smart, *Federal Intervention in Australian Education Past, Present and Future,* George House, Melbourne, 163-180.

Hayward, H. E., 2006, *Open for Business The Formative Years of Business Education at UWS,* University of Western Sydney, Penrith.

Hicking, C. R., 1960, Accountant in Industry – today and tomorrow, *The Australian Accountant,* 30 (August), 175-188.

Houghton, K., 1982, Accounting and Finance Educators in Australia and New Zealand: A Profile, *AAANZ Conference Paper.*

Hudson, H., 1975, Commonwealth/State Relations in Advanced Education, in ed L.J. Barker, *Governance of the Australian Colleges of Advanced Education,* Darling Downs Institute of Advanced Education, Queensland, 37-50.

Matthews, R., 1972, The Role of Colleges of Advanced Education, *AAUTA News Bulletin,* 12:2, 5

Middleton, K.A., 1965, Accountancy Education and the Martin Report. *The Australian Accountant,* 35(5), (May), 221-7.

Salmon, J. R., 1982, Education Funding Accounting Programmes in Tertiary Institutions, *The Australian Accountant,* 52(8), September, pp. 530-1.

Standish, P. E. M., 1983, Accounting Education in Australia: 1982-83, *Accounting and Finance,* 23(2), (November).

Task Force for Accounting Education in Australia, 1988, *Report of the Joint Standing Committee of the Institute of Chartered Accountants in Australia and the Australian Society of Accountants with the Accounting Association of Australia and New Zealand* ICAA, ASA and AAANZ, Melbourne.

The Australian Accountant, 1960, Education and Training for Accountants. *The Australian Accountant*, 30 (May), 252.

The Parliament of the Commonwealth of Australia, 1958, *Report of the Committee on Australian Universities.* Commonwealth Government Printer, Canberra [The Murray Report].

The Parliament of the Commonwealth of Australia, 1969, *Report of Inquiry into Awards in Colleges of Advanced Education.* Parliamentary Paper No. 112, Commonwealth Government Printer, Canberra [The Wiltshire Report].

Tippett, M., 1992, The Plight of Accounting Education in Australia: A Review Article, *Accounting Education*, 1(2), 99-127.

Vatter, W.J., 1964, *Survey of Accountancy Education in Australia.* Australian Society of Accountants. The Institute of Chartered Accountants in Australia. The Australasian Institute of Cost Accountants.

Wallace, M., 1987, The Supply of and Demand for Accounting Graduates in Australia, *Australian Accountant*, June, pp. 46-53.

Wood, J., 1970, Tertiary Education as Two Levels, *Vestes*, Vol. XIII, 2, 114.

Table 1

Estimated Equivalent Full time Students in Universities and Colleges of Advanced Education, 1970

State	Universities E.F.T.S	CAEs E.F.T.S	Total
NSW	40,380	3,784	44,164
Victoria	26,465	20,694	47,114
Queensland	12,900	3,025	15,925
SA	9,285	3,606	12,891
WA	6,440	4,355	10,795
Tasmania	2,630	683	3,313
ACT	4,040	680	4,720
Total	102,140	36,782	138,922

Source: Wood, J, (1970) Tertiary Education as Two Levels, Vestes Vol. XIII, 2, 114

Table 2

CAE Accounting Courses in 1972

NSW	
Mitchell CAE	Bachelor of Business
NSWIT	Diploma of Commerce
Victoria	
RMIT	Bachelor of Business
Swinburne	Bachelor of Business Diploma of Business Studies (Accounting)
Ballarat IAE	Diploma of Business Studies (Accounting)
Bendigo IT	Diploma of Business Studies (Accounting)
Caulfield IT	Diploma of Business Studies (Accounting)
Footscray IT	Diploma of Business Studies (Accounting)
Gippsland IAE	Diploma of Business Studies (Accounting)
Gordon IT	Diploma of Business Studies (Accounting)
Prahran CT	Diploma of Business Studies (Accounting)
Preston IT	Diploma of Business Studies (Accounting)
Warrnambool IAE	Diploma of Business Studies (Accounting)
Queensland	
QIT	Associate Diploma in Accounting
Capricornia IAE	Associate Diploma in Accounting

Darling Downs IAE	Associate Diploma in Accounting Associate Diploma in Agricultural Business Mgt.
South Australia	
SAIT	Diploma in Technology in Accounting
Western Australia	
WAIT	Associateship in Accounting
ACT	
Canberra CAE	Bachelor of Administration in Accounting
Tasmania	
Tasmania CAE	Diploma in Accountancy

Source: The Australian Accountant, June 1972, 214-215

IAE – Institute of Advanced Education, IT – Institute of Technology, CT – College of Technology

Table 3

Accounting Heads – CAEs (1975-1976)

Ballarat	P Hope
Canberra	D Maund
Capricornia	J Carkeek
Caulfield	N Huggan
Darling Downs	F McCormack
Footscray	W Barnett
Gordon	R Gibson
Kuring-gai	W Birkett
Mitchell	R McDonald
Nepean	R Juchau
Northern Rivers	R Middleton
NSWIT	J Norfor
Prahran	M Mirsky
Preston	I Urquhart
QIT	W Hoskins
Riverina – Murray	B O'Keefe
RMIT	J Dyall
SAIT	J Harrison

Swinburne	N Allport
Tasmania	J Owen
WAIT	C Seers
Warrnambool	R Howland

Table 4

Professors and First CAE Affiliation

Professor	First CAE	University Affiliation as of April 2007
Andrew B	Macarthur	Charles Darwin
Bellamy S	RMIT	RMIT University
Birkett W	Kuring-gai	Deceased
Carnegie G	Ballarat	Ballarat
Clarke, F	NSWIT	Sydney and Newcastle
Coombes R	Tasmania	Retired
Cooper B	RMIT	Deakin
Dunk A	NSWIT	Canberra
Ferguson C	Warrnambool	Melbourne
Flanagan J	Nepean	Notre Dame
Godfrey J	Kuring-gai	Monash
Goodwin-Stewart J	South Australia	Griffith
Guthrie J	Warrnambool	Sydney
Heazlewood T	Riverina	Charles Sturt
Hirst M	Tasmania	UNSW
Juchau R	QIT	UWS
Leo K	QIT	Curtin

Matolczy Z	Kuring-gai	UTS
Moores K	QIT	Bond
Whittred G	Kuring-gai	UNSW
Zimmer I	Warrnambool	Queensland

Table 5

CAEs 1987 – Current University 'Home' (2007)

CAEs 1987	**Current University 2006**
NSW IT	University of Technology Sydney
Kuring-gai	University of Technology Sydney
Nepean	University of Western Sydney
Macarthur	University of Western Sydney
Mitchell	Charles Stuart University
Riverina Murray	Charles Stuart University
Northern Rivers	Southern Cross University
RMIT	RMIT University
Chisholm	Monash
Gippsland	Monash
Bendigo	La Trobe
Warrnambool	Deakin
Phillip	RMIT University
Footscray	Victoria
Swinburne	Swinburne
Ballarat	Ballarat
Victoria	Victoria

Western	Victoria
QIT	Queensland University of Technology
Brisbane	Queensland University of Technology
Capricornia	Central Queensland University
Darling Downs	University of Southern Queensland
WAIT	Curtin
Western Australia	Edith Cowan
SACAE	University of South Australia
SAIT	University of South Australia
Tasmanian SIT	Tasmania
Canberra CAE	Canberra
Darwin IT	Charles Darwin