



**THE HON JULIA GILLARD MP**  
**DEPUTY PRIME MINISTER**

Parliament House  
Canberra ACT 2600

Mrs Julia Irwin MP  
Member for Fowler  
Parliament House  
CANBERRA ACT 2600

13 JUL 2009

Dear Mrs Irwin

Thank you for your letter of 9 June 2009, concerning a petition regarding university funding recently submitted for consideration to the Standing Committee on Petitions.

Higher Education is central to achieving the Australian Government's vision of a stronger and fairer nation. The Government is implementing a landmark reform agenda for higher education and research that will transform the scale, potential and quality of the nation's universities and open the doors to higher education to a new generation of Australians.

A summary of the Government's actions in relation to the issues raised in the petition are outlined below and comprehensive details of the reform package are available in the *Transforming Australia's Higher Education System* booklet. The booklet, as well as factsheets on the reforms and their benefits, is available at:  
[www.deewr.gov.au/HigherEducation/Pages/TransformingAustraliasHESystem.aspx](http://www.deewr.gov.au/HigherEducation/Pages/TransformingAustraliasHESystem.aspx).

1. *Improve Commonwealth funding to reflect the real costs of delivering internationally competitive research and education, as well as allowing each institution to follow its own particular missions.*

In the 2009–10 Budget, the Government announced additional support to the higher education and research sectors at a cost of \$5.4 billion over four years. This includes funding of:

- \$1.5 billion for teaching and learning.
- \$0.7 billion for university research.
- \$1.1 billion for the Super Science initiative.
- \$2.1 billion from the Education Investment Fund for education and research infrastructure.

These measures will support funding for additional Commonwealth supported places and a new student centered funding system based on demand, increased indexation of higher education grants to reflect real increases in costs, and increased funding to meet the indirect cost of competitive research grants.

The Government will also introduce a new relationship between the Commonwealth and individual universities. By working in consultation with universities, the Government will develop mission-based compacts that define an institution's particular mission and describe how it will fulfill that mission and meet the Government's policy objectives.

2. *Make access to higher education more equitable and affordable and improve student services at our universities.*

The Government is committed to ensuring that Australians of all backgrounds who have the ability to study at university get the opportunity to do so.

To this end, the Government will provide an additional \$394 million in funding, bringing funding to support low socio-economic status (SES) participation in higher education to a total of \$437 million over the next four years. The increased level of funding will deliver:

- a new partnership program worth \$108 million over four years to link universities with schools, vocational education and training providers, and adult education. This will promote leading practice, increase the aspirations of students and contribute to higher rates of education attainment from low SES students including Indigenous students and students from regional and remote areas.
- a student-related loading, worth \$325 million over four years – including approximately \$43 million from the existing Higher Education Equity Support Program. This loading will be based on the numbers of low SES students enrolled in institutions. Under this initiative, the loading per student will be increased from the current level under the Higher Education Equity Support Program of approximately \$100 per student in 2008 to about \$1140 in 2012.

In 2010, the Government will work with the higher education sector to develop a set of performance indicators. The indicators will include measures of success for equity groups as well as measures of the quality of teaching and learning. 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.

The Government is also introducing reforms to student income support that are critical to meeting the target of 20 per cent of higher education enrolments at undergraduate level being students from low SES backgrounds. This will have the effect of removing financial barriers to the participation in education and training of students from low socio-economic backgrounds and Indigenous students.

Subject to the passage of legislation, higher education providers that receive funding for student places will need to meet new requirements for student representation, advocacy and provision of information on access to essential services. The prohibition on compulsory student unionism will not be changed. The new arrangement will provide universities with around \$170 million in 2010 to fund much needed amenities and services which are integral to student engagement and delivering a truly broad education experience at university.

3. *Provide legislative protection for the distinctive characteristics of our universities, especially academic freedom and institutional autonomy.*

The Government is committed to a new relationship with universities, a relationship which recognises the value of institutional autonomy while promoting excellence, supporting growth and maintaining international competitiveness.

The *Higher Education Support Act 2003* embodies the values of academic freedom. The intentions of the Act include:

- (a) supporting a higher education system that is characterised by quality, diversity and equity of access, and is appropriate to meet Australia's social and economic needs for a highly educated and skilled population.
- (b) supporting distinctive purposes of universities, including the creation and advancement of knowledge, and recognising that universities are established under laws of the Commonwealth, States and Territories that empower them to achieve their objectives as autonomous institutions.
- (c) strengthening Australia's knowledge base and the contribution of research to national economic development, international competitiveness and the attainment of social goals.

In addition to the above provisions, the *National Protocols for Higher Education Approval Processes* protect the standing of Australian higher education, including universities. The protocols require that institutions involved in Australian higher education delivery have a commitment to and support for free intellectual inquiry. The protocols have been agreed by all Commonwealth, state and territory higher education ministers and have been implemented in legislation in accordance with relevant jurisdictions under which they are governed.

The Government is committed to its reform agenda for higher education and research to boost Australia's productivity and performance as a knowledge-based economy. The reforms are a major step towards an interconnected tertiary education sector that enriches Australia's economic potential and wellbeing.

I trust this information is of assistance.

Yours sincerely

**Julia Gillard**  
**Minister for Education**