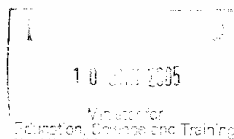


Professor Glyn Davis
Vice-Chancellor



7 June, 2005

Dr Brendan Nelson
Minister for Education, Science and Training
Suite MF24
Parliament House
Canberra ACT 2600

Brendan
Dear Dr Nelson,

I am writing to confirm my telephone conversation with your senior staff of 6 June.

I recommended to my University's Council later that day that the activities of Melbourne University Private (MUPL) be merged into the University of Melbourne. That recommendation was approved and I shall be providing further advice at the July Council meeting on the specific arrangements for each of the components of MUPL to ensure that the great benefits it has brought to the University are not lost.

Council noted its obligations to students of MUPL and confirmed that they would all be enabled to complete their courses and to gain awards from the University of Melbourne. All students are being notified of the changes and those who are due to graduate at ceremonies later this month will be offered awards from the University.

Your agreement to propose amendments to the Higher Education Assistance Act to enable MUPL to have access to research funding and FEE-HELP is very much appreciated, but these changes will now no longer be necessary.

In 1997 the University of Melbourne undertook a brave and unprecedented experiment – the creation of a wholly-owned private university, to offer flexibility in programmes and student admission not available to the public entity. In the past seven years MUPL has developed a range of innovative, client-focused education programmes and client responsive processes which would have been impossible in the public University.

To achieve this MUPL underwent several changes in its organisational and operational structure in response to changing circumstances. In the meantime, in part because of MUPL's existence, the broader policy environment and the willingness of the University to contemplate more innovative programmes have both altered. In light of these changes to the policy landscape, I undertook a further examination of the operations of, and prospects for, MUPL. I concluded that the original idea no longer makes sense either academically or commercially.

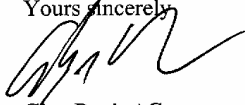
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The lessons learned, and the experience gained by the individuals involved, will influence much that follows at the University. The viable components of MUPL will live on within the public university, a constant challenge to be more entrepreneurial, to reach out to a broader set of partners.

I would like to thank you for your efforts to support MUPL during your time as Minister. While this may appear to be in conflict with our shared views about the development of private higher education, I trust that you and the public will see this experiment as one which occurred in the wrong circumstances rather than a sign that private higher education cannot work.

With kind regards.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Glyn Davis', written over the typed name.

Glyn Davis AC
Vice-Chancellor