
Interim Agreement for Mission-Based Compacts

Between:

- The University of Adelaide
- The Australian Government

For the period:

1 January 2010 - 31 December 2010

SECTION ONE

Preamble

Compacts

In 2010, the Australian Government and [The University of Adelaide](#) will agree a mission-based compact commencing in 2011. Compacts will be agreements between universities and the Australian Government detailing public funding commitments and reciprocal institutional commitments. They will support universities to pursue their distinctive missions and to contribute to the Australian Government's aspirations for the higher education sector as whole.

This 2009 Interim Agreement is a transitional arrangement, pending finalisation of the first compact in 2010.

Compacts and Interim Agreements will be based on mutual respect, trust and shared goals to improve students' educational experiences and outcomes and to build research capacity and international competitiveness. As noted by the Prime Minister, compacts herald a new era for the operation and funding of Australian higher education. They will play a key role in implementing the Australian Government's reforms and in ensuring improved outcomes from increased Australian Government investment in higher education. Compacts will be underpinned by information and data provided through the Interim Agreement discussions and by other means in order to support the programs and priorities of the Department of Education, Employment and Workplace Relations and the Department of Innovation, Industry, Science and Research.

The Department of Education, Employment and Workplace Relations and the Department of Innovation, Industry, Science and Research will also look to discuss underpinning activities which might inform mission-based compacts, including those supported through the Education Investment Fund and other programs. This will enable a comprehensive analysis of the University's activities in order to drive a reformed university system that promotes excellence, sustainability, transparency, performance, collaboration, international engagement and innovation.

Compacts will facilitate:

- a focus on excellence within the mission of each university irrespective of its distinctive strategic direction;
- transparency in decision making with respect to compact agreements and provision of public funding being open to external scrutiny, and based on a fair application of consistent rules;
- accountability for outcomes, with universities and the Australian Government sharing responsibility to report publicly on performance against clear and measurable goals; and
- a strengthened funding and accountability framework, supported by appropriate and reasonable reporting requirements.

The Australian Government's ambitions for higher education and innovation

The Australian Government's vision for the higher education sector is set out in *Transforming Australia's Higher Education System*. Higher education is central to achieving the key objectives for the nation's future, including:

- **A stronger Australia** – boosting Australia's share of high skilled jobs and productivity growth will require a highly skilled workforce that can rapidly adapt to meet future challenges; and
- **A fairer Australia** – all Australians will benefit from widespread equitable access to a diverse tertiary education sector that allows each individual to develop and reach their potential. Society as a whole will benefit from the widespread application of cutting-edge research.

In supporting these objectives, the Australian Government's ambitions for higher education include:

- producing graduates with the knowledge, skills and understandings for full participation in society and the economy;
- providing opportunities for people from all backgrounds to participate to their full potential and be supported to do so;
- providing students with a stimulating and rewarding higher education experience;
- playing a pivotal role in the national research and innovation system through generation and dissemination of new knowledge and through the education, training and development of world class researchers across a wide range of intellectual disciplines;
- being amongst the leading OECD countries in terms of participation and performance.

The higher education system also plays a crucial role in supporting innovation. The Australian Government's policy statement, *Powering Ideas - An Innovation Agenda for the 21st Century* outlines its aspirations for innovation over the next decade which include:

- progressively increasing the number of research groups performing at world-class levels, as measured by international performance benchmarks;
- progressively addressing the gap in funding for indirect costs related to Australian competitive grants;
- promoting collaboration by encouraging universities to organise themselves into hubs and spokes and to pursue opportunities to undertake industry-driven research more vigorously;
- helping smaller and regional universities develop their research capacity by teaming up with other institutions; and
- significantly increasing the number of students completing higher degrees by research over the next decade.

Principles

The principles under which Australian Government funding for higher education is provided are:

- opportunity for all, especially for those students from groups under-represented in higher education;
- access to university based on merit;
- world-class teaching and learning that advances the international standing of Australian education;

- world class research and research training that advances knowledge, critical thinking and Australia's international standing;
- responsiveness to the economic and social needs of the community, region, state, nation and the international community;
- a sustainable higher-education sector; and
- academic freedom and institutional autonomy.

Australian Government support for higher education

The Australian Government announced a 10-year reform agenda for higher education and research in *Transforming Australia's Higher Education System*. An outline of the new initiatives announced as part of that package is included at Attachment A.

University mission

What the University is doing at present

Our mission is to be recognised internationally as a great research university and an Australian leader in research and teaching excellence. We are committed to making a positive impact on the lives of our students, staff and alumni and on the local, national and international communities.

The last decade has been one of sustained development toward this mission. From a point when financial difficulties required us to seek a substantial advance from the Commonwealth, our position has steadily strengthened. Over this period we have focussed on ensuring a strong financial base delivered through scaling up our activities, coupled with an increasing alignment to national and state priorities. After a period of consolidation, our most recent strategic plan has adopted the aspirational slant as captured in the mission above. We are now well placed to achieve our goals, given our strong record of growth, our high international rankings and our excellent research outcomes.

Since 2003, the University operating margin has exceeded the average of other Go8 universities. Our budget is constructed around the achievement of high level KPIs, including an operating margin greater than 3% and a current ratio greater than 1.0%. We have consistently bettered these targets. We have also focussed on reducing dependence on government funding by increasing other revenue streams, including student fee revenue and investment revenue. From 2008, our reliance on government funding to total revenue has reduced to around 58%. That said, we share the concern of the sector regarding the decline in real funding which took place under the previous Government.

In international rankings, the University of Adelaide is consistently the highest ranked institution in the state and 7th or 8th nationally, including current rankings within the top 100 universities on the Times Higher Education rankings and just outside the top 200 on the Shanghai Jiao Tong. This places us well to capitalise on international student markets and build on our international reputation.

Our total research income has increased steadily over the last five years, with the University showing particularly high proportions of Category 1 Research Income, receiving nearly 80% of all NHMRC grants awarded in SA and around 5% of all NHMRC funding at a national level. Total research income increased by 15.96% in 2008, well above the 10.91% increase for the Go8 cohort, and the national average increase of 10.64%.

To grow this further we are actively supporting the development of large scale research groupings and partnerships that are intended to become internationally competitive. We have increased the level of strategic investment in selected areas of research strength, strategic importance and competitive advantage and approved the establishment of five new research Institutes aligned to national and state priorities. These are referred to below. We are also committed to continuing our research collaborations with all levels of government, the private sector, other universities and our international partners. Currently, we have 64 ARC Linkage Projects with 99 industry partners, we are a core partner in 9 Cooperative Research Centres and a supporting partner or associate in a further 4, and we are involved in a number of major NCRIS initiatives.

This research performance contributes to an outstanding research training environment. While total HDR student load has decreased slightly in recent years and fallen short of strategic targets, the University continues to be the preferred institution for HDR students in South Australia, with more than double the load of Flinders University or UniSA, and plans to further grow this load via higher international student intakes.

In Education we were the only South Australian University to secure funding in the Excellence category of the Learning and Teaching Performance Fund in 2009 and we have vigorously pursued growth and exceeded enrolment targets over a number of years. We are tracking at

around 107% of the present Funding Agreement, with growth anticipated to exceed government caps in the next two years. We are aiming for a total of 20,000 EFTSL by 2012 and will be formulating new targets for the period beyond 2012 as part of our annual target-setting process. Growth is sought in all categories of the profile and we have prioritised an increase in our relative proportion of postgraduate coursework students while continuing to grow domestic undergraduate load. Our share of first preference applications in South Australia has shown continual growth. Since 2002 first preference applications for CGS places have grown by 23%, well ahead of the state average, although our CGS load has grown by only 7.2%. Since 2005 the proportion of top-scoring school leavers applying for admission to Adelaide has grown from 59% to 64% of first preferences and from 86% to 88% of all preferences. Significantly, we also have a strong track record in attracting under-represented student cohorts. Our Fairway scheme was a pioneering low-SES access scheme, now nearly 20 years old, and we have the largest enrolment of low-SES students of any of the Go8. This is supported by a range of activities including transition programs, our Aboriginal and Torres Strait Islander Academic and Student Support Program Wilto Yerlo, involvement in the State Government's 'First Generation' program, appointment of a Manager Access & Participation, and the introduction of a rural sub-quota for medical entry. Specific strategies relating to access are outlined below.

We have benefitted from consistent increases in international student numbers over the last five years and have set a target of nearly 6000 international students by 2012. As half of this current student cohort is Chinese, diversification is a key priority. Like most Universities, we welcome the benefits that international students bring to us but acknowledge the impact this reliance has on our risk profile.

Graduate satisfaction with programs at the University, as measured by the Course Experience Questionnaire and Graduate Destinations Survey, has been somewhat volatile recently. The University's ratings were level with the national figure in 2005, but since then have been below both the national and Go8 averages. Responding to issues identified in the CEQ/GDS survey has been prioritised in the University Learning and Teaching Plan and will be addressed by strategies referred to below. Despite these figures, the level of overall satisfaction expressed in our Student Experience of Learning and Teaching surveys (SELTs) has remained remarkably stable in the last five years at around 75-78%. Nevertheless, improving these outcomes has been recognised as a major priority.

What the University aspires to be

By 2012, the University is targeting \$201m in Research income and 1600 HDR students (1125 domestic and 475 international), with a total student load of 20,000 EFTSL. It is our intention to significantly restructure aspects of our activities in order to further develop the University and to assist the Commonwealth to achieve its goals.

The University of Adelaide is committed to achieving the following key objectives:

- Adopt a long-term objective of achieving international recognition as a great research university;
- Make a commitment to significantly developing our research performance and reputation, a commitment which will drive much of our approach and decision making;
- Create a university community that genuinely thrives on research and innovation, with outcomes represented by publications, original works, performance, original ideas and the commercialisation of our activities;
- Have research and innovation permeate every aspect of the University, from teaching to student experience and our interaction with the community;
- Focus on excellence in education and a positive student experience;
- Increase opportunities and pathways for students who have previously been denied access to higher education;
- Significantly increase our commitment to postgraduate education (both Higher Degree by Research and Postgraduate Coursework) and introduce a higher benchmark admission TER at undergraduate level;

- Continue sustainable growth in revenues through a further expansion of student numbers, ensuring the delivery of further funds for investment in achieving this vision;
- See and present ourselves always as being integral to the community and economy: as independent but vital contributors to public policy, social justice and economic development; and
- Support these goals through refocussing and modernising our business processes and services.

We intend to build upon our tradition of innovation through high-impact research and excellent teaching across a broad range of disciplines and professions. This will require us to continue to be a growing, internationally focussed and financially sustainable institution.

While our per capita research output is outstanding, the development of true research scale and impact, both nationally and internationally, will depend upon our developing new approaches to research organisation. Congruent with Government plans, we will create and support new research concentrations and collaborations of varying degrees of formality. We are committed to regaining the top position in Category 1 Research per capita, with strategies in place to diversify and grow our share of Categories 2, 3 and 4.

Significantly for a research intensive institution, the University is committed to ensuring a positive experience for all willing and able students, by opening up access and pathways to more students and creating meaningful opportunities for those students who have previously been denied them. The University is strongly of the view that the recruitment of greater numbers of students from low-SES backgrounds, and other recognised equity groups, should not be limited to VET or less research intensive institutions.

Approximately 80% of our current undergraduate intake is recruited on the basis of TER. Given the significant participation targets set by the Commonwealth and the demographic predictions for the state, our future intake profile will need to be restructured to ensure the admission of more students from pathways other than the traditional Year 12 cohort if we are to achieve our target of over 14000 domestic students by 2012. This growth will also support the Commonwealth's goal of 40% of the population obtaining Bachelor level qualifications and help us meet low-SES enrolment targets. An increased emphasis on postgraduate programs, both coursework and research, will provide advanced opportunities for students to develop their skills and attributes in a research-rich environment which promotes critical thinking.

Continuous improvement of our facilities and infrastructure is planned to ensure that staff and students have access to efficient, safe, and productive spaces for working and for learning. This will significantly enhance the learning and teaching environment, increase research capacity, and contribute to environmental sustainability.

The University's plans for supporting its aspirations

The University has a number of measures in place to ensure the achievement of our targets.

Inclusive of our traditional strengths in Fundamental and Enabling Disciplines, we have identified Agriculture, Environment, Health and Biomedical Sciences, Society and Social Innovation, Mineral and Energy Resources, and Sensing and Computation as our key areas of research strength, and are continuing to align our research activities to specified national priorities such as environmental sustainability, health, and frontier technologies. As the strongest university contributor to R&D in SA, a high level of engagement with State Government objectives is critical, and we will continue to build on our relationship with all levels of government to promote our research strengths and the value we can provide with research that informs policy and decision making. An increased focus on and support for commercialisation and community engagement will also continue to raise the profile of our research activities.

In support of this, we have approved the development of five new Research Institutes, with a contingency of up to three more. The Robinson Institute (reproductive health), the Environment

Institute, the Institute for Mineral and Energy Resources and the Waite Research Institute (Plant & Animal sciences) have all been awarded \$1 million per year for a period of 5 years as seeding funding. An Institute for Photonics and Advanced Sensing has also been established and been awarded \$500k pa for 5 years commencing in 2009. These institutes will provide a focal point for our future research strategy by building critical mass, allowing us to leverage increased research income and increase the reputation and public profile of our research and its benefits to the community. This is in addition to continued support for 40 University Research Centres. These plans fit well with the Commonwealth's intention to develop a 'hubs and spokes' model of research collaboration.

New pathways, increased scholarships, a commitment to improved supervision and more efficient internal processes and support will increase our rate of HDR enrolments and completions. New strategies and administrative processes, including better web-based facilities, have been put in place to support the continued growth of HDR numbers and the ability of these students to succeed. The development of University-wide workload models will support staff to allocate sufficient time to research, supervision and teaching activities.

From an Education perspective, new programs will be developed, and existing programs extended, to facilitate the transition to University for non-traditional student groups. New methods of delivery and enhanced oversight of the management of programs will ensure effective quality assurance, academic co-ordination, and good curriculum management. These will be supported by extensive marketing and promotion, and the provision of high-quality, modern facilities. Specially designed coursework programs, multi-disciplinary in focus and innovative in approach, will be developed to serve industry demands for well-qualified graduates who deliver real benefits to contemporary society. Equally, we will increase the flexibility of pathways into postgraduate coursework. In addition to the traditional Honours pathway, a set of alternative pathways will be implemented for postgraduate research, including coursework masters with a research component, a Master of Research Studies for international students, and a Master of Philosophy research program.

A number of specific strategies have been identified to facilitate increasing access to the University for all able students:

- Northern Regions engagement – these regions of Adelaide are amongst the fastest growing areas in the nation but with one of the poorest records for participation in post-secondary study. We are formulating a comprehensive, long-term engagement strategy to develop effective and accessible pathways for prospective students to successfully attend the University. Our campus at Roseworthy is likely to find itself in the middle of a rapidly developing local economy and we will be developing student learning opportunities on the campus accordingly;
- TAFE articulation – through a Memorandum of Understanding with TAFE SA we are formulating clear articulation pathways to permit TAFE students to transfer to University programs with improved credit for prior studies;
- We will be creating new enabling pathways into degree programs and prioritising access for students in remote and rural areas, including the introduction of a rural sub-quota for medical entry;
- Lowering the eligible age for adult admission to Adelaide through the STAT test from 21 to 18;
- Fairway scheme bonus – the entry bonus which previously only applied to students from eligible under-represented schools has now been extended to all Year 12 students eligible for a School card or Youth Allowance;
- Virtual schools and subjects will assist students in remote and disadvantaged areas
- Indigenous access – through expansion into pathways with schools in the Spencer Gulf Region
- Foundation/Preparatory programs – we are currently developing programs that will focus on facilitating the transition to University for non-traditional students by providing orientation, study skills and bridging courses, successful completion of which will permit direct entry to undergraduate programs.

- Postgraduate coursework - we believe it is of considerable importance to the economy to provide opportunities for professional development through Masters degrees, particularly in key industries, and using new delivery technologies direct to places of employment/residence.

In line with the Commonwealth's commitment to improving access for students, we have recently entered into a MoU with Kaplan Inc. Kaplan has an extremely impressive track record of extending access to learners from non-traditional backgrounds. Kaplan, in collaboration with the University, will offer low-cost, non-laboratory based undergraduate courses through blended learning and fully on-line courses, including delivery into regional and remote areas, and outreach into high schools to improve participation rates for students from lower socio-economic suburbs. We are currently planning the establishment of major articulation pathways for Australian students to transfer to the University of Adelaide after completing their studies with Kaplan, and vice versa.

Further innovative partnerships are also under discussion. Complementing our Northern Regions engagement and emphasising the future role of Roseworthy Campus is an opportunity to join a consortium lead by a major South Australian property developer. This provides us with another exciting and innovative opportunity to provide a significant contribution to whole of community development. Similarly, we are in the early stages of building a relationship with BHP-Billiton to assist them with the provision of major services during the development of the Olympic Dam mine and the associated township of Roxby Downs.

Resourcing our plans is based on adherence to our Institutional Planning and Performance Framework which enables us to systematically monitor and report on outcomes against our objectives and targets; integrate planning and resource allocation cycles for the purposes of making realistic and informed decisions on core business activities; and use performance reports and plans as the principal tools to effectively oversee progress against strategic directions, statutory obligations and quality improvements. Funding priorities are determined in the context of the objectives of our Strategic and Operational Plans and the Budget quantifies planned revenue and expenditure for the each financial year. It is an annual budget but developed in the context of a five-year outlook which considers the impacts of our Strategic Plan objectives and factors such as Commonwealth Government reforms or changes in regulation and competition. A detailed budget specifically relating to deployment of HEPPP funds is also being developed.

To meet our aspirations it is vitally important that the quality of our facilities, laboratories and classrooms are of the highest standards possible. New facilities will support our commitment to offering an outstanding educational experience to our students and to developing disciplines identified as areas of national importance by government and industry. Forward-looking, student-focussed facilities planning will be crucial to the University's ongoing success: growth targets mean our built environment must evolve with the needs of the student and staff population. Imperatives in sustainable design also mean our buildings must support efforts to be a responsible manager of our environmental impact.

To ensure this, we will be continuing with our major program of capital development. The new engineering building, the \$50M refurbishment of 10 Pulteney Street and the Plant Accelerator Centre at the Waite Campus are examples of this. Work continues on the \$31 million veterinary school at Roseworthy and is commencing on the Commonwealth funded \$15 million Learning Hub at Hughes Plaza. The \$31 million Institute for Photonics and Advanced Sensing, funded by the Higher Education Endowment Fund, will commence construction shortly. These works are vital to underpin our continuing development, for ensuring the success of our research and education strategies, and in positioning us as a major international institution and a vibrant player in the South Australian economy. This is an area in which assistance from the Commonwealth is particularly welcomed given the challenges faced in updating ageing infrastructure and facilities.

SECTION TWO

Teaching and Learning

The Commonwealth Grant Scheme funding agreement of December 2009 will remain in effect throughout the period of this Interim Agreement. Where eligible, other funding for 2010 will be delivered through a range of new and existing Australian Government teaching and learning programs.

The University and the Department of Education, Employment and Workplace Relations agree to work co-operatively to enable the Department to:

- finalise the framework for mission-based compacts during 2010; and
- develop a framework for performance funding, including appropriate teaching and learning performance indicators, which will be used to set targets for performance funding in the 2011 compact.

No funding is contingent on the teaching and learning component of this Interim Agreement.

SECTION THREE

Research and Research Training

Funding under the Higher Education Support Act 2003

In 2010, the Department of Innovation, Industry, Science and Research (Department of Innovation) will provide the University with funding from a suite of research block grant programs including the Research Training Scheme (RTS), Australian Postgraduate Awards (APA), International Postgraduate Research Scholarships (IPRS), Research Infrastructure Block Grants (RIBG) and Joint Research Engagement (JRE). These grants form the basis of this agreement. The Department of Innovation will also look to discuss how research collaboration, participation, engagement and excellence, supported by a broader range of the portfolio's programs, might inform mission-based compacts – see Attachment B.

The University and the Department of Innovation agree to work co-operatively to enable the Department to:

- finalise the framework for mission-based compacts during 2010; and
- develop performance indicators and targets to be used within the 2011 compact.

As part of this agreement, the Department may identify priority areas of research which align with the University's strengths and mission.

Sustainable Research Excellence in Australia (SRE)

The Department of Innovation has established the Sustainable Research Excellence in Universities (SRE) program, which supports excellence and contributes to a more sustainable University research sector, by ensuring that adequate funding is available to allow competitive grants for research to be effectively utilised.

The program will have three funding components:

- a Base component whereby 20 per cent of the funding provided will be allocated on the basis of the existing Research Infrastructure Block Grants (RIBG) formula, i.e. on the basis of the relative success of the institutions in attracting competitive research funds as calculated from schemes in the Australia Competitive Grants Register;
- A Threshold One funding component whereby up to 13 per cent of available SRE funding in any one year will be available to those universities participating in Transparent Costing and the Excellence in Research for Australia (ERA) initiative; and
- A Threshold Two component whereby 67 per cent of available SRE funding in any one year will be available for those universities participating in Transparent Costing and ERA and who meet specified performance targets.

The University acknowledges that its participation in SRE will be governed by this agreement and by processes administered by the Department of Innovation as part of this agreement. The University acknowledges that participation in both Transparent Costing and ERA is a prerequisite for receipt of funding under the Threshold 1 and Threshold 2 elements of SRE.

The University commits in this Agreement to working cooperatively with the Department of Innovation to finalise its Transparent Costing and ERA participation status based on the SRE framework set out in the SRE Guidance Paper, Transparent Costing Specification, SRE Conditions of Grant and any other related documents or processes published by DIISR.

Collaborative Research Networks program

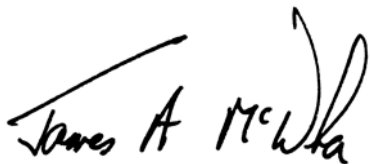
The Collaborative Research Networks (CRN) program will assist smaller and regional universities to adapt to a research system driven more strongly by performance outcomes. From 1 July 2010 regional and smaller universities will be invited to make submissions which support areas of national importance. Funding will be made available to successful universities from 1 January 2011. CRN funding and the research activity it will support are therefore outside the scope of this Interim Agreement, but will be addressed in the compacts to be negotiated with universities in 2010.

The University agrees to work with the Department of Innovation on developing the framework for the CRN program.

Interim Agreement

This interim agreement covers the period from 1 January 2010 to 31 December 2010. It may be amended, if agreed in writing by all the parties

Signed on behalf of [The University of Adelaide](#)

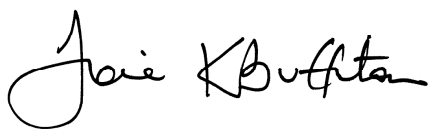


Signature

Professor James A McWha
Vice-Chancellor and President

Name and position

Signed on behalf of the **Department of Education, Employment and Workplace Relations**



Signature

Fiona Buffinton
Group Manager,
Higher Education Group

Name and position

Signed on behalf of the **Department of Innovation, Industry, Science and Research**



Signature

Jessie Borthwick
Head of Division
Research Division

Name and position

Summary of budget initiatives

Initiative	Description	Funding 2009-10 to 2012-13 \$m
Funding to support the low SES participation targets <ul style="list-style-type: none"> ▪ Partnerships ▪ Student loading 	<p>In 2010 funding to support the low SES participation targets 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 broadly in line with the recommendation of the Bradley Review to increase it to 4 per cent of teaching and learning grants.</p> <ul style="list-style-type: none"> ▪ Partnerships activities ▪ Student loading <p>The funding will support the government's ambition to increase higher education enrolments of students from a low socio economic background to 20 per cent by 2020. This includes \$394 million new funds, plus existing Equity Support Program funding.</p>	108 325
Demand driven entitlement system for domestic higher education students	Public funding will be provided for each undergraduate 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.	491
Higher Education Loan Program (HELP) repayment reduction for education and nursing	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 proposal is aimed at addressing the skills shortages in both professions.	83
Increase in the maximum annual student contribution amount for education and nursing	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.	33
Indexation	Revised indexation for higher education funding will be introduced from 2012, with transitional arrangements for teaching and learning 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.	578
Sustainable Research Excellence in Universities	Increase in funding for the indirect costs of research, currently funded through the Research Infrastructure Block Grants (RIBGs). This will ensure resources are allocated rationally and used efficiently.	512
Joint Research Engagement	Replaces the Institutional Grants Scheme to encourage and support engagement with the end users of research.	-
Collaborative Research Networks	Networks to encourage institutions, particularly those in regional Australia, to form partnerships with universities with already established research strengths, relevant to their mission and profile.	52

Excellence in Research for Australia (ERA)	Funding will be provided for establishment of a framework for Excellence in Research for Australia (ERA).	36
Education Investment Fund	Australia's tertiary education and research sectors will benefit from a capital injection from the Education Investment Fund (EIF).	2,985
National body for regulation and quality assurance	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.	57
Performance funding	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.	206
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.	-
Postgraduate Research Student Support	Raises the stipend in the Australian Postgraduate Award to \$22,500 from 2010.	52
Removal of the OS-HELP loan fee	The loan fee on OS-HELP Loans will be removed in 2010. This will encourage Australian students to study overseas during their higher education courses, enhancing their student experience and learning outcomes.	17
Structural Adjustment Fund	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. Total funding of \$400m includes \$64 million from the existing Diversity and Structural Adjustment Fund, and \$200 million for the capital components of structural adjustment to be funded from the EIF.	402
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.	-324
Workplace Productivity Program	This program will be discontinued.	-78

PACKAGE ELEMENTS	2010	2011	2012	2013	2014 and beyond
	Transition period		New student centred funding system		
Student entitlement funding	Transition to student centred funding model		Student centred funding model		
Increased indexation		Conditional funding (equivalent to improved indexation on T&L grants)	Increased indexation of teaching and learning and research HESA grants		
Performance funding			New performance funding of 2.5% of current teaching and learning grants		
Quality and regulatory framework	Tertiary Education Quality and Standards Agency				
Funding to support low SES participation	2% of T&L funding in 2010	3% of T&L funding in 2011	4% T&L funding from 2012 onwards		
Student income support	Improved targeting of income support New student scholarships Australian Postgraduate Awards stipend increase				
	Independence age reduced to 24 years	Independence age reduced to 23 years	Independence age reduced to 22 years		
		Personal Income Threshold increased to \$400 per fortnight			
			Income support for all Masters by Coursework programs		
Structural adjustment funding	Structural Adjustment Funding				
Higher Education Loan Program	Higher Education Loan Program reforms: Reduction in HELP repayments for nursing and teaching; increase to student contribution for nursing and teaching; removal of OS-HELP loan fee				
Education Investment Fund	Rounds 1, 2 & 3 and Sustainability Round				
Research initiatives	Sustainable Research Excellence (incremental increase to 2013)				
	Joint Research Engagement				
		Collaborative Research Networks			

Enhanced Research Funding System

