



Australian Government

Department of Education, Employment and Workplace Relations

Department of Innovation, Industry, Science and Research

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# **Interim Agreement for Mission-Based Compacts**

Between:

- La Trobe University and
- The Australian Government

For the period:

1 January 2010 - 31 December 2010

# SECTION ONE

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## Preamble

### Compacts

In 2010, the Australian Government and La Trobe University 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.

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# University mission

## What the University is doing at present

The University has the following defining attributes:

- a broad academic profile encompassing professional, generalist and specialist undergraduate degrees, as well as postgraduate coursework and research degrees;
- learning-focussed curriculum design;
- the pursuit of pure and applied research;
- a significant international student cohort and a range of international exchange and co-operation programs;
- the provision of University programs in regional Victoria; and
- effective links with industry, the professions and many communities of interest and of place.

The quality of our staff and students is and will continue to be the key to our good performance. Our open culture and commitment to learning for all are a good fit with the new policy environment. Similarly, our geographic reach in Northern Melbourne and regional Victoria has enabled and will continue to allow us to expand student participation across those regions. We have an excellent track record in recruiting and graduating students from families new to higher education. Not only do we recruit substantially more students from low SES backgrounds than is the norm for the state or the sector (our low SES participation rate is 18.53%), but we also have higher success rates for these students than the state or sector average.

Our areas of research concentration continue to grow. The major developments of the Biosciences Research Centre and the La Trobe Institute of Molecular Sciences provide a firm foundation for growth in these academic areas; the new interdisciplinary research institutes are enhancing the University's capacity to harness and focus research expertise spread across our five Faculties.

More specifically:

### Teaching and Learning

The University is implementing a systemic and University-wide approach to curriculum design and staff development (the 'Design for Learning' project), aligned with appropriate promotions policies and budget incentives in order to support the highest quality of student learning.

La Trobe's approach to learning and the design of curriculum is characterised by the use of evaluation, evidence and review in Faculties and Schools, supported centrally by the Curriculum, Teaching and Learning Centre.

All undergraduate programs are adopting the following shared La Trobe University graduate capabilities, to be defined in appropriate discipline or field-specific terms, and to be measured against agreed standards of student achievement:

Writing  
Speaking  
Inquiry/Research  
Critical thinking  
Creative Problem-Solving  
Team Work.

The University is developing a first year experience program based on the latest research about how to improve engagement, retention, satisfaction, learning and success to be implemented in 2011.

The University has implemented a process to provide regular review of all courses from both an academic and a strategic perspective. This will ensure that every course is contemporary, of an appropriate academic standard and is attractive to potential students. A related process will proactively consider new courses for introduction by the University based on market demand and courses which should be terminated.

## Research

The University contributes to national innovation by engaging in research which is:

- of the highest intellectual quality, as judged by measures of excellence such as Excellence in Research for Australia (ERA);
- directed at solving problems of interest and importance to the nation.

The Federal Government imperative to concentrate resources in areas of strength confirmed La Trobe's position to re-evaluate its research efforts based on identifying seven research strengths that fulfilled the following criteria, amongst others:

- have a multidisciplinary and inter-disciplinary aspect;
- encompass both fundamental and applied research of high national and international standard;
- attract significant competitive or other research funding;
- attract significant numbers of higher degree research students and externally-funded research fellows.

On this basis, the research strengths for La Trobe University are:

- Agribioscience and the Environment
- Health and Society
- Human Behaviour and Thought
- Human Communication
- Human Society and Organisation
- Molecular Science
- Studies of the Past.

The University has introduced a new budget system that is more transparent and will enable strategic management of research activities. This budget model supports increased internal investment in areas of demonstrated research excellence. Income from the Research Infrastructure Block Grant (RIBG), Institutional Grants Scheme (IGS), and Research Training Scheme (RTS) is distributed to Faculties as earned, with central costs apportioned on the basis of activity. This has prepared the University to move to a full-cost of research funding model. As part of this process, Faculties are required to provide a fully costed budget on how they are using this full-cost advance in pursuing their research programs, particularly with regard to the University's research strengths.

In embracing the full-cost of research funding model, La Trobe is developing measures of indirect costs of research, such as central infrastructure costs including the costs of animal facilities, libraries, etc. It is also factoring in the complex nature of research costs, including publication costs, and the allowance that indirect costs, and indeed full cost of research, occupies a broad spectrum from creative arts research activities through to high-end bioinformatics and sophisticated genetic manipulation research.

The University has a number of key research partners, such as the Department of Primary Industry involvement in the Biosciences Research Centre. Another major and successful strategic partnership is the Murray-Darling Freshwater Research Centre (MDFRC), with the Murray-Darling Basin Commission, CSIRO Land and Water and the Department of the Environment, Water, Heritage and the Arts. La Trobe University is also a partner in seven Co-operative Research Centres, including the Auto CRC, Bushfire CRC and eWater CRC, and has partnerships with a number of other tertiary institutions through these CRCs and through the Linkage Infrastructure Equipment and Facilities (LIEF) scheme.

A key aspect of the Research Development portfolio is to encourage collaborations with SMEs and other research end users. This is an active area of research activity at La Trobe. For instance, 61.2% of the total HERDC income (2008) is ascribed to C2 and C3 funding, from which SMEs and other research end users are derived.

### **What the University aspires to be**

The University Council has endorsed the following:

- a commitment to grow domestic undergraduate numbers by at least 30% by 2025 at all campuses. Much of this growth should occur sooner rather than later, with a target annual growth rate of 5% for the 2010-2014 planning period;
- a commitment to grow domestic postgraduate coursework numbers by at least 50% over the same period. Given that time and energy will need to be focused on driving undergraduate growth over the next few years, the target annual growth rate for domestic postgraduate students in the 2010-2014 planning period should be a modest 3%;
- maintenance of our target of 8000 international students by 2012, and then review of this target, taking into account the impact of the enhancement of the University's pathway programs, and broader developments in the international education market; and
- expansion of academic staff that will be required to support a larger student population and will support a strengthening of research capacity, and a commitment to an increase in research activity (grants and publications) of 5% per annum above existing targets.

### **Learning and Teaching**

The University aspires to offer teaching and learning programs based on:

- breadth of choice
- equity
- flexibility (options)
- learning-centredness
- research and evidence based decision-making
- and support (resources).

Any student enrolling in an undergraduate course at La Trobe will be given opportunities and the necessary feedback to develop his or her knowledge and skills in the six broad capabilities (listed on page 5). Each student will also be expected to demonstrate a defined level of achievement in relation to each capability before graduation. Realising this will mean that by 2013, academic staff, graduates and employers can expect all La Trobe graduates to demonstrate a defined level of performance in these core capabilities.

This approach will ensure that the University's plan to significantly increase our undergraduate enrolments, and to simultaneously increase the proportion of low SES and otherwise disadvantaged students, will be supported by explicit and demonstrated exit standards.

Our regional priorities and strategies, with detailed performance measures, are clearly detailed in the Regional Strategic Plan <http://www.latrobe.edu.au/about/downloads/regional-strategic-plan-final-10June09.pdf>. We aim to grow regional enrolments, and to strengthen our position as the major provider of higher education in northern Victoria. In particular, we aim to expand substantially the number of graduates from our regional health, nursing, dentistry and pharmacy programs in order to address the acute shortage of health professionals in regional Victoria.

### **Research:**

The University aspires:

- to increase research quality through further concentration on research strengths
- to provide increased opportunities for research, business and government collaboration
- to enhance knowledge exchange and increase the impact and quantum of La Trobe University's research.

La Trobe has an explicit goal as enunciated in the Research Plan of expanding research income by 50% and increasing both research publications and the number of research higher degree enrolments by 20% from 2007 levels. Detailed timelines and measures for these and other actions are specified in the Research Plan <http://www.latrobe.edu.au/research/assets/downloads/Research-Plan-Public.pdf>.

### **The University's plans for supporting its aspirations**

In order to make this growth happen, significant effort is required.

A process of assessing the University's strategic options has commenced, aimed particularly at ensuring that we:

- provide undergraduate and graduate programs that offer students study options that reflect their needs and which have clearly defined professional outcomes;
- develop explicit achievement standards, offer the widest possible set of entry points and pathways through and between programs, and provide genuinely learner-centred flexibility;
- develop pathways to La Trobe courses for students from diverse educational backgrounds, including stronger links with schools and TAFE, and a dedicated pathways program;
- build our research capacity and performance in a strategic, focussed way; and
- focus all our resources on supporting the University's two fundamental objectives: (i) providing effective learning opportunities for students and (ii) producing research that is valued by its users.

Thus, we are building a strategic approach to pathways, curriculum design and modes of delivery, regional networks, schools partnerships, delivery partnerships and scholarships, and are also considering issues of staging, costs of growth and required infrastructure.

### **Learning and teaching**

Building on its historical strengths as a University explicitly committed to good teaching, we are engaged in a major program of reviewing and reforming all undergraduate programs to ensure that our students will benefit from the best possible curriculum design. The first priority is the development of an integrated and coherent first year experience designed to maximise student engagement and retention to be implemented in 2011. Details of this 'Design for Learning' program can be found at <http://www.latrobe.edu.au/teaching/curriculum/index.html>

Second and subsequent years of the undergraduate curriculum will be redesigned against explicit principles of good curriculum design for implementation in 2011 and 2012. Each degree program will specify clear graduate capabilities and career paths. Each Faculty will also review its degree programs, taking into account market information about demand and competition, and will bring forward in 2010 a plan for program rationalisation and development 2010-2014, which will support and be consistent with the expansion goals of the University and the Faculty.

The University is developing a new approach to the academic year, with Faculties identifying and implementing plans for increased flexibility in timetabling, location and mode of delivery, integrated with Design for Learning. Resources will be targeted to programs and courses with viable levels of enrolments. Design, revision and monitoring of programs will draw on expertise from external stakeholders, data on industry trends and market research. The University is upgrading its IT-based teaching and learning facilities to support greater flexibility

in teaching modes. The University is striving to develop pathways, for 'non-traditional' students, including indigenous students, who do not have a family tradition or expectation of higher education.

We will create sub-degree pathways for domestic students who require an upgrade of their academic foundations before entering degree programs, including an extension of Foundations Studies pathways to domestic students, and from 2011, for students who do not qualify for entry through a standard route. Consideration will also be given to developing Associate Degree qualifications.

A greater diversity of entry points into undergraduate studies will produce a broader spread of learning capacities, at least at first year level. We will therefore develop learning pathways for better prepared students which will be sufficiently challenging to keep the students engaged in their studies.

We are also seeking to further develop articulation agreements and arrangements with TAFE institutes and with schools. We will further develop bi-lateral relationships with TAFE institutes which may include articulation agreements, integrated recruiting/marketing activities in domestic and overseas markets, sharing of infrastructure and other resources, and joint staff training. We will introduce a scheme of guaranteed places to nominated students from partner schools, and will develop this scheme in consultation with our school partners.

We will establish an Office of Educational Partnerships to coordinate relationships with schools and TAFE institutes, with a particular focus on pathways for students from low SES backgrounds. We will develop a University Indigenous Strategy to increase participation and success for indigenous students, and will review financial support including bursaries and scholarships for students from equity groups.

Finally, the University is seeking to grow its numbers of direct entry mature age students.

### **Research**

The University will use the outcomes of the ERA process to ensure that research support is concentrated on areas of demonstrated research strength.

The University has in place a number of strategies to encourage researchers to seek career development at La Trobe, including postdoctoral fellowships and small grant schemes that are targeted at research staff in the early phases of their research career.

La Trobe University aims to increase the recruitment of domestic and international research students of the highest calibre. The University has increased the number of scholarships available to both local and international research students to support an increase in the number of higher degree enrolments across the University. The recruitment of good quality postgraduates is a priority.

The establishment of research progress panels will mean that each research candidate reports once a semester on their progress to a panel which will include at least one member of staff who is not directly involved in supervising that student. Panels will be a mechanism for supporting supervisors and candidates to achieve the best results and find productive means of tackling any problems over progress and supervision.

The University has increased the number of scholarships available for top quality research students, in the expectation that students supported are likely to have the best chance of timely completion of their research program. A Timely Completion award will be established for candidates who submit their thesis within two years for Masters and four years for doctoral degrees. The University will also introduce publication awards for each article, chapter, book, conference proceeding or creative work published during the period of candidature.

### **Administration**

The University has set a clear target of an underlying annual operating surplus of 5% in order to support strategic investment. We will aim to produce a financial surplus at least equal to the

average of the higher education sector in order to generate the necessary resources to invest in infrastructure and academic innovation. A Transparent Cost Allocation Model is being implemented to support the Sustainable Research Excellence initiatives.

A comprehensive administrative functional review process commenced in June 2008, and is nearing completion. The proportion of University expenditure on all support activities will be reduced as a consequence, and a Voluntary Redundancy Scheme has been successfully completed.

In order to make more effective use of existing resources, the University is developing a single, consistent academic workload management model, and reward and promotion processes which recognise the multiple areas of activities undertaken by academic staff. Cost data for each degree program and unit are being developed in order to assist Faculties in taking evidence-based decisions about program review and development.

The University is developing a 10-year campus refurbishment plan, with implementation to commence in 2011, and will be increasing the capacity of student residential accommodation, including regional student residential accommodation (as part of the Rural Health project) which is expected to be on target for 2012 operation. A new Student Hub is being built, integrating infrastructure development with the establishment of a new service provision model at the Bundoora campus.

The University is developing its internal processes to embed continuous quality improvement and performance monitoring in day-to-day operations.

## **SECTION TWO**

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### **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

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## 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**

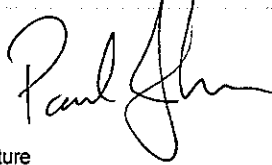
The Collaborative Research Networks (CRN) program will assist smaller and regional universities to adapt to a research system driven more strongly by performance outcomes. From 1 July 2010 regional and smaller universities will be invited to make submissions which support areas of national importance. 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 **La Trobe University**



Signature

PAUL JOHNSON  
VICE-CHANCELLOR

Name and position

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

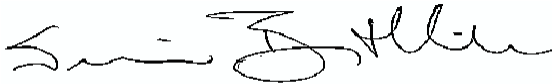


Signature

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"> <li>▪ Partnerships</li> <li>▪ Student loading</li> </ul>	<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"> <li>▪ Partnerships activities</li> <li>▪ Student loading</li> </ul> <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	Funding will be provided for establishment of a framework for Excellence in	36

(ERA)	Research for Australia (ERA).	
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
<b>Savings measures</b>		
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		
	Improved targeting of income support New student scholarships Australian Postgraduate Awards stipend increase				
Student income support	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				
	Sustainable Research Excellence (incremental increase to 2013)				
Research initiatives	Joint Research Engagement				
		Collaborative Research Networks			

# Enhanced Research Funding System

