



KEY BUDGET MEASURES FOR HIGHER EDUCATION AND RESEARCH

Demand driven entitlement system for domestic higher education students

\$491 million over four years

Public funding will be provided for each student eligible for a university place. Universities will continue to set their own entry standards, including entry requirements such as pre-requisite subjects, and make strategic decisions about course provision and their ultimate size.

National body for regulation and quality assurance

\$57 million over four years

The national agency will be established from 2010 to underpin a robust quality assurance framework for Australian higher education, and to drive improved standards of teaching and learning for students.

Performance funding

\$206 million over four years

From 2012, new performance funding will reward institutions that meet agreed targets in key areas such as improving the quality of teaching and learning and the outcomes for students from low socio-economic backgrounds.

Indexation

\$578 million over three years

Revised indexation for higher education funding will be introduced from 2012 with transitional arrangements for

non-research funding in 2011. The increase in indexation will provide funding security and certainty for institutions to support improved student-to-staff ratios and greater student engagement.

Structural adjustment funding

\$402 million over four years

Funding will be provided to support significant structural change across the sector, which could include the creation of new models of higher education institutions and collaborations between higher education and vocational education and training providers.

Funding to support the low SES participation targets

\$433* million over four years

In 2010 the funding will be about 2 per cent of teaching and learning grants, and will increase to about 3 per cent in 2011. By 2012, equity funding will be brought broadly into line with the recommendation of the Bradley Review to increase it to 4 per cent of teaching and learning grants.

Institutions will be rewarded for attracting more students from low SES backgrounds, for improving their educational experience, and for developing partnerships with schools and VET providers. The funding will support the government's ambition to increase higher education enrolments of students from low socio-economic background to 20 per cent by 2020.

* Figure does not include departmental costs

New Arrangements for Student Income Support

Provides comprehensive changes to the student income support system to remove the financial barriers to the participation of students from low socio-economic backgrounds and Indigenous students. This supports the Government's ambition to increase higher education enrolments of students from a low socio-economic background to 20 per cent by 2020.

Higher Education Loan Program (HELP) repayment reduction and increased student contributions for education and nursing

**\$83 million over four years for repayment reduction;
\$33 million over four years for increased student contributions**

Repayments for the Higher Education Loan Program (HELP) for eligible education and nursing graduates will be reduced if they work in a teaching or nursing profession. This is aimed at addressing the skills shortages in both professions.

The maximum annual student contribution amount for education and nursing will be increased, providing a direct increase in revenue to institutions offering these vital courses.

Removal of OS-HELP loan fee

\$17 million over four years

The loan fee on OS-HELP loans will be removed. This will encourage Australian students to study overseas during their higher education courses, enhancing their student experience and learning outcomes.

Sustainable research excellence in universities

\$512 million over four years

This measure will augment the existing Research Infrastructure Block Grant in order to provide additional assistance to universities to help them meet the indirect costs of research. It will also enable universities to develop longer-term research strategies and will reduce the necessity for cross-subsidisation from teaching, international student fees and investment revenue.

Joint research engagement

Replaces the Institutional Grants Scheme to encourage and support engagement with the end users of research.

Collaborative research networks

\$52 million over four years

This measure will support networks to encourage institutions, particularly those in regional Australia, to form partnerships with other universities in areas of research strength. The development of hubs and spokes arrangements will boost collaboration between universities minimising duplication and fragmentation.

Excellence in Research for Australia (ERA)

\$36 million over four years

The reform of university research funding will be underpinned by the introduction of the Excellence in Research Australia initiative to measure and improve research quality.

Postgraduate research student support

\$52 million over four years

Raises the stipend in the Australian Postgraduate Award to \$22,500 in 2010.

Investing in infrastructure

\$3 billion over four years

This is a significant investment in the future productivity and prosperity of our nation. It will enhance the capacity of the tertiary education and research sectors to equip Australians with the high level skills and knowledge necessary in an increasingly competitive world economy.

Education Investment Fund—Round 2

The tertiary education and research sectors will benefit from a \$934 million capital injection from the EIF Round 2. The Government has approved 31 projects.

Education Investment Fund—Round 3

Australia's tertiary education and research sectors will benefit from a nominal allocation of \$500 million for Round 3 of the EIF, which will open later in 2009. \$200 million from Round 3 will be provided for the capital component of structural adjustment.

Sustainability Round of the Education Investment Fund

The higher education, research and vocational education and training sectors will benefit from an allocation of \$650 million for a Sustainability Round of EIF which will open in 2009. This strategic investment will include:

- \$400m for research infrastructure related to the Clean Energy Initiative, and
- \$250m for VET, higher education and research infrastructure related to climate change and sustainability activities.

Super Science Initiative

\$1.1 billion will also be provided for the Super Science Initiative which will provide funding for large scale nation building projects allowing Australia to be at the forefront of the global research community. \$901 million of this is from the EIF for the capital elements.

SAVINGS MEASURES

Learning and Teaching Performance Fund

This program will be discontinued. Performance funding will provide incentives for institutions to improve learning and teaching quality from 2012. In 2011 the increase in indexation relating to non-research funding will be provided as conditional funding tied to agreements covering the achievement of institutional performance targets.

In 2010 institutions will receive structural adjustment funding and additional resourcing through the low SES loading.

Workplace Productivity Program

This program will be discontinued.

