



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:

- The University of Newcastle
- 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 the University of Newcastle 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. It recognises the Institutional Strategic Plan 2007-2011 and seeks to support the University in its teaching and research activities, through building on existing strengths and developing new initiatives that are in the interests of the University of Newcastle.

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 collaborative approach to a 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;
- flexibility within the higher education sector in responding to the changing needs of the Australian population and Government; 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

## *Strategic Direction: Building Distinction*

The Strategic Plan *Building Distinction 2007 – 2011*, seeks to achieve clear strategic outcomes in five priority areas.

- 1: Make the high quality education of professionals a defining feature of the University.
- 2: Further enhance our international research profile and impact.
- 3: Extend our reputation as a national and international leader in Indigenous collaboration.
- 4: Foster partnerships that enrich and develop our communities in mutually beneficial ways.
- 5: Ensure a financially strong university with sound academic and organisational governance and high quality performance.

This strategic plan has helped the University build its strengths and relationships, improve its operations and achieve outcomes that we believe anticipated, and are consistent with, the Government's vision for higher education.

## *Educational Participation and Attainment*

Over the period 2004 – 2009, the University has grown from 26,000 to 32,350 student enrolments, an increase of around 5% per annum. Research income has doubled in this period from \$42 million in 2004 to a projected \$86 million for 2009 (as estimated under current HERDC regulations). Indigenous activities in teaching and learning and research have increased, as have Indigenous student numbers, which have increased by 43% since 2004 to a total of more than 500 students.

In terms of undergraduate commencing students, in 2009 46% were school leavers and 54% were students who arrived via other admission pathways. In terms of students from low socio-economic status (SES) backgrounds, 32% of our students are from low SES backgrounds, more than double the national average participation rate. We have flexible admission pathways to improve access and participation rates and specific programs to support students.

A key strategy in building our diverse student profile has been the development of our Enabling Studies Programs, such as Newstep (for those under the age of 20 years), Open Foundation (for those over the age of 20 years), and Yapug (for Indigenous peoples). In 2007 the University produced 21% of Australia's graduates from Commonwealth funded Enabling Studies Programs. In 2009 we have almost 2,500 enabling enrolments, an increase of 29% from 2008 enrolments. Through our outreach activities the enrolments in Yapug have been growing, with an annual average increase of 24% of Indigenous foundation studies students over the period 2005-2008.

In 2009 the University established the Wollotuka Institute to consolidate all Indigenous activities of the University into one strategic and operational body. This structure better serves our commitment to Indigenous collaboration and incorporates research activities, teaching and learning initiatives, staff development and student support. The Institute provides enhanced support to our Indigenous Health students through increased access to resources for students, health professionals, and Indigenous communities. This is a significant step in helping to realise the

Government's commitment to 'Closing the Gap' between Indigenous and non-Indigenous Australia. Our Elder in Residence Program is key to this approach and brings an important element of pastoral care and cultural continuity to our support for Indigenous peoples.

#### *Cross-Sectoral Collaboration*

The University has demonstrated commitment and achievements in cross-sectoral collaboration. We have a strong history in a range of outreach and access programs to build aspiration and encourage participation in secondary and tertiary education. We work closely with the NSW Department of Education and Training, as well as primary and secondary schools, to assist in maintaining students in schools as well as to attract targeted equity groups (primarily young women and low SES students) into higher education. Our programs create an appreciation of the importance of education amongst students from targeted equity groups, especially students from low-SES backgrounds. We bring school students (and sometimes their parents) on to the campus for engagement activities to create a feeling that higher education is an attainable goal for them. We align this with a range of engagement activities with students during their high school years such as the Science and Engineering Challenge, an outreach program which aims to encourage junior students to study science at HSC level. In 2009, this program involved more than 20,000 students from over 600 high schools nation wide.

We are committed to working collaboratively with NSW TAFE through the Hunter Institute (for Newcastle and the Central Coast) and the North Coast Institute (for Port Macquarie). The history of our collaboration includes long-standing articulation arrangements, the co-location of activities, and the sharing of facilities.

We have cooperative arrangements with other institutions to facilitate teaching collaborations. A significant and unique partnership is the Joint Medical Program, an innovative program made possible through partnerships of the Universities of Newcastle and New England, Hunter New England Health and Northern Sydney Central Coast Health. Another agreement between the University of Newcastle and the University of New England allows Newcastle students to undertake studies in German and Geology taught by lecturers from New England in mixed mode. We are exploring similar opportunities in specialised or niche disciplines with other universities.

#### *Research and Research Training*

The University's international research strengths are in areas such as health and biomedical sciences, engineering, and science. Our research activities are recognised for their impact and relevance to the region, the nation and the international community. We are committed to further improving the excellence of our research and research training.

We have achieved increasing success in competitive research grants as well as direct industry research grants in recent years. Annual research income has doubled since 2004, including an increase in audited external research income from \$70.6 million in 2007 to \$78.1 million in 2008. This gives the University of Newcastle a research intensity (per capita or proportion of total budget) to rival that of the large capital city research intensive universities. We intend to continue this growth through initiatives to attract further ARC Linkage Grants, NHMRC Program Grants, and funding for Cooperative Research Centres. We are also engaged in targeted collaborations internationally to improve our capacity to attract international research funding and high performing research students.

### *Achieving Global Impact*

The University of Newcastle is achieving a global impact through collaboration with international agencies and leading overseas universities to address global issues such as: health and well-being; clean energy; social corporate responsibility; and the development, growth, and governance of transition economies in Asia. A key feature of our global outreach is our focus on enhanced links with China, India, Vietnam, and Indonesia.

The University has created partnerships and enhanced collaborations with international institutions in teaching and research and is internationalising its curriculum in a variety of ways. We are offering enhanced opportunities for students to develop leadership skills and experience overseas exchanges through our partnerships and through our iLead Program (International Leadership Experience and Development Program), which offers a combination of academic and experiential learning activities in consultation with local and international communities.

What the University aspires to be

The University of Newcastle is proud to be a university of access and excellence and will maintain its commitment to outstanding research and educational opportunities, especially for low SES students. By 2015, the University plans to grow by a further 5,000-7,000 onshore students. This growth will comprise a mix of undergraduate, postgraduate, domestic and international students.

This is feasible given our growth over the last five years. Our growth strategy clearly aligns with the Government's vision to increase participation overall and include greater numbers of students from low SES backgrounds and other disadvantaged groups. For this strategy to be successful the University will require additional assistance for student support.

The University of Newcastle has a special role to play in the broader community in relation to equity and access. The nature of the population of the Hunter, Central Coast and Mid-North Coast regions creates opportunities as well as responsibilities for the University at its campuses in Newcastle, on the Central Coast, and in Port Macquarie.

Our existing and emerging research and research training strengths underpin the development of major funding bids through Government and competitive funding rounds. Investment in research training will align with these strategic focus areas, typically represented by our Priority Research Centres, thereby ensuring research training occurs in areas of high research performance. Our bid for a CRC for Social Inclusion builds upon recent senior appointments and is consistent with our strategic intent to expand research excellence beyond our traditional areas of strength in targeted socially relevant areas. The University is committed to the development of a citizenship that is educated and global in its outlook. We will continue to look beyond national boundaries to engage with global partners.

### *Newcastle City Campus*

Through its focus on education and research, the University will advance its role in the support of economic, social and cultural vitality. The University currently has a presence in the city of approximately 1,000 students and 160 staff. The facilities in the city, such as the Conservatorium of Music and the heritage listed University House do not meet the needs of students and staff in terms of scale and quality. The University's intent is to respond to the education and employment challenges faced by the Hunter and Newcastle by: developing a Newcastle city campus focused on the arts, humanities, education, social sciences, business and law; and redeveloping its Callaghan campus to sharpen its focus on health, engineering, science and

technology. Our city campus will respond to the education needs of Newcastle to ensure access to education by a wide range of individuals and groups.

The consequential re-development of our Callaghan campus will focus activity on the University's teaching and research strengths in health, energy and the environment, and science and engineering. The relocation of some students and staff into the city will provide the University room to expand these high performing areas and opportunity to consider other options for collaboration with industry and TAFE. There may be some capacity on the Callaghan campus for development of a 'mixed-mode' campus of student living, commercial and industry spaces, with the possibility of some capacity for retirement living.

The University's plans for supporting its aspirations

*Strategic Direction: Achieving Reforms*

We believe that the current nature, performance and strategic direction of the University of Newcastle mirror the Australian Government's vision for Australia's higher education sector: a commitment to quality, excellence and impact coupled with strong equity performance. Our plans are highly consistent with achieving the reforms set out in *Transforming Australia's Higher Education System*.

The significant structural changes that we wish to pursue will: build on our strengths; involve some change within the University; require enhanced collaboration with other educational providers, industry, and with government; and require significant funding support. As indicated, structural changes associated with enabling programs as well as collaborations with schools and TAFE will lead to improved higher education participation. Structural changes associated with emerging research strengths and specialisations as well as various network arrangements will lead to greater excellence in research and research training.

Ensuring a global perspective in our activities and providing global opportunities for our students will improve the global leadership role of the future Australia. The creation of a dynamic Newcastle city campus will greatly enhance the city and the region, as well as provide easier access for increased educational participation. Relatedly, the University will support increased opportunities for international students to come to Newcastle through international research activities and educational partnerships, and will encourage domestic students to take up opportunities for study in overseas locations. We will significantly expand such opportunities for students as part of our mission and strategic intent over the next four years.

Our educational and research environment will be interdisciplinary, creative and connected to external trends and needs. Our strategy is consistent with the networked approach promoted by the Government to engage with other institutions. We will extend existing activities with regional universities, such as the University of New England and Southern Cross University, and will collaborate with other research intensive and larger capital city institutions in areas of mutual benefit to share strengths and add complementary components. This may see the University collaborating with institutions such as the Australian National University to build capacity in the Humanities and Social Science, and to provide expertise in areas such as the support of low SES and Indigenous students and medical education.

World class research and research training that links knowledge to action will continue to be a hallmark of our research activities. The University is developing proposals under the Superscience Initiative that will bring leading researchers together to address urgent, global challenges. In the 'Future Industries' field a submission is being developed by the Priority Research Centre for Organic

Electronics and our physicists researching radar technology are part of a collaborative in the 'Space Science' domain.

To create and secure the future research workforce, the University has a focus on growing research higher degree load, including early targeting of our top Honours students for research higher degree candidature. For current staff, a suite of grant schemes are in place, with an emphasis on assisting early career researchers and female academics in particular to enhance their career prospects.

Also relevant to workforce matters is our strong history of collaboration with industry, which will continue to produce positive employment outcomes for our students through the creation of stronger academic partnerships with community, industry and government. We will provide work integrated learning opportunities for our undergraduate students over the next four years. We are working closely with industry and other bodies in the Hunter region, such as the Hunter Business Chamber, on initiatives that will provide opportunities for work integrated learning and will increase the potential for employment in the Hunter and Central Coast regions.

The University's built environment has reached its physical limit for expansion and we need to make a significant capital investment for refurbishment and anticipated growth. Developing a dynamic Newcastle city campus and redeveloping the Callaghan campus is a sound, strategic direction. This approach will position the University and the region to attract more students and capitalise on emerging research and investment opportunities across Australia and internationally. Relatedly, the ongoing development of flexible entry pathways and our highly successful Enabling Studies Programs will be an essential part of our growth.

When complete, the city campus will bring together the University's creative arts areas into the city's emerging cultural precinct, consolidate the University's business school, and co-locate its law school with the new justice precinct being considered by the Australian and NSW Governments in the context of the redevelopment of the courts. The interaction between the University's Law School and proposed Federal and NSW courts will build on our existing program to provide legal advice to disadvantaged social-economic groups. Our intent, which is consistent with our strategy of growth, is that the city campus will accommodate approximately 7,000 students and 1,000 staff within a specially-designed, mixed purpose education precinct that will be a feature of the city centre.

An ongoing strategic priority is to ensure a strong university with sound academic and organisational governance. Within this priority we are integrating sustainability into teaching, research, operations and community engagements. Both financial (such as the diversification and risk management of funding sources) and environmental (such as reducing energy and water use, and risk management of toxic materials) sustainability are considered in all matters related to the development of the University's activities and assets. The Strategic Plan is underpinned by key performance indicators and institutional targets that are measured and monitored. Specific measures (such as access, retention and success rates for Indigenous students; external funding and publication rates for research groups) monitor progress against the Strategic Plan and the impact of strategic initiatives are evaluated regularly by University Council. Our aspirational targets are set after consideration of best practice and benchmarking our position to ensure ongoing improvement and our resources are aligned with the priorities in the Strategic Plan.

## 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 the **University of Newcastle**



Professor Nicholas Saunders  
Vice-Chancellor and President

Signature

Name and position

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

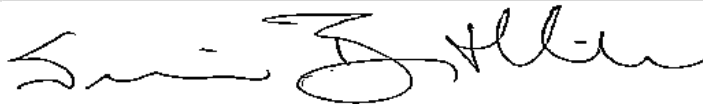


Fiona Buffinton  
Group Manager,  
Higher Education Group

Signature

Name and position

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



**Jessie Borthwick**  
**Head of Division**  
**Research Division**

Signature

Name and position

**Summary of budget initiatives**

Initiative	Description	Funding 2009-10 to 2012-13 \$m
<p>Funding to support the low SES participation targets</p> <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>	<p>108 325</p>
<p>Demand driven entitlement system for domestic higher education students</p>	<p>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.</p>	<p>491</p>
<p>Higher Education Loan Program (HELP) repayment reduction for education and nursing</p>	<p>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.</p>	<p>83</p>
<p>Increase in the maximum annual student contribution amount for education and nursing</p>	<p>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.</p>	<p>33</p>
<p>Indexation</p>	<p>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.</p>	<p>578</p>
<p>Sustainable Research Excellence in Universities</p>	<p>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.</p>	<p>512</p>
<p>Joint Research Engagement</p>	<p>Replaces the Institutional Grants Scheme to encourage and support engagement with the end users of research.</p>	<p>-</p>
<p>Collaborative Research Networks</p>	<p>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.</p>	<p>52</p>
<p>Excellence in Research for Australia (ERA)</p>	<p>Funding will be provided for establishment of a framework for Excellence in Research for Australia (ERA).</p>	<p>36</p>

PACKAGE ELEMENTS	2010	2011	2012	2013	2014 and beyond
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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	<p>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.</p> <p>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.</p>				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

	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

