

# Higher Education Report 2005

## Introduction

The *Higher Education Report 2005* is the second of a series of annual reports which replace the *Higher Education Triennium Report* series produced by the Department of Education, Science and Training (DEST) since 1988. This report is based on the calendar year.

This Report provides:

- an overview of the higher education sector and its achievements in 2005, including ongoing implementation of the *Our Universities: Backing Australia's Future* package of higher education reforms, new Australian Government policies and recent sector developments;
- details of funding under the *Higher Education Support Act 2003*;
- a review of the performance of higher education providers in delivering student places and other Australian Government funded outcomes in 2005; and
- information on funding allocations in 2005.

Following from the *2002 Review of Higher Education*, the Australian Government announced a package of new higher education policies in the 2003-04 Budget, to be implemented between 2004 and 2008. Legislation to give effect to the *Our Universities: Backing Australia's Future* reform package, the *Higher Education Support Act 2003* (HESA) was passed by Parliament on 5 December 2003.

2005 represented the first year in which the majority of the Australian Government's higher education reforms were introduced. Funding allocations for 2005 are set out in the various tables and figures throughout this report.

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## Major developments in 2005

### ***Our Universities: Backing Australia's Future***

2005 was a very significant year for higher education in Australia with the majority of the *Our Universities: Backing Australia's Future* reforms initiatives coming on line. Under the reform package, the Australian Government has committed to an increased investment of \$11 billion over ten years in higher education and embarked on a wide-ranging reform agenda to improve the efficiency and effectiveness of our higher education system and the choices available to students.

The *Our Universities: Backing Australia's Future* initiatives implemented in 2005 included:

- Commonwealth Grant Scheme;
- Conditional increase to the Commonwealth Grant Scheme;
- Higher Education Workplace Relations Requirements;
- Transition Fund;
- Allocation of new Commonwealth supported places;
- Introduction of Funding Agreements;
- New student contributions system for Commonwealth supported places;
- New Higher Education Loan Programme;
- Changes to the number of fee-paying places permitted in undergraduate courses (including medicine);
- Increased funding for the Indigenous, equity and disability support programmes;
- Collaboration and Structural Reform fund; and
- Enhanced overseas audits.

### **Consultation with the sector**

The department continued to consult widely with the higher education sector through a variety of forums on implementing the *Our Universities: Backing Australia's Future* package of reforms. Major consultation has been conducted on reform initiatives such as the *Higher Education Support Act 2003* (HESA) guidelines, the Carrick Institute for Learning and Teaching in Higher Education, the Learning and Teaching Performance Fund, new equity measures, new scholarships programmes, new collaboration measures, quality audits, higher education private provider guidelines and the Higher Education Information Management System.

Information on implementing reforms was continually disseminated to the sector through the department's website and the *Our Universities: Backing Australia's Future* newsletter.

From 2005, each institution that receives funds under the Commonwealth Grant Scheme enters into a funding agreement with the Australian Government, specifying the number of places and the discipline mix that will be supported. The funding agreements are negotiated each year in the context of each institution's mission and strategic direction for course provision. Funding Agreement meetings were conducted with all universities in 2005.

The new accountability framework, the Institution Assessment Framework, was introduced to replace the annual Educational Profiles system. Detailed bilateral discussions between the department and individual institutions occur every two years. About half of all the Table A providers were visited in 2005.

## 2005-06 Budget

The *Our Universities: Backing Australia's Future* reform package was enhanced by additional initiatives announced in the 2005-06 Budget.

The Australian Government invested a further \$31.9 million in new initiatives in the 2005-06 Budget to provide students with better facilities and more course options across a range of campuses.

The Australian Government provided \$13.9 million over four years to establish two new undergraduate courses in veterinary science and tropical agriculture at James Cook University. The University received 50 new undergraduate places for the veterinary science course and a further 50 new places for the tropical agriculture course to commence in 2006. These 100 new places will increase to 273 places by 2009.

In recognition of the fact that better infrastructure is the key to maintaining excellence in higher education, the Australian Government provided the University of Western Sydney with \$25 million over three years to boost teaching infrastructure for students at its campuses. This initiative will improve the University's teaching and research capacity through funding for a new library at Penrith, upgraded research and teaching infrastructure at Hawkesbury, a medical training facility at Campbelltown and a new teaching building at Parramatta.

The Australian Government's commitment to the higher education sector is ongoing. New investments included:

- \$15.5 million for infrastructure and new places in teaching, nursing and medicine over four years at the University of Notre Dame Australia's new Sydney campus;
- \$12 million towards the infrastructure costs of a new veterinary science school (to house the new veterinary science students) at James Cook University;
- \$10 million towards the capital cost of a new medical school at the University of Wollongong;
- \$5.9 million for 100 new undergraduate places in radiation therapy by 2009; and
- \$2 million for an upgrade of communications and information technology systems at Charles Darwin University.

## Legislation

In 2005, a number of Acts were enacted in Parliament to ensure the smooth and effective transition to the new higher education funding arrangements under the *Higher Education Support Act 2003* (HESA) and to implement the 2005-06 Budget measures.

More information on the legislation passed in 2005 is at Appendix C of this report.

A number of guidelines were also registered and tabled in 2005 to establish the operational requirements of various policies and programmes set out in the HESA. A list of the HESA guidelines tabled in both Houses of Parliament during 2005 is at Appendix D of this report. The guidelines can be found at <http://www.backingaustraliasfuture.gov.au/guidelines.htm>.



# 1 Higher Education Sector in Australia in 2005

## 1.1 Overview

The higher education sector in Australia comprises 37 public and two private universities, one approved branch of an overseas university, four other self-accrediting higher education providers and around 130 non self-accrediting higher education providers. All but three of the universities and other self-accrediting higher education providers in Australia are established or recognised under State or Territory legislation. The Australian National University, the Australian Maritime College and the Australian Film Television and Radio School are established under Commonwealth legislation.

Australian universities are generally comprehensive institutions offering a wide range of programmes. They vary significantly in size ranging from the largest with around 40,000 students down to the smallest at around 2,000 students. Most range between 10,000 and 20,000 students. Many universities are located in the major cities but a significant number are located in smaller regional centres. The larger universities usually have a number of campuses.

Around 38 non self-accrediting higher education providers were approved under the *Higher Education Support Act 2003* during 2005 (see Section 3.1 for more details). The majority of private higher education providers are cross-sectoral, offering both higher education and Vocational and Technical Education qualifications. Private higher education providers can be grouped into five categories: niche market operators; faith-based theological colleges; TAFE colleges offering higher education qualifications; Australian Government funded performing arts/media institutions; and institutions offering training in professional practice.

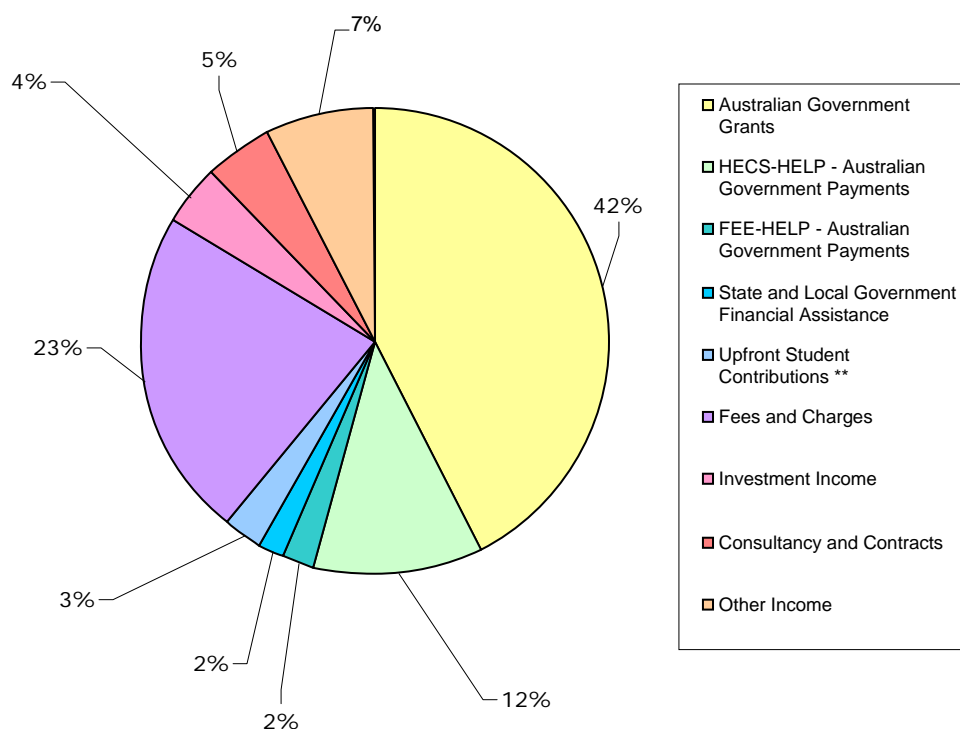
## 1.2 Major Sources of Revenue<sup>1</sup>

In 2005, the total operating revenue, including for Vocational and Technical Education activities, was \$14.3 billion (revenue for higher education activities was \$13.9 billion). Of the total amount, \$5.9 billion was from Australian Government grants and other Australian Government payments were \$1.6 billion for HECS-HELP and \$289 million for FEE-HELP. Upfront Student Contributions were \$396 million and the remainder was split between the following: Fees and Charges (\$3.3 billion); Consultancy Contracts (\$651 million); Investment Income (\$582 million); State and Local Government (\$514 million); and other sources (\$1.1 billion) (Figure 1).

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<sup>1</sup> Includes institutions listed in Table A of the *Higher Education Support Act 2003* and the University of Notre Dame Australia.

**Figure 1: Sources of revenue**



Source: 2005 university financial statements

## 1.3 Student<sup>2</sup> and Staff Statistics

### 1.3.1 Student enrolments

In 2005, there were 957,176 students attending Australian higher education providers, an increase of 1.3% over the number in 2004 (Figure 2). There were 717,681 domestic and 239,495 overseas students.

These students were undertaking the following types of study:

- Undergraduate – 665,526
- Postgraduate – 263,504
- Other (Enabling and Non-award courses) – 28,146

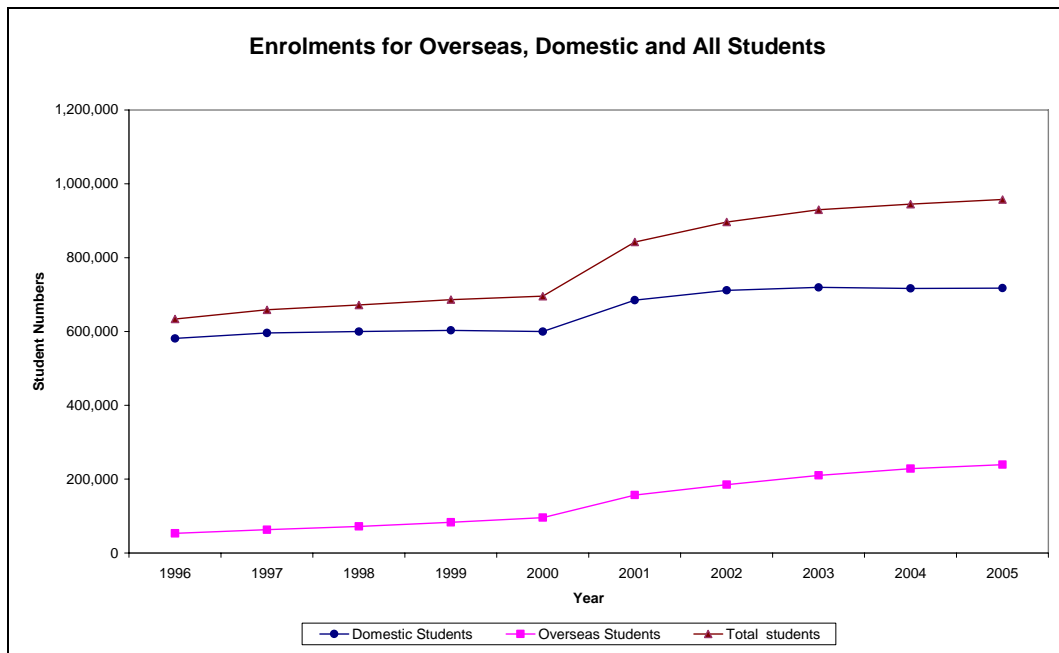
Since 1996, there has been an increase in student enrolments of 51%<sup>3</sup>. Domestic students have increased by 24% and the proportion of overseas students (any students that are not

<sup>2</sup> The 2005 Higher Education Student Full Year data includes some students enrolled at private higher education providers that, during 2005, first offered their students Commonwealth assistance through FEE-HELP. The Higher Education Support Act 2003 requires that all higher education providers that receive Commonwealth grants are required to provide statistical information in respect of the provision of higher education.

<sup>3</sup> 38 private higher education providers were approved to offer FEE-HELP under the *Higher Education Support Act 2003* during 2005, although not all of these were approved in time to offer FEE-HELP to their students in 2005. Some of the increase in student numbers (approximately 2%) may therefore be due to the increase in the number of higher education providers reporting to DEST.

'domestic' undertaking a course of study at a higher education provider)<sup>4</sup> attending Australian universities has increased from 8% in 1996 to 25% in 2005.

**Figure 2: Enrolments of domestic, overseas & all students 1996 – 2005<sup>(a)</sup>**

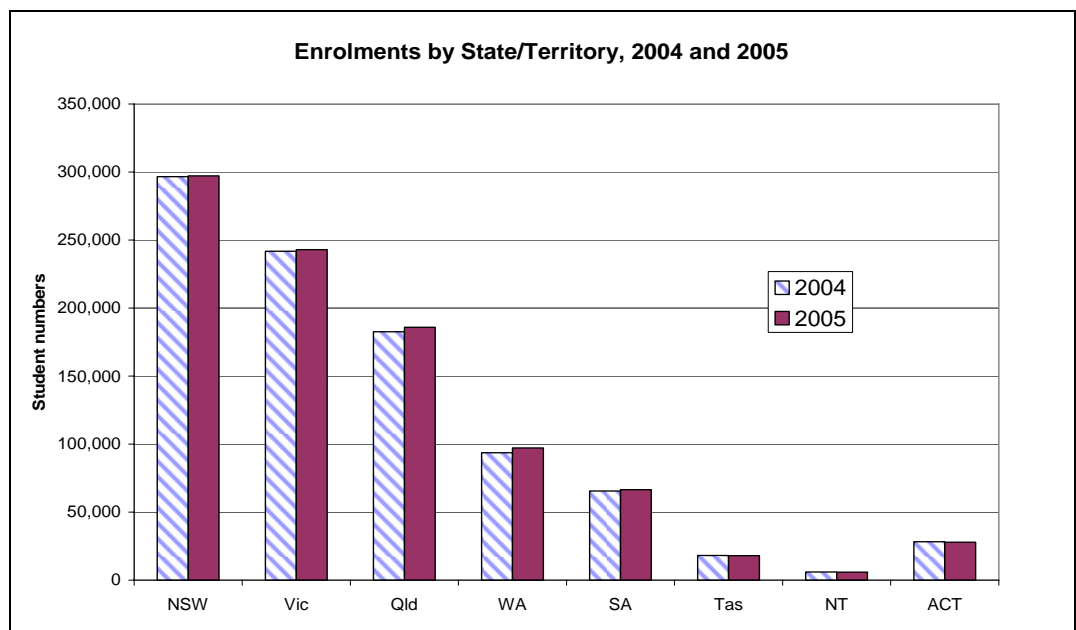


Source: Selected Higher Education Student Statistics (DEST)

(a) There has been a break in series from 2000 to 2001. Users should take care when comparing data across this time period.

In 2005, New South Wales continued to have the largest number of student enrolments (297,191), followed by Victoria (242,951) and Queensland (185,922) (Figure 3).

**Figure 3: Enrolments by State and Territory, 2004 and 2005**



Source: Selected Higher Education Student Statistics (DEST)

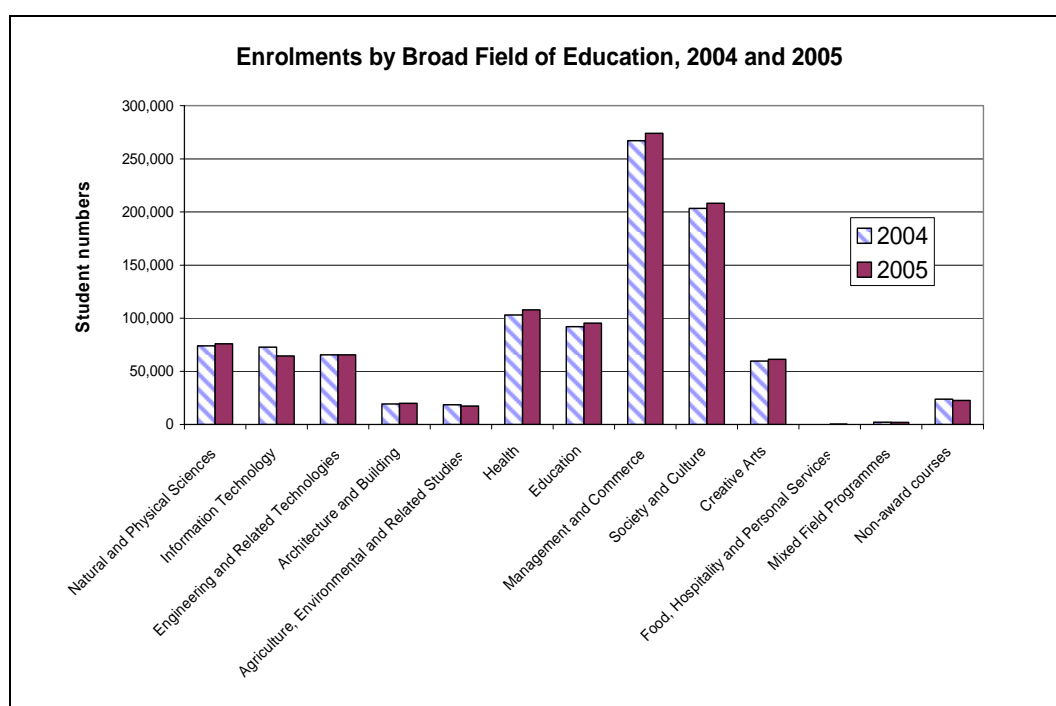
<sup>4</sup> Domestic includes Australian and New Zealand citizens and students who hold permanent resident status or a humanitarian visa.

Between 2004 and 2005 most States and Territories, other than Tasmania, the Australian Capital Territory and the Northern Territory, experienced increases in the number of students attending higher education providers in their State or Territory.

Enrolments in most fields of education increased between 2004 and 2005 (Figure 4). The fields with the highest growth were:

- Management and Commerce – up by 7,034 students or 2.6%;
- Society and Culture – up by 5,039 students or 2.5%;
- Health – up by 4,795 students or 4.7%;
- Creative Arts – up by 1,445 students or 2.4%; and
- Education – up by 3,324 students or 3.6%.

**Figure 4: Enrolments by broad field of education, 2004 and 2005**



Source: Selected Higher Education Student Statistics (DEST)

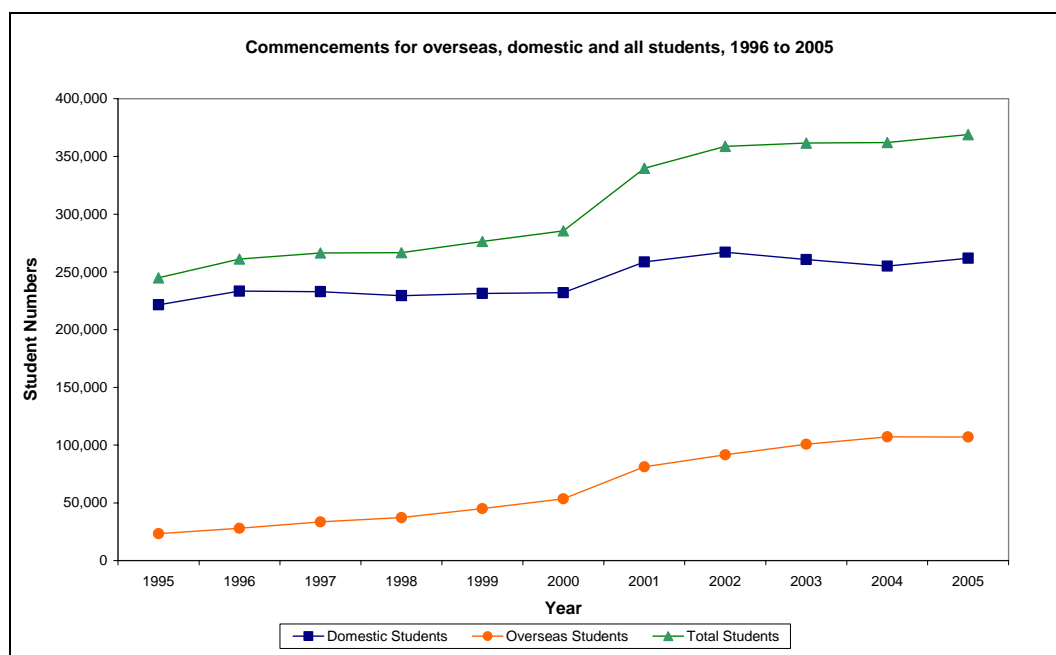
In 2005, Management and Commerce was the most popular field of education, with the largest proportion of enrolled students at 27% of all students. The next most popular fields were Society and Culture (21% of all students) and Health (11% of all students).

Commonwealth supported students comprised 567,979 students in 2005, representing 79% of all domestic students. The introduction of FEE-HELP in 2005 resulted in around 59,000<sup>5</sup> or 42% of reported domestic fee-paying students adopting the government loan scheme.

In 2005, a total of 368,895 students commenced higher education in Australia, an increase of 1.9% on 2004 and a 41% increase on 1996. There were 261,934 domestic and 106,961 overseas commencing students (Figure 5).

<sup>5</sup> This figure does not include Open Universities Australia.

Figure 5: Commencements for overseas, domestic and all students, 1995-2005 <sup>(a)</sup>



Source: Selected Higher Education Student Statistics (DEST)

<sup>(a)</sup> There has been a break in series from 2000 to 2001. Users should take care when comparing data across this time period.

These students were undertaking the following types of study:

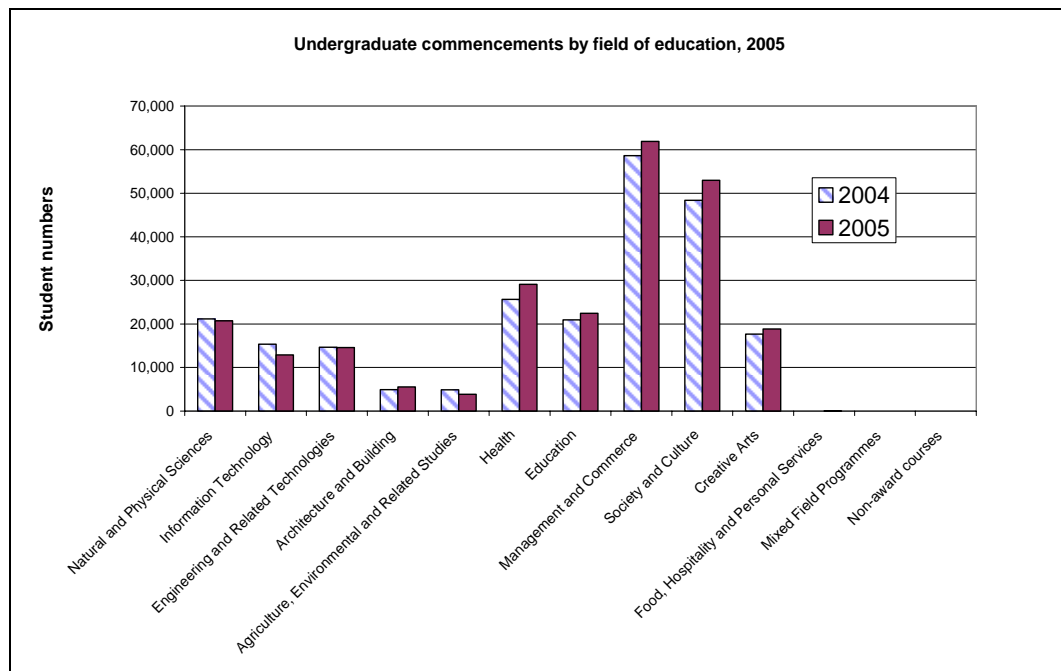
- Undergraduate – 227,442
- Postgraduate – 117,11298
- Other (Enabling and Non-award courses) – 24,341

Following the pattern in enrolments, undergraduate commencements increased in most fields of education between 2004 and 2005 (Figure 6). Growth occurred in the fields of:

- Management and Commerce – up 3,270 students or 5.6%;
- Society and Culture – up 4,600 students or 9.5%;
- Health – up 3,416 students or 13.3%;
- Education – up 1,490 students or 7.1%; and
- Creative Arts – up 1,173 students or 6.6%.

At undergraduate level, two fields showed substantial declines in commencements between 2004 and 2005: Information Technology (down 2,424 students or 16%); and Agriculture, Environmental and Related Studies (down 1,019 students or 21%).

**Figure 6: Undergraduate commencing students, by field of education, 2004 and 2005**

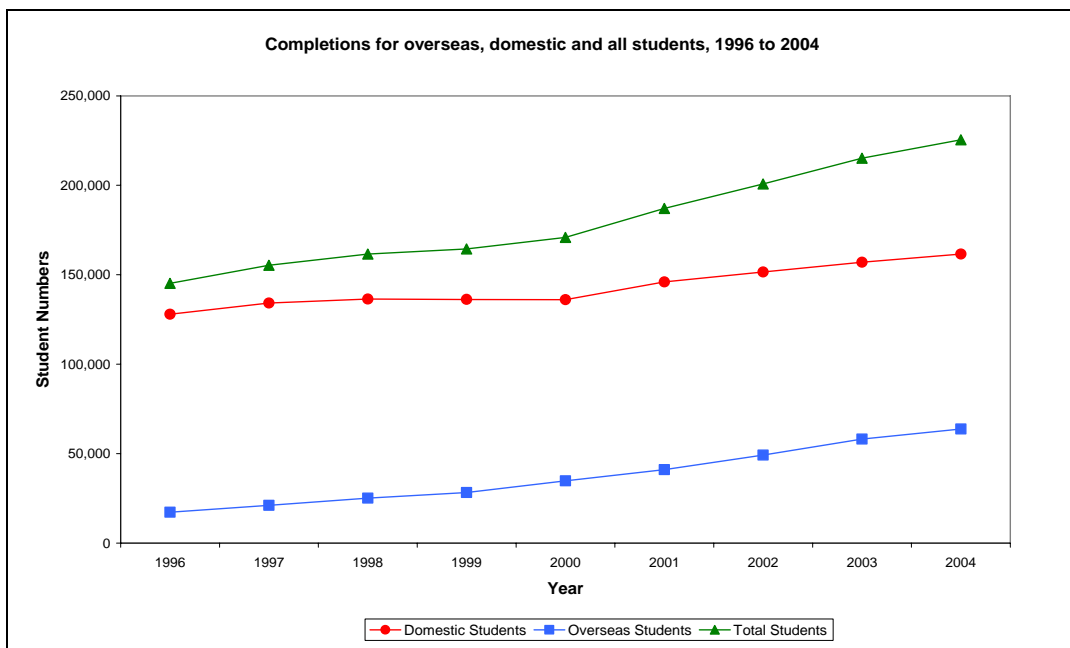


Source: Selected Higher Education Student Statistics (DEST)

### 1.3.2 Completions

The number of students completing courses in 2004 continued the large increases seen since 2000 (Figure 7). A total of 225,441 students completed their courses in 2004, an increase of 10,332 or 4.8% between 2003 and 2004. There were 161,622 domestic and 63,819 overseas student completions.

**Figure 7: Completions for domestic, overseas and all students, 1996-2004**



Source: Selected Higher Education Student Statistics (DEST)

Student completions were divided between the following:

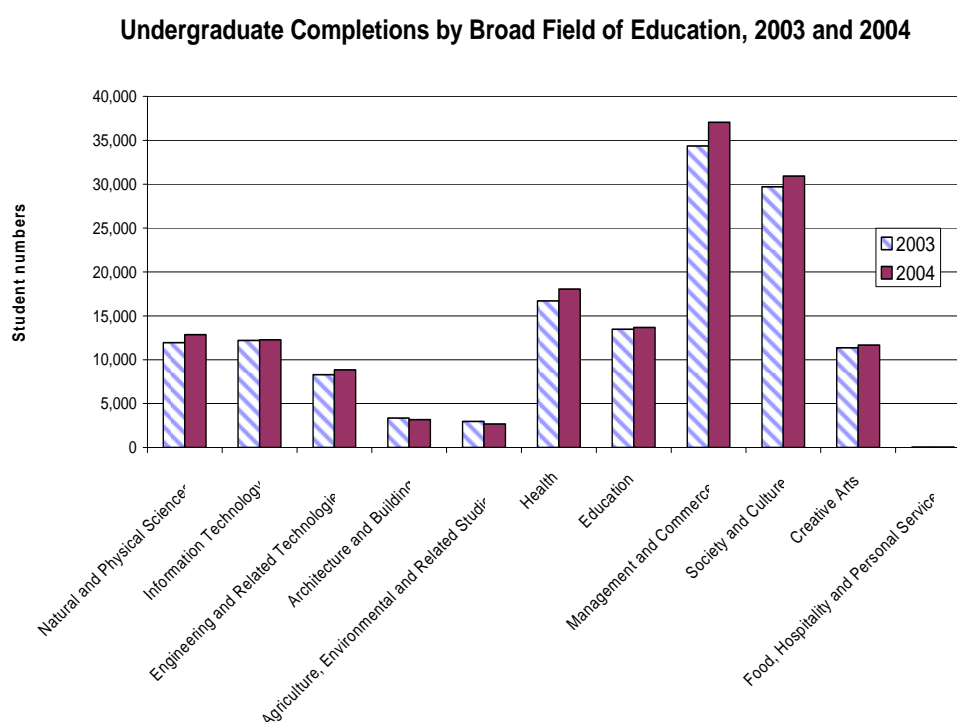
- Undergraduate – 144,202
- Postgraduate – 81,239

Undergraduate completions increased most between 2003 and 2004 (Figure 7) in the fields of:

- Management and Commerce – up 2,710 students or 7.9% to 37,050 students;
- Health – up 1,345 students or 8.1% to 18,041 students; and
- Society and Culture – up 1,210 or 4.1% to 30,924.

Management and Commerce had the largest number of undergraduate completions amongst the broad fields of education, with 25% of completions in 2004. Society and Culture (21%) and Health (11.9%) were the next largest fields in 2004.

**Figure 8: Undergraduate completions, by field of education, 2003 and 2004**



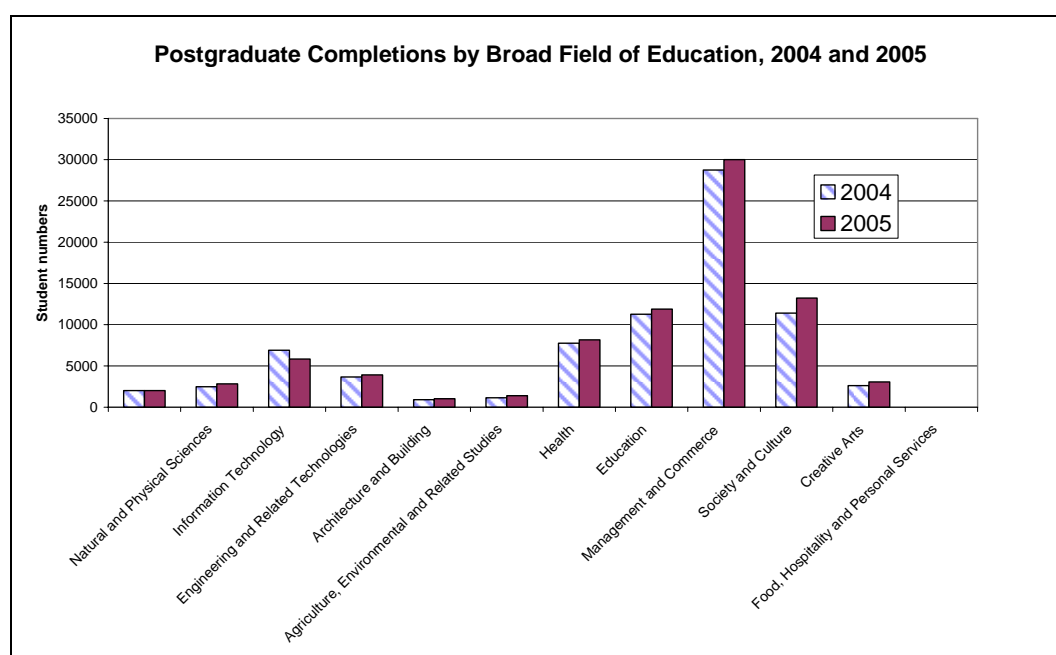
Source: Selected Higher Education Student Statistics (DEST)

Postgraduate completions increased by 6% to 81,239 students between 2003 and 2004 (Figure 8). The largest increases in postgraduate completions occurred in the following fields:

- Society and Culture (up 1,809 or 16% to 13,219 students); and
- Management and Commerce (up 1,245 or 4.3% to 29,995 students).

Information Technology was the only field to show declines in postgraduate completions between 2003 and 2004, falling 1,068 or 16% to 5,835 students.

**Figure 9: Postgraduate completions, by field of education, 2004 and 2005**



Source: Selected Higher Education Student Statistics (DEST)

### 1.3.3 Overseas student enrolments

In 2005, there were 239,495 overseas students undertaking study at Australian higher education providers, including 175,589 onshore enrolments.

In 2005, 57% (136,546) of overseas students were enrolled in undergraduate studies, slightly less than the 58% in 2004. There were 90,231 postgraduate students from overseas enrolled in 2005. The majority of these postgraduate enrolments (81%) were for Masters by Coursework. Table 1 lists the number of overseas student enrolments in 2005 by field of education.

**Table 1: Overseas student enrolments by field of education, 2005**

Field of education	Number of enrolments	Percentage of total
Natural and Physical Sciences	10,896	4.5
Information Technology	31,001	12.8
Engineering and Related Technologies	18,797	7.8
Architecture and Building	3,958	1.7
Agriculture, Environmental and Related Studies	1,408	0.6
Health	13,771	5.7
Education	7,229	3
Management and Commerce	114,945	47.3
Society and Culture	18,259	7.5
Creative Arts	10,013	4.1
Food, Hospitality and Personal Services	5	0
Mixed Field Programmes	9	0
Non-award courses	12,598	5.2
<b>TOTAL<sup>(a) (b)</sup></b>	<b>242,889</b>	<b>100.0</b>

Source: Selected Higher Education Student Statistics (DEST)

(a) The data takes into account the coding of Combined Courses to two fields of education. As a consequence, counting both fields of education for Combined Courses means that the totals may be less than the sum of all fields of education.

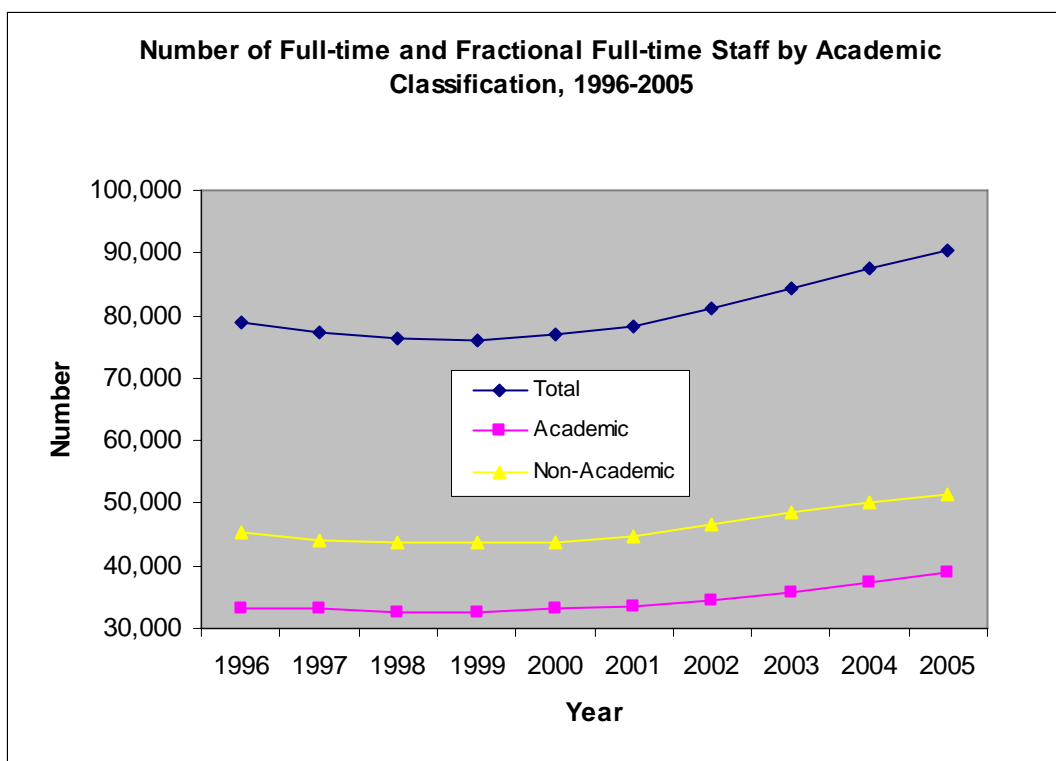
(b) Total may not add to 100% due to rounding



### 1.3.4 Staff

In 2005, there were 90,407 full-time staff employed in higher education institutions<sup>6</sup> (Figure 10). This is an increase of 3.1% from 2004 and 15% since 1996 and continues the pattern of steady increases in numbers since 1999. More than half work in non-academic fields such as student services or academic support (51,455 or 56.9%) and the majority are employed on an ongoing basis (60,016 or 66.4%, down from 67.2% in 2004).

**Figure 10: Number of full-time and fractional full-time staff by classification type, 1996-2005**

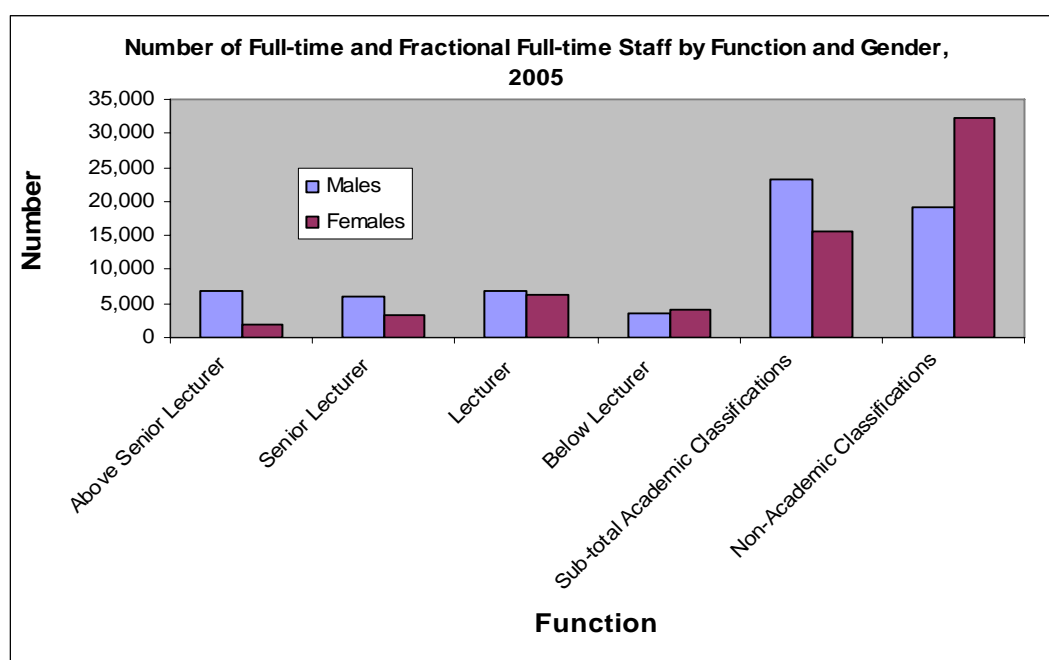


Source: *Staff 2005, Selected Higher Education Statistics, DEST*

Females count for a higher share of employees than males, making up 53.0% of all staff in 2005. However, most females are employed in non-academic classifications (67% of females are non-academic in 2005, compared with 45% of males). Males also continue to outnumber females in the Above Senior Lecturer classification. In 2005 6,878 males were employed at this level compared to just 1,881 females.

<sup>6</sup> Staff data includes all institutions listed in Table A of the *Higher Education Support Act 2003*, Avondale College and the Australian Defence Force Academy.

**Figure 11: Number of full-time and fractional full-time staff by function and gender, 2005**



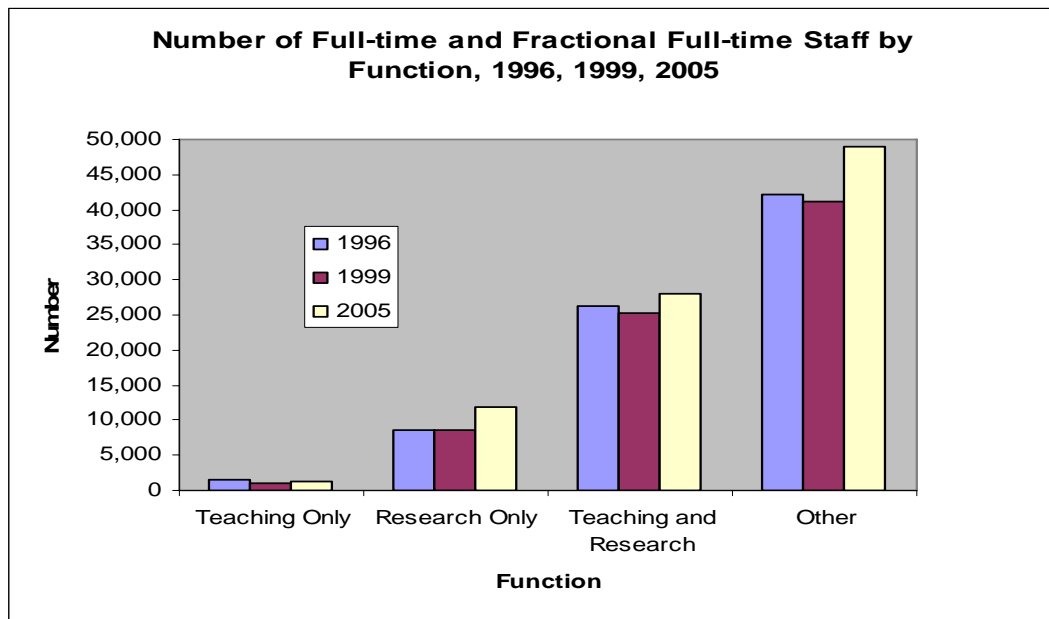
Source: Staff 2005, Selected Higher Education Statistics, DEST

The number of staff employed in a “teaching only” function decreased by 162 in 2005 to 1,239 after several years of increases. In 1996, the number of teaching only staff was 1,587. Whilst there has been consistent growth in the other categories, the “Teaching Only” classification has declined by almost 22% (-348) since 1996 (Figure 12). Some of this decline has been caused by the re-classification of staff from this category into “Teaching and Research”.

The “research only” field of employment has shown consistent increases since 1996, the only decline in numbers occurring in 1998. Research staff numbers have been particularly strong in the last three years, rising to 11,993 in 2005, an increase of 594 over the previous year and 38.7% (3,332) since 1996.

The category of “Teaching and Research”, used to classify staff that divide their time between both teaching and research activities, grew by 997 staff in 2004 to 28,148 in 2005, a 6.8% growth in this category since 1996. In the “Other” category, which is made up of non-academic staff, numbers increased by 1,320 from 2004 levels (to 49,087 in 2005), a 16.3% growth above the 1996 level.

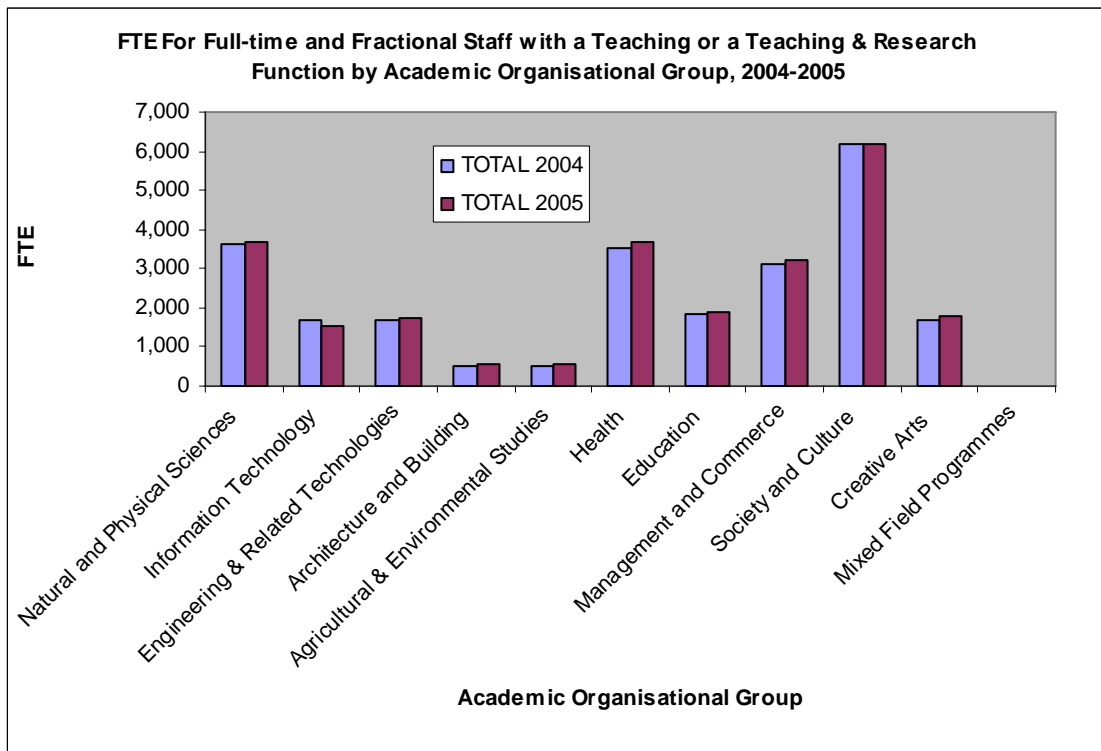
**Figure 12: Number of full-time and fractional full-time staff by function, 1996, 1999 and 2005**



Source: Staff 2005, Selected Higher Education Statistics, DEST

The field of 'society and culture' had the largest full-time equivalence of 'teaching' and 'teaching and research' staff in 2005. This field includes subject such as languages, economics, psychology, law, political sciences and studies in human society (history, archaeology, Indigenous studies etc). Almost twice as many teaching staff were employed in this field than in other areas such as sciences, health, or management and commerce.

**Figure 13: Full-time equivalent and fractional staff with a teaching only or a teaching and research function by academic organisational group, 2004 and 2005**



Source: Staff 2005, Selected Higher Education Statistics, DEST

## 1.4 Participation by Equity Groups

The Australian Government has identified a number of groups as targets for equity planning, on the basis of their history of relative disadvantage in accessing higher education. Following a review of equity in 2004, as part of the *Our Universities: Backing Australia's Future* reforms, the target groups for higher education are: students from low socio-economic status backgrounds; students from rural and isolated areas; students with disabilities; students from non-English speaking backgrounds; and Indigenous students. Table 2 and Figure 14 show the relative performance of these groups in 2005. Data relating to Indigenous students in higher education are shown in Figure 15. Details of the Australian Government's Higher Education Equity Support Programme and related activities can be found at Part 2.3 of this report.

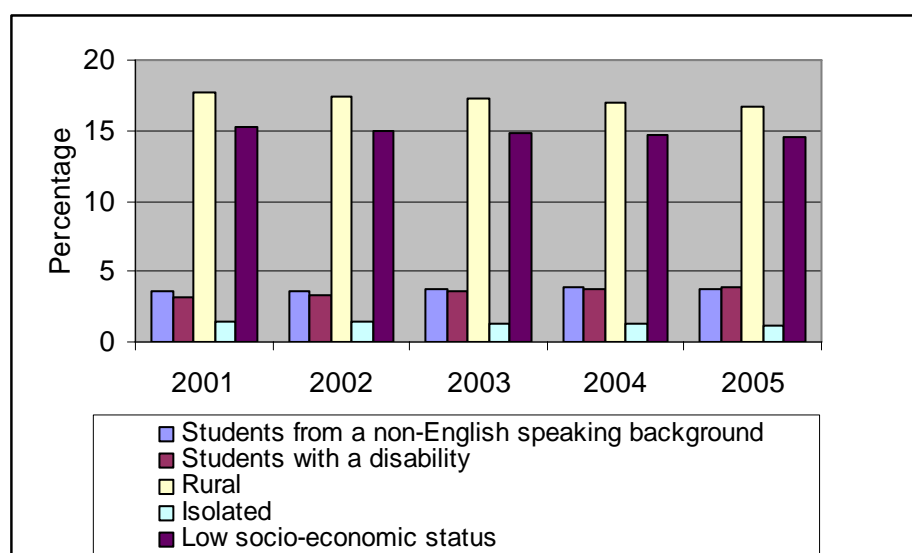
**Table 2: Equity groups in higher education, 2005**

Equity Group	Number of Students 2005 <sup>(d)</sup>	Share of Domestic Students 2005 <sup>(d)</sup> (%)
Students from low Socio-economic (SES) background <sup>(a)</sup>	102,394	14.5
Students from a non-English Speaking Background <sup>(b)</sup>	26,314	3.7
Students from rural areas <sup>(c)</sup>	118,021	16.7
Students from isolated areas <sup>(c)</sup>	8,520	1.2
Students with a disability <sup>(d)</sup>	27,661	3.9

Source: *Selected Higher Education Student Statistics, various years*

- (a) Students whose home postcode falls within the lowest quartile of the population as determined by the ABS *Index of Education and Occupation*.
- (b) Students born overseas who arrived in Australia less than ten years ago and who speak a language other than English at home.
- (c) Students whose home address is identified as rural or isolated according to the *Rural, Remote and Metropolitan Areas Classification* (RRMA) updated by the Australian Institute of Health and Welfare.
- (d) Student equity data excludes domestic students whose permanent home address is overseas.

**Figure 14: Proportion of equity group students in higher education, 2001- 05**



Source: *Higher Education Student Statistics, various years*

The progress made by these groups in recent years has varied. Between 2001 and 2005 the proportion of all domestic higher education students with a disability has increased. The proportion of students from non-English speaking backgrounds has remained relatively

stable. The proportions of students from rural areas, isolated areas, and low socio-economic backgrounds, have declined slightly over the five-year period.

Overall, students from equity groups have tended to achieve success and retention outcomes comparable to those of other students, indicating that increasing access continues to be the key issue for improving equity outcomes.

#### **1.4.1 Students from socio-economically disadvantaged backgrounds**

The proportion of all domestic students from low socio-economic backgrounds declined slightly between 2001 and 2005, from 15.1 to 14.5%, however, the number of students remained relatively stable with 102,598 in 2001 and 102,394 in 2005. Students are classed as being from a low socio-economic background if their permanent home address postcode falls within the lowest quartile of the population as determined by the Australian Bureau of Statistics' *Index of Education and Occupation*.

#### **1.4.2 Students with disabilities**

The proportion of students with a disability who are enrolled in higher education has been increasing since statistics were first collected in 1996. Students with a disability comprised 3.9% of all higher education students in 2005, up from 3.1% in 2001. Between 2001 and 2005 their numbers increased by almost 30%; from 21,307 to 27,661. More information on programmes to assist students with disabilities can be found in Part 2.3 of this report.

#### **1.4.3 Students from a non-English speaking background**

The proportion of students from a non-English speaking background has remained relatively stable since 2001. Between 2001 and 2005 the group's share of the total domestic student population increased slightly from 3.6 to 3.7%, with numbers increasing from 24,498 to 26,314. Students in this higher education equity group are domestic students who arrived in Australia less than ten years ago and speak a language other than English at home.

#### **1.4.4 Students from rural and isolated areas**

The total number of students from rural and isolated areas decreased slightly from 129,825 in 2001, to 126,541 in 2005. In 2001, rural students comprised 17.7% of domestic students and isolated students 1.5%. In 2005, the proportion of domestic students from rural areas declined slightly to 16.7% and isolated students to 1.2%.

#### **1.4.5 Indigenous Students**

The number of Indigenous higher education students at Australian higher education providers decreased by 5.9% in 2005 – from 8,895 students in 2004 to 8,370 students in 2005.

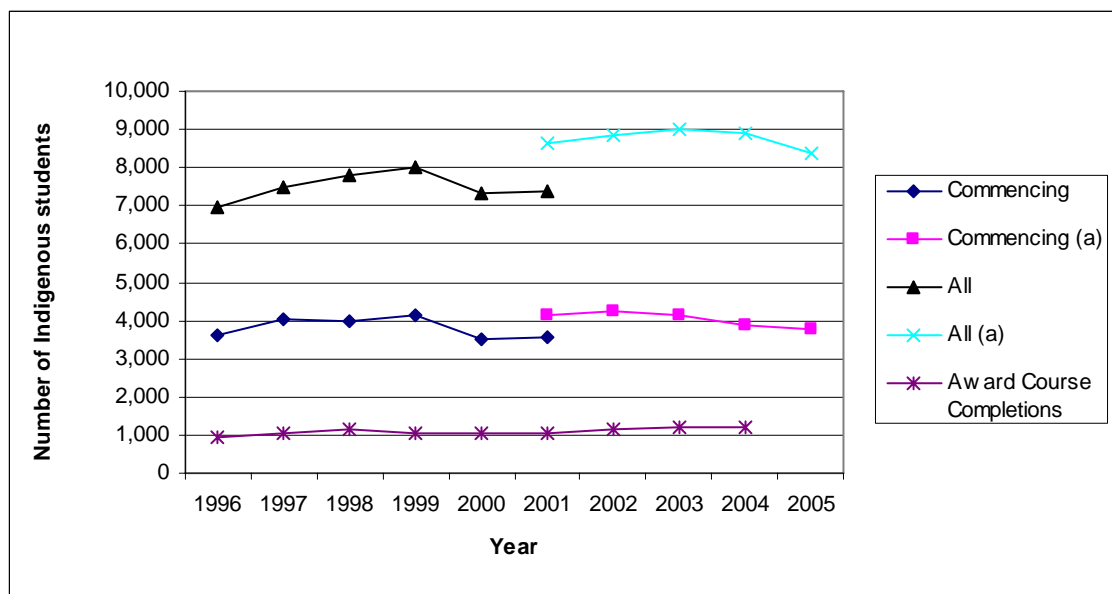
Indigenous commencements in courses with special interest such as nursing, initial teacher training and medical practitioner, while declining, continued to be a higher percentage of cohort commencements than the domestic cohort (15.8% compared to 13.35%), although the gap narrowed slightly between 2004 and 2005. Total commencements in courses with special interest declined overall in 2005 by 8%.

Continuing declines in Indigenous involvement in higher education will perpetuate disadvantages experienced by Indigenous Australians and hinder their full participation in Australia's economic and social development.

There has, however, been an increase in the number of commencing Indigenous students at the bachelor level (2.9% in 2005, and 9% between 2001 and 2005).

Indigenous student numbers at the doctoral level also continued to increase – by 5.3% in 2005, and 67.9% between 2001 and 2005.

**Figure 15: Commencing and all Indigenous students, 1996 and award course completions by Indigenous students, 1994-2004**



Source: Higher Education Student Statistics, various years (DEST)

<sup>(a)</sup> Data calculated on basis of full-year scope, replacing the previous measure of enrolments at 31 March of reference year.

## 1.5 Graduate Outcomes

Information is collected from students on their destinations and starting salaries through the annual Graduate Destination Survey (GDS). The GDS is a study of the activities of new domestic university graduates conducted around four months after the completion of their qualifications. The GDS is undertaken by Graduate Careers Australia (formerly the Graduate Careers Council of Australia), an organisation independent of government, although it is supported with funding from the Australian Government. The Survey provides a range of data on the employment and study destinations of graduates and their starting salaries.

The GDS is complemented by the Course Experience Questionnaire (CEQ), a one-page adjunct to the GDS which provides information from graduates on satisfaction with their studies.

### 1.5.1 Graduate Destinations

Table 3 shows the proportion of all recent bachelor degree graduates who were in full-time employment, seeking full-time employment, in full-time study or undertaking other activities, four months after completing their degree. In 2005, the proportion of recent graduates in full-time employment within four months of completing their degree was 54.5%, compared with 52.9% in 2004.

Of those graduates who were seeking full-time employment, 80.9% had found it within four months of completing their studies. A further 12.3% were working on a part-time or casual basis while still seeking full-time employment and 6.9% were not working and seeking full-time employment. The proportion seeking full-time work and not working (6.9%) is the lowest it has been since 2000 and below the ten year average of 7.8%.

**Table 3: Bachelor degree graduate destinations, 2000-05 (%)**

Year	In full-time employment	Seeking full-time employment*	Full-time study	Other	Total
2000	54.6	9.7	24.2	11.5	100
2001	55.7	10.0	23.4	10.9	100
2002	53.2	11.2	24.1	11.5	100
2003	53.7	12.1	22.8	11.4	100
2004	52.9	12.9	23.4	10.8	100
2005	54.5	12.9	22.5	10.1	100

Source: Graduate Careers Australia

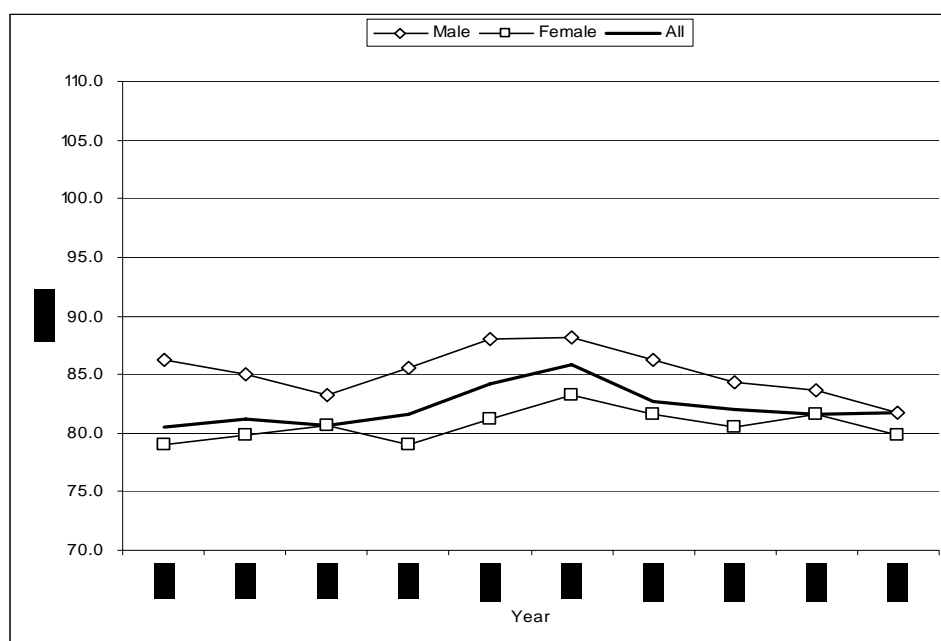
\*In part-time or casual employment, seeking full time employment

### 1.5.2 Starting Salaries

In 2005 the graduate starting salaries as a proportion of male Average Weekly Earnings was 81.8%, up slightly from 81.6% in 2004. Trends in graduate starting salaries for males and females are shown in Figure 16 below.

The median annual salary for bachelor degree graduates aged less than 25 years of age and in their first full-time employment in 2005 was \$40,000 (up from \$38,000 in 2004). The median starting salary for female starting graduates (\$39,000) was 97.5% of that for males (\$40,000), a slight increase from 97.4% in 2004.

**Figure 16: Male, female and all graduates' starting salaries as a proportion of the annual rate of average weekly earnings, 1996-2005**



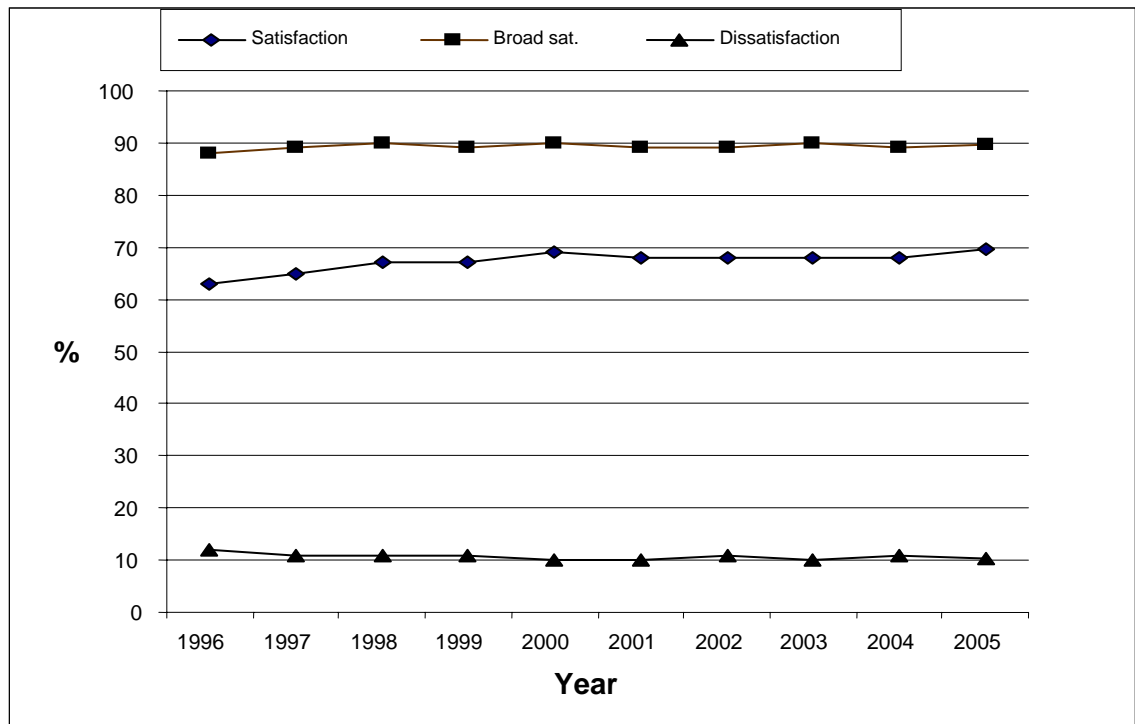
Source: Graduate Careers Australia: Gradstats, various years

### 1.5.3 Graduate Satisfaction

As shown in Figure 17 below, in 2005, overall satisfaction with courses remained at a high level with 89.8% of all bachelor degree graduates expressing overall broad satisfaction

(89.4% in 2004). Dissatisfaction remained low over the period 1996-2005. Overall, the 2005 survey saw graduates expressing more positive perceptions of all facets of their courses than earlier cohorts (Figure 17).

**Figure 17: Level of satisfaction with courses, bachelor degrees, 1996-2005**



Source: Graduate Careers Australia Gradstats, various years



## 2 Funding under the *Higher Education Support Act 2003*

### 2.1 Overview of Australian Government funding

Most of the Australian Government's *Our Universities: Backing Australia's Future* package of higher education reforms commenced in 2005. The majority of funding for the sector is administered under the *Higher Education Support Act 2003* (HESA). Other funding is provided through annual appropriations. Some transitional funding will be administered under the *Higher Education Funding Act 1988* (HEFA) until 2007.

Australian Government funding for higher education non-research operating resources is largely provided through a base grant administered through the Commonwealth Grants Scheme (CGS). The CGS provides for a specified number of Commonwealth supported places each year.

Other funds for the sector are provided through a range of grants, including for Quality, Equity, Research and Research Training, Collaboration, National Institutes, Workplace Productivity, Learning and Teaching, Superannuation and the Capital Development Pool. These "other grants" are made under the provisions set out in Section 41 of the HESA.

Funding is also provided in terms of assistance to students through the Higher Education Loan Programme (HELP) and through a range of scholarships designed to help students from disadvantaged backgrounds. Scholarships funding is provided under Section 46 of the HESA.

Table 4 represents the Australian Government estimated expenditure on higher education programmes administered through the Department of Education, Science and Training for 2005.

**Table 4: Estimated expenditure on higher education programmes, 2005, 2006 and 2007**

	2005	2006	2007
<i>Programme</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<b>Commonwealth Grant Scheme</b>			
Commonwealth Grant Scheme	3026.262	3224.695	3469.651
Regional Loading	28.47	29.239	29.927
Enabling Loading	12.224	12.545	12.923
<b>Sub-total Commonwealth Grant Scheme</b>	<b>3066.956</b>	<b>3266.479</b>	<b>3512.501</b>
<b>Other Grants</b>			
<b>National Institutes</b>			
National Institutes	164.091	170.058	176.442
<b>Capital</b>			
Capital Development Pool	57.134	74.449	110.719
<b>Collaboration</b>			
Collaboration and Structural Reform Fund	7.744	18.920	11.366
<b>Workplace Productivity</b>			
Workplace Reform Programme	46.316	47.077	48.140
Workplace Productivity Programme	0.000	27.248	27.793
<b>Learning and Teaching</b>			
Learning and Teaching Performance Fund	0.080	54.416	83.379
<b>Superannuation</b>			
Superannuation Grants	126.951	129.363	131.950
<b>Quality, Promotion, Open Access</b>			
Quality Fund	2.165	2.368	2.334
Carrick Institute for Teaching and Learning in Higher Education	0.999	21.798	22.234

	2005	2006	2007
<b>Programme</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
Australian University Teaching Awards	1.871	4.577	4.668
Learned Academies	1.946	1.983	2.227
Grants-in-Aid	0.018	0.018	0.018
Chair Child Protection - UniSA	1.022	1.041	1.062
Open Learning Initiative	0.252	0.257	0.262
<b>Equity</b>			
Indigenous Support Programme	27.088	29.314	31.645
Higher Education Disability Support Programme	6.479	6.603	6.735
Higher Education Equity Support Programme	10.823	11.028	11.249
<b>Research</b>			
Institutional Grants Scheme	290.591	296.113	302.035
Research Infrastructure Block Grants	182.982	199.908	203.907
<b>Research Training</b>			
Research Training Scheme	552.153	562.644	573.897
Regional Protection Scheme	3.029	3.086	3.148
Commercialisation Training Scheme	0.000	0.000	5.300
<b>Systemic Infrastructure</b>			
Systemic Infrastructure Initiative	55.902	54.673	0.000
<b>Sub-total Other Grants</b>	<b>1539.636</b>	<b>1716.942</b>	<b>1760.510</b>
<b>Other Funds</b>			
Indigenous Higher Education Advisory Council <sup>(b)</sup>	0.274	0.278	0.278
Commercialisation Training Scheme <sup>(b)</sup>	0.250	0.000	0.000
Framework for open learning <sup>(b)</sup>	2.853	2.928	2.928
Australian Education International <sup>(b)</sup>	5.750	5.847	5.847
Anglo-Australian Telescope Board <sup>(b)</sup>	4.594	4.701	4.701
Special Infrastructure Projects <sup>(b)</sup>	197.000	11.500	4.000
VSU programmes <sup>(b)</sup>	0.000	23.807	37.195
National Collaborative Research Infrastructure Strategy <sup>(b)</sup>	13.151	98.196	98.528
<b>Sub-total Other Funds</b>	<b>223.872</b>	<b>147.256</b>	<b>153.477</b>
<b>Scholarships</b>			
Education Costs Scholarships	15.376	26.169	37.478
Accommodation Scholarships	26.621	41.821	57.750
Indigenous Staff Scholarships	0.160	0.163	0.167
Australian Postgraduate Awards	91.180	93.121	95.346
International Postgraduate Awards	18.115	18.459	18.828
<b>Sub-total Scholarships</b>	<b>151.452</b>	<b>179.733</b>	<b>209.569</b>
<b>Other</b>			
Transition Funding <sup>(a)</sup>	21.989	9.791	7.845
<b>TOTAL FUNDING</b>	<b>5003.905</b>	<b>5320.201</b>	<b>5643.902</b>

Source: Higher Education Estimates 2006-Version 10

(a) Transition Funding programme funded under the Higher Education Funding Act 1988

(b) Financial year programme funded under the Annual Appropriations Act for 2005/06 onwards.

Note: 2005 figures are in 2005 price level, 2006 figures are in 2006 price level and 2007 figures are in 2007 price level.

## 2.2 Commonwealth Grant Scheme

### 2.2.1 Overview of Commonwealth Grant Scheme

The Commonwealth Grant Scheme (CGS) replaced the operating grants system from 2005. It supports the provision of undergraduate and some non-research postgraduate higher education places.

Higher education providers listed in Table A of the HESA receive CGS funding. Table B providers and other providers approved under the HESA may receive CGS funding for courses of study in designated national priority areas.

Each higher education provider receiving funds under the CGS must enter into an annual funding agreement with the Australian Government.

The amount the Australian Government provides for each Commonwealth supported place (or equivalent full-time student load (EFTSL) varies according to the funding cluster in which a unit of study is classified. The rate for each funding cluster is specified in the HESA and Table 5 shows the Commonwealth contribution for each of the funding clusters in 2005.

**Table 5: Commonwealth contribution amounts for 2005 for an equivalent full-time student load**

Cluster	Discipline	Commonwealth contribution \$
1	Law	1,472
2	Accounting, Administration, Economics, Commerce	2,420
3	Humanities	4,078
4	Mathematics, Statistics	4,817
5	Behavioural Science, Social Studies	6,475
6	Computing, Built Environment, Health	7,212
7	Foreign Languages, Visual and Performing Arts	8,869
8	Engineering, Science, Surveying	12,003
9	Dentistry, Medicine, Veterinary Science	15,047
10	Agriculture	15,996
National Priority	Education	7,116
National Priority	Nursing	9,511

*Source: Higher Education Support Act 2003*

In addition to the funding cluster rate, some places attract regional loading (Section 2.2.6), enabling loading (Section 2.2.7) and/or medical student loading (Section 2.2.8). The amount of any loading a provider will receive in a year is specified in the provider's funding agreement.

In 2005, the Australian Government agreed to fund a total of 409,393 Commonwealth supported places at eligible higher education providers.

Table 6 shows the agreed number of Commonwealth supported places and the CGS payment to each higher education provider for 2005. The CGS payment includes, where applicable, regional loading, enabling loading and medical student loading.

**Table 6: Agreed number of Commonwealth supported places and CGS payments by provider, 2005**

Higher education provider	Number of places (EFTSL)			Total funding <sup>(a)</sup> \$m
	Undergraduate	Postgraduate non-research	Total	
Avondale College	302	5	307	2.3
Charles Sturt University	9,931	410	10,341	81.3
Macquarie University	9,720	462	10,182	59.6
Southern Cross University	5,469	144	5,613	38.8
University of New England	6,760	771	7,531	52.3
University of New South Wales	15,367	779	16,146	122.9
University of Newcastle	12,266	147	12,413	100.3
University of Sydney	21,242	297	21,539	173.8
University of Technology, Sydney	12,327	619	12,946	89.3
University of Western Sydney	18,267	265	18,532	123.8
University of Wollongong	7,911	271	8,182	59.6
Deakin University	13,606	357	13,963	97.2
La Trobe University	13,552	823	14,375	103.3
Monash University	20,469	1,311	21,780	160.7
Royal Melbourne Institute of Technology	12,977	419	13,396	109.0
Swinburne University of Technology	5,309	13	5,322	39.4
University of Ballarat	3,210	95	3,305	25.6
University of Melbourne	17,285	1,310	18,595	150.9
Victoria University	8,807	730	9,537	62.6
Central Queensland University	7,015	22	7,037	52.8
Christian Heritage College	30	0	30	0.2
Griffith University	16,648	138	16,786	120.1
James Cook University	8,279	115	8,394	69.7
Queensland University of Technology	19,446	418	19,864	136.1
University of Queensland	19,693	109	19,802	163.2
University of Southern Queensland	6,881	378	7,259	54.1
University of the Sunshine Coast	2,603	0	2,603	21.0
Curtin University of Technology	12,680	118	12,798	105.0
Edith Cowan University	11,242	480	11,722	84.8
Murdoch University	6,345	275	6,620	49.3
University of Notre Dame, Australia	554	6	560	4.5
University of Western Australia	9,544	265	9,809	77.4
Flinders University of South Australia	7,681	60	7,741	58.6
Tabor College	30	0	30	0.2
University of Adelaide	8,881	179	9,060	73.7
University of South Australia	13,475	680	14,155	103.3
Australian Maritime College	375	15	390	4.0
University of Tasmania	9,069	91	9,160	75.0
Batchelor Institute of Indigenous Tertiary Education	491	7	498	5.1
Charles Darwin University	2,638	138	2,776	25.7
Australian National University	6,117	45	6,162	43.0

University of Canberra	5,186	275	5,461	36.5
Australian Catholic University	6,183	488	6,671	47.7
<b>TOTAL</b>	<b>395,863</b>	<b>13,530</b>	<b>409,393</b>	<b>3,063.8</b>

Source: Institution Financing Unit, DEST

(a) CGS payments include enabling loading, regional loading, medical loading and conditional increases.

## **2.2.2 Conditional increases in Commonwealth Grant Scheme**

Higher education providers that complied with the National Governance Protocols and a workplace requirement (that higher education providers may offer Australian Workplace Agreements (AWAs); this was replaced in 2005 for funding in 2006 by the Higher Education Workplace Relations Requirements – see Section 2.1.2.2) in 2005 received an additional 2.5% over the funding cluster rate in Table 5.

All eligible providers received the 2.5% increment above base CGS funding in 2005. This amounted to a total funding increase of \$73.4 million.

### **National Governance Protocols**

The National Governance Protocols were introduced as an incentive for higher education providers to improve institutional governance.

Compliance with the National Governance Protocols is one of the requirements stipulated in the HESA for incremental increases to CGS funding of 2.5% in 2005, 5% in 2006, and 7.5% in 2007.

Legislative provisions gave the Minister discretion to approve the 2.5% funding increase in 2005 on the condition that a higher education provider had, by 31 August 2004, complied with some of the Protocols and made reasonable steps to meet the remaining ones. At that date, only the Australian National University had fully complied but the Minister accepted that all other higher education providers had made sufficient progress towards complying.

### **Higher Education Workplace Relations Requirements**

Introduced in 2005, for funding increases in 2006, the Higher Education Workplace Relations Requirements (HEWRRs) are designed to provide staff with greater choice and institutions with more flexibility. Universities are required to offer staff the choice of an AWA, and must engage in more direct relationships with their employees. Third party involvement, including union involvement in workplace relations and human resources matters, can only be at the express invitation of the affected university employees.

The HEWRRs will allocate additional funding for higher education institutions that implement workplace relations reforms that lead to flexibility in agreement making and increased productivity. Universities that meet the requirements, as well as the National Governance Protocols, are eligible for an increase in funding from the Commonwealth Grant Scheme (5% in 2006 and 7.5% in later years).

The HEWRRs are expected to drive significant reform in the higher education sector by improving choice and simplicity in agreement making, encouraging direct relationships with employees, and enhancing workplace productivity and performance. Progress has been made to build more flexible workplaces. Forty-two institutions met the HEWRRs requirements as at 30 November 2005, and the sector will receive an additional \$151 million in 2006 as a result.

The HEWRRs are expected to provide universities with an increased ability to attract and retain high quality staff by allowing for performance based agreements and tailored flexible working arrangements aimed at individuals. In allowing for more efficient and flexible workplaces the HEWRRs will enable universities to adapt to the changing needs of students and industry, thereby remaining relevant and competitive in the global education market.

### 2.2.3 Funding Agreements

Each higher education provider receiving funds under the CGS must enter into an annual funding agreement with the Australian Government.

The agreement sets out the number of Commonwealth supported places the provider is funded to offer in each of 12 funding (or discipline) clusters, as well as any conditions attached to the grant. Through annual funding agreement discussions with the Australian Government, providers can request changes to the profile of their Commonwealth supported places across the funding clusters. This enables a provider to change its profile in response to changes in student demand and the institution's educational focus.

### 2.2.4 Allocation of new places

In 2005, the Australian Government allocated 9,100 new places announced as part of the *Our Universities: Backing Australia's Future* package of higher education reforms. The Government also allocated 440 aged care nursing places, 272 national priority places in teaching and nursing, and 346 new medical places in 2005. Table 7 shows the allocation of new places at each higher education provider in 2005.

**Table 7: New Commonwealth supported places allocated in 2005**

Higher education provider	2005 allocation of new places <sup>(a)</sup>
Avondale College	72
Charles Sturt University	358
Macquarie University	350
Southern Cross University	321
University of New England	211
University of New South Wales	78
University of Newcastle	505
University of Sydney	538
University of Technology, Sydney	70
University of Western Sydney	571
University of Wollongong	354
Deakin University	166
La Trobe University	170
Monash University	116
Royal Melbourne Institute of Technology	65
Swinburne University of Technology	140
University of Ballarat	120
University of Melbourne	44
Victoria University	165
Central Queensland University	195
Christian Heritage College	30

Higher education provider	2005 allocation of new places <sup>(a)</sup>
Griffith University	652
James Cook University	322
Queensland University of Technology	372
University of Queensland	392
University of Southern Queensland	201
University of the Sunshine Coast	428
Curtin University of Technology	356
Edith Cowan University	487
Murdoch University	514
University of Notre Dame, Australia	167
University of Western Australia	414
Flinders University of South Australia	254
Tabor College	30
University of Adelaide	159
University of South Australia	200
Australian Maritime College	0
University of Tasmania	435
Batchelor Institute of Indigenous Tertiary Education	0
Charles Darwin University	205
Australian National University	225
University of Canberra	90
Australian Catholic University	135
<b>TOTAL</b>	<b>10,677</b>

Source: Institution Financing Unit, DEST

(a) Includes pipeline of new places allocated from 2004 (368 regional nursing places, 146 medical places and 5 radiation therapy places).

### 2.2.5 National Priority places

The Australian Government recognises teaching and nursing as national priority areas because of current and potential long-term shortages of qualified people in these professions. The Government funded 150 new places in teaching and 122 new places in nursing in 2005.

The Government also supported the identified national priority areas by increasing the Government funding per place through the CGS and setting lower student contribution ranges for Commonwealth supported units of study undertaken in these areas. In 2005, higher education providers could not set student contribution amounts for nursing and education units of study above \$3,547 for an equivalent full-time student load.

### 2.2.6 Regional Loading

Regional loading supports higher education providers that offer places at eligible regional campuses. The regional loading is provided in recognition of the unique contribution these campuses make to their communities in regional and rural areas, and of the higher costs faced by providers due to their location, size and history. Regional campuses may also have a limited potential to diversify revenue sources, a smaller capacity to compete for fee-paying students and a narrower industrial base providing fewer opportunities for commercial partnerships.

A regional campus is defined as being located outside a mainland state capital city area (with the exception of Darwin) in a population centre with fewer than 250,000 people (excluding Wollongong). Eligible campuses are allocated to one of five funding bands on the basis of the size of the higher education provider and the distance of the campus from the nearest mainland capital city.

The regional loading is applied according to the number of (EFTSL) places provided at the regional campus. The amount of regional loading paid to each higher education provider in 2005 is set out in Table 8.

### 2.2.7 Enabling Loading

Enabling loading provides additional funding towards the costs associated with offering preparatory courses to students, with the aim of enabling the students to then undertake a course that leads to a higher education award.

Enabling loading is intended to compensate providers for not being able to charge student contributions for students in Commonwealth supported enabling courses. In 2005, the amount of the enabling loading for each (EFTSL) place was \$3,475.

The amount of enabling loading paid to each higher education provider in 2005 is set out in Table 8.

### 2.2.8 Medical Student Loading

Medical student loading provides funding for Commonwealth supported places in a medicine course of study, completion of which would allow provisional registration as a medical practitioner.

The medical student loading continues the previous grants under the HEFA that assisted higher education providers with the costs associated with their own infrastructure in teaching hospitals. In 2005, the amount of the medical student loading for each (EFTSL) place was \$1,072.

The amount of medical student loading paid to each higher education provider in 2005 is set out in Table 8.

**Table 8: Commonwealth Grant Scheme loadings allocated to higher education providers in 2005**

Higher education provider	Regional loading \$	Enabling loading \$	Medical student loading \$
Avondale College	0	0	0
Charles Sturt University	1,734,182	359,200	0
Macquarie University	0	0	0
Southern Cross University	1,163,809	35,920	0
University of New England	2,253,727	79,024	0
University of New South Wales	0	0	690,150
University of Newcastle	32,858	3,706,944	402,320
University of Sydney	28,012	211,928	846,370
University of Technology, Sydney	0	571,128	0
University of Western Sydney	0	161,640	0
University of Wollongong	975,257	222,704	0
Deakin University	620,834	0	0
La Trobe University	986,629	7,184	0



Higher education provider	Regional loading \$	Enabling loading \$	Medical student loading \$
Monash University	171,299	107,760	801,430
Royal Melbourne Institute of Technology	29,935	0	0
Swinburne University of Technology	0	0	0
University of Ballarat	1,220,140	35,920	0
University of Melbourne	35,341	0	859,210
Victoria University	0	341,240	0
Central Queensland University	1,967,181	1,034,496	0
Christian Heritage College	0	0	0
Griffith University	0	0	85,600
James Cook University	3,600,734	132,904	500,760
Queensland University of Technology	23,125	0	0
University of Queensland	99,392	0	1,050,740
University of Southern Queensland	1,405,085	858,488	0
University of the Sunshine Coast	929,905	179,600	0
Curtin University of Technology	155,910	510,064	0
Edith Cowan University	170,243	380,752	0
Murdoch University	210,724	219,112	0
University of Notre Dame, Australia	53,955	0	53,500
University of Western Australia	18,333	122,128	832,460
Flinders University of South Australia	18,511	0	313,510
Tabor College	0	0	0
University of Adelaide	57,266	111,352	542,490
University of South Australia	53,084	298,136	0
Australian Maritime College	202,213	0	0
University of Tasmania	4,258,401	818,976	403,390
Batchelor Institute of Indigenous Tertiary Education	1,029,624	660,928	0
Charles Darwin University	4,749,829	1,016,536	0
Australian National University	0	0	171,200
University of Canberra	0	39,512	0
Australian Catholic University	159,937	0	0
<b>TOTAL</b>	<b>28,415,475</b>	<b>12,223,576</b>	<b>7,553,130</b>

Source: Institution Financing Unit, DEST

### 2.2.9 Advances of Commonwealth Grant Scheme Funds

In April 2005, the Minister approved an advance to the University of Newcastle of \$10 million from CGS funds. The advance will be repaid by reductions in CGS funding of \$2 million in 2006, \$3 million in 2007 and \$5 million in 2008. An additional advance of \$15 million was also approved to be recovered from the University's 2006 funding. The advances will assist the University to meet the up-front cost of restructuring necessary to put its finances on a sustainable footing.

### 2.2.10 Transition Fund

Under Section 110A of the *Higher Education Funding Act 1988*, provision was made for discretionary transition funding to be made available to higher education providers to ensure that no provider would be financially worse off under the new CGS. A transition fund of \$39.6 million is available to fund payments to universities for this purpose in 2005, 2006 and 2007. A total of seven higher education providers received transition funding in 2005.

## 2.3 Other Grants

Funds are also provided to the higher education sector through a range of grants for specific purposes under Part 2-3 Other Grants of the *Higher Education Support Act 2003*. Eligibility for grants under this part is outlined in the Act.

Item	Purpose of Grant	Programmes/initiatives
1.	Grants to promote equality of opportunity in higher education	<ul style="list-style-type: none"> <li>Higher Education Disability Support Programme</li> <li>Higher Education Equity Support Programme</li> <li>Indigenous Support Programme</li> </ul>
2.	Grants to promote the productivity of higher education providers	<ul style="list-style-type: none"> <li>Workplace Productivity Programme</li> <li>Workplace Reform Programme</li> </ul>
3.	Grants to enhance learning and teaching in higher education	<ul style="list-style-type: none"> <li>Learning and Teaching Performance Fund</li> </ul>
4.	Grants to support national institutes specified in the Other Grants Guidelines for the purposes of this item	<ul style="list-style-type: none"> <li>National Institutes</li> </ul>
5.	Grants to support the capital development projects of higher education providers	<ul style="list-style-type: none"> <li>Capital Development Pool</li> </ul>
6.	Grants to assist with the cost of higher education providers' superannuation liabilities	<ul style="list-style-type: none"> <li>Superannuation Programme</li> </ul>
7.	Grants to support research by, and the research capability of, higher education providers	<ul style="list-style-type: none"> <li>Research Infrastructure Block Grants</li> <li>Institutional Grants Scheme</li> <li>Research Training Scheme</li> <li>Regional Protection Scheme</li> </ul>
8.	Grants to support the training of research students	<ul style="list-style-type: none"> <li>Collaboration and Structural Reform Fund</li> </ul>
9.	Grants to foster collaboration and reform in higher education	<ul style="list-style-type: none"> <li>Systemic Infrastructure Initiative</li> </ul>
10.	Grants to support the development of systemic infrastructure used by higher education providers	
11.	Grants for activities that: <ol style="list-style-type: none"> <li>Assure and enhance the quality of Australia's higher education sector ; or</li> <li>Foster an understanding of the importance of, or promote research and scholarship in, science, social science or the humanities in Australia; or</li> <li>Support open access to higher education across Australia</li> </ol>	<ul style="list-style-type: none"> <li>The Carrick Institute for Learning and Teaching in Higher Education</li> <li>Australian Awards for University Teaching</li> <li>Australian Universities Quality Agency</li> <li>Graduate Careers Australia</li> <li>Graduate Skills Assessment</li> <li>Learned Academies</li> <li>Grants to the Australia and New Zealand Association for the Advancement of Science</li> <li>Chair in Child Protection</li> <li>Open Learning Initiative</li> <li>Framework for Open Learning Programme</li> </ul>

The Other Grants Guidelines contain requirements on grants payable to higher education providers and other eligible bodies for a variety of purposes. The Other Grants Guidelines are available at [http://www.backingaustraliasfuture.gov.au/guidelines/other\\_guide.htm](http://www.backingaustraliasfuture.gov.au/guidelines/other_guide.htm).

### 2.3.1 Equity

Grants to promote the equality of opportunity in higher education are paid through the Indigenous Support Programme, the Higher Education Disability Support Programme and the Higher Education Equity Support Programme

#### *Indigenous Support Program*

The Indigenous Support Programme (ISP) provides additional funding for higher education institutions to assist them in meeting the special needs of Indigenous Australian students, and to advance the goals of the Aboriginal Education Policy.

Funds are allocated to institutions according to objective indicators of performance using information from DEST's annual higher education student statistics collection.

To be eligible for ISP funding from 2005, institutions were required to provide evidence of the participation of Indigenous people in institutional decision-making processes; the existence of an institutional Indigenous employment strategy; and the implementation of enabling strategies for improving Indigenous students' access, participation, retention and success.

Evidence of these initiatives is collected through institutions' annual Indigenous Education Statements. Each institution is also required to report on their expenditure of ISP and indicate the amount of money provided to an Indigenous support centre/unit.

**Table 9: Indigenous Support Programme allocations, 2005**

<b>Institution</b>	<b>\$'000</b>
Australian Catholic University	986
Australian Maritime College	63
Australian National University	285
Batchelor Institute <sup>(a)</sup>	2,158
Central Queensland University	734
Charles Darwin University	605
Charles Sturt University	962
Curtin University of Technology	1,773
Deakin University	870
Edith Cowan University	1,071
Flinders University of SA	376
Griffith University	1,163
James Cook University <sup>(b)</sup>	1,400
La Trobe University	311
Macquarie University	535
Monash University	348
Murdoch University	428
Queensland University of Technology	1,379
RMIT University	149
Southern Cross University	659
Swinburne University of Technology	74

<b>Institution</b>	<b>\$'000</b>
University of Adelaide	401
University of Ballarat	54
University of Canberra	333
University of Melbourne	728
University of New England	661
University of New South Wales	441
University of Newcastle	1,115
University of Queensland	888
University of South Australia	805
University of Southern Queensland	486
University of Sydney	1,071
University of Tasmania	771
University of Technology, Sydney	1,105
University of the Sunshine Coast	98
University of Western Australia	507
University of Western Sydney	693
University of Wollongong	489
Victoria University of Technology	113
<b>TOTAL <sup>(c)</sup></b>	<b>27,088</b>

Source: Formula driven result based on the *Higher Education Student Statistics Collection, 2005*

- (a) Allocations for Batchelor Institute of Indigenous Tertiary Education from this programme have been separately determined as part of an agreement to maintain a total funding package for this institution at 1998 levels. The allocation was re-weighted for 2005 based on Batchelor's share of total 2004 EFTSL, to reflect changes both in the share of EFTSL across the sector since 1988 and to fairly allocate to Batchelor a share of additional funding provided for the Indigenous Support Programme from 2005.
- (b) The allocation for James Cook University includes an additional allocation for undergraduate places on Thursday Island which is determined separately as part of an agreement to maintain funding at a rate negotiated in 2001 for these places.
- (c) Additional funding of \$1.68m has been provided under this programme for 2005. The additional funding has been distributed according to the allocation formula, except as noted at (a) and (b) above.

### **Higher Education Disability Support Programme**

The Higher Education Disability Support Programme provides funding to eligible higher education providers to undertake activities that assist in removing barriers to access for students with disabilities. In 2005, \$6.479 million was available through this programme to higher education providers listed in Table A of the *Higher Education Support Act 2003*.

The programme consists of three components: Additional Support for Students with Disabilities, the Regional Disability Liaison Officer initiative, and performance-based disability support funding.

The first component of this programme, Additional Support for Students with Disabilities (ASSD), provides funding to higher education providers towards the cost of providing educational support services and equipment to students with disabilities with high-cost needs. This component recognises that while higher education providers are responsible for meeting the needs of students with disabilities, the provision of support for some students with high-cost needs is a significant cost to higher education providers.

In 2005, approximately \$3.4 million was allocated to higher education providers under the ASSD component. This included funding for alternative format materials, such as Braille and audio tapes, for students with vision impairments; sign interpreting services for hearing

impaired students; and the purchase of equipment, such as voice recognition software and electric scooters for students with mobility difficulties.

The second component, the Regional Disability Liaison Officer (RDLO) initiative, aims to improve access to post-secondary education for students with disabilities by facilitating their transition from school to study, whether higher education or vocational education and training, and from study to work. RDLOs are hosted by higher education providers in ten regions of Australia. These officers provide information, coordination and referral services for people with disabilities interested in post-school education and training within a designated region. In 2005 funding of approximately \$0.9 million was allocated to this initiative.

The third component, performance-based disability support funding, aims to further encourage higher education providers to implement strategies to attract and support students with disabilities. This component of funding comprises that amount of funding which remains after allocations for the ASD component and the RDLO component have been made to higher education providers. Funding allocations are based on the number of students with disabilities enrolled at each higher education provider, as well as the retention and success of those students. In 2005, approximately \$2.2 million was paid to higher education providers under the performance-based disability support component.

Details of funding allocations for 2005 under the Higher Education Disability Support Programme are provided in Table 10.

**Table 10: Higher Education Disability Support Programme allocations, 2005**

Higher Education Provider	Additional Support for Students with Disabilities \$	Regional Disability Liaison Officer Initiative \$	Performance-Based Disability Support \$	Total \$
<b>New South Wales</b>				
Charles Sturt University	18,986		76,041	95,027
Macquarie University	126,490		57,477	183,967
Southern Cross University	135,741		35,880	171,621
University of New England	19,244		61,550	80,794
University of New South Wales	101,022		63,190	164,212
University of Newcastle	90,170	87,552	74,807	252,529
The University of Sydney	43,819		62,245	106,064
University of Technology, Sydney	207,409		56,397	263,806
University of Western Sydney	292,618	87,552	97,018	477,188
University of Wollongong	30,056		122,838	152,894
<b>Victoria</b>				
Deakin University	136,598		49,598	186,196
La Trobe University	281,511		84,569	366,080
Monash University	209,235		117,508	326,743
Royal Melbourne Institute of Technology	148,624		62,397	211,021
Swinburne University of Technology	37,891		15,676	53,567
The University of Melbourne	312,939		80,995	393,934
University of Ballarat	5,044	87,552	16,033	108,629
Victoria University of Technology	65,757		28,555	94,312
<b>Queensland</b>				
Central Queensland	21,895	87,552	73,107	182,554

Higher Education Provider	Additional Support for Students with Disabilities \$	Regional Disability Liaison Officer Initiative \$	Performance-Based Disability Support \$	Total \$
<b>University</b>				
Griffith University	85,527		78,622	164,149
James Cook University	42,971	87,552	40,147	170,670
Queensland University of Technology	122,792		94,157	216,949
The University of Queensland	148,516		78,969	227,485
University of Southern Queensland	88,332	87,552	55,861	231,745
University of the Sunshine Coast	15,073		19,849	34,922
<b>Western Australia</b>				
Curtin University of Technology	40,695	87,552	29,711	157,958
Edith Cowan University	42,374		23,262	65,636
Murdoch University	76,940		63,708	140,648
The University of Western Australia	40,058		35,061	75,119
<b>South Australia</b>				
The Flinders University of South Australia	55,229		59,391	114,620
The University of Adelaide	52,206		44,358	96,564
University of South Australia	78,930	87,552	110,510	276,992
<b>Tasmania</b>				
Australian Maritime College	0		2,194	2,194
University of Tasmania	67,089	87,552	53,885	208,526
<b>Northern Territory</b>				
Batchelor Institute of Indigenous Tertiary Education	13,519		3,772	17,291
Charles Darwin University	36,283	87,552	15,997	139,832
<b>Australian Capital Territory</b>				
The Australian National University	53,058		69,805	122,863
University of Canberra	39,781		21,970	61,751
<b>Multi-state</b>				
Australian Catholic University	25,364		56,584	81,948
<b>TOTAL</b>	<b>3,409,786</b>	<b>875,520</b>	<b>2,193,694</b>	<b>6,479,000</b>

Source: ASSD – application-based reimbursement; RDLO – grant based allocations; Performance based funding - formula-derived result based on the Higher Education Student Statistics Collection, 2004

### Higher Education Equity Support Programme

Providers are required to use Higher Education Equity Support Programme (ESP) funds for equity initiatives which target disadvantaged students and encourage sustainable improvements in access, participation, retention and success for students from low socio-economic backgrounds, students from rural and isolated areas, students with a disability and students from non-English speaking backgrounds. In addition, providers may implement measures that assist in overcoming educational disadvantage associated with gender. Providers may tailor their programs to address specific disadvantage, as appropriate to the demographics of their student population and catchment area.

Allocations under the ESP, available to Table A providers, are based on enrolments, retention and success of students from low socio-economic status (SES) backgrounds, with a weighting to low SES students from rural and isolated backgrounds.

To be eligible for funding, providers must fulfil the following eligibility criteria:

- run outreach programmes to attract disadvantaged students to higher education;
- offer specialised support for disadvantaged students to assist their progression through higher education;
- administer application and selection processes for the Commonwealth Learning Scholarships (CLS); and
- provide institutional equity scholarships to complement the CLS.

Table 11 sets out the ESP funding by higher education provider for 2005.

**Table 11: Higher Education Equity Support Programme allocations, 2005**

State/Higher Education Provider	\$'000
<b>New South Wales</b>	
Charles Sturt University	493
Southern Cross University	234
Macquarie University	73
University of New England	461
University of New South Wales	105
University of Newcastle	349
The University of Sydney	164
University of Technology, Sydney	103
University of Western Sydney	189
University of Wollongong	104
<b>Victoria</b>	
Deakin University	295
La Trobe University	331
Monash University	397
Royal Melbourne Institute of Technology	225
Swinburne University of Technology	84
The University of Melbourne	212
University of Ballarat	137
Victoria University of Technology	195
<b>Queensland</b>	
Central Queensland University	850
Griffith University	329
James Cook University	425
Queensland University of Technology	530
The University of Queensland	619
University of Southern Queensland	747
University of the Sunshine Coast	260
<b>Western Australia</b>	
Curtin University of Technology	326
Edith Cowan University	384
Murdoch University	231
The University of Western Australia	159
<b>South Australia</b>	

<b>State/Higher Education Provider</b>	<b>\$'000</b>
Flinders University of South Australia	218
The University of Adelaide	174
University of South Australia	468
<b>Tasmania</b>	
Australian Maritime College	58
University of Tasmania	640
<b>Northern Territory</b>	
Batchelor Institute of Indigenous Tertiary Education	23
Charles Darwin University	52
<b>Australian Capital Territory</b>	
The Australian National University	46
University of Canberra	32
<b>Multi-State</b>	
Australian Catholic University	102
<b>TOTAL</b>	<b>10,823</b>

Source: Formula-derived result based on the Higher Education Student Statistics Collection, 2004

### 2.3.2 Productivity

Grants to promote the productivity of higher education providers are paid through the Workplace Productivity Programme and the Workplace Reform Programme.

#### **Workplace Productivity Programme**

The Workplace Productivity Programme (WPP), which was announced as part of the Australian Government's reforms under *Our Universities: Backing Australia's Future*, will provide \$83.3 million between 2006 and 2008 to assist universities to progress workplace reform that strengthens their capability to manage and implement workplace change. The programme is intended to encourage flexible working relationships, direct relationships between employers and employees, and improved productivity and performance.

A discussion paper on the WPP was released in July 2005 and draft programme guidelines were developed and circulated to the higher education sector for comment in December 2005. Eleven responses were received, all of which were supportive of the programme and its objectives.

#### **Workplace Reform Programme**

The Workplace Reform Programme (WRP) commenced in 2000 and offered higher education institutions additional funding equivalent to 2% of the salary component of the operating grant, conditional on reforms being implemented in management, administration and workplace practices.

In December 2003, the programme was discontinued. Universities whose application for second round funding was received by DEST before 31 December 2003, and which were subsequently successful in obtaining that funding, received the funding on a permanent basis. This removed the potential need for universities to reapply for funding under WRP in future years, as previously envisaged under the programme. Part of the WRP funding was rolled into the Commonwealth Grant Scheme from 2005.

Through the WRP, higher education institutions received \$43.7 million in 2005.



### 2.3.3 Learning and Teaching

Grants to enhance learning and teaching in higher education are paid through the Learning and Teaching Performance Fund.

#### *Learning and Teaching Performance Fund*

The Learning and Teaching Performance Fund (LTPF) was introduced to reward universities that best demonstrate excellence in teaching and learning for domestic undergraduate students. The fund will provide \$250 million over three years from 2006.

The allocation process for the first funding round was decided following extensive consultation with the sector in 2004 and 2005. Stage 1 asked universities to submit evidence of institutional commitment to teaching and learning. Stage 2 used a quantitative model to assess learning and teaching outcomes.

The allocation process commenced in 2005 for funding in 2006.

Three groups of performance indicators were used in the model:

- student satisfaction;
- student outcomes; and
- success.

The data for these indicators were derived from responses to the Course Experience Questionnaire, the Graduate Destination Survey and the department's student statistical collections, respectively.

The data were adjusted to allow the department to estimate the unique influence of each university on its performance outcome.

The results of the model were reviewed by an expert panel, which was chaired by Sir David Watson, then Vice-Chancellor of Brighton University in the United Kingdom. The panel made recommendations to the Minister on those universities that should receive funding.

The 2006 allocation was finalised in November 2005 and \$54 million was subsequently shared among 14 universities (Table 12).

With the aim of further improving the fund's methodology, the department released a discussion paper for consultation with the sector in December 2005.

#### **Table 12: Universities funded under the 2006 Learning and Teaching Performance Fund**

*The following universities shared approximately \$30 million in funding for best demonstrating excellence in teaching and learning:*

<b>Higher Education Provider (alphabetical order)</b>	<b>Amount \$m</b>
Australian Maritime College	1.143
Swinburne University of Technology	3.852
The University of Melbourne	9.853
The University of Queensland	10.424
University of Wollongong	5.108

*Source: DEST internal administrative data, 2005*

*The following universities also achieved excellent results in teaching and learning and in recognition shared approximately \$24 million in funding:*

Higher Education Provider (alphabetical order)	Amount \$m
Australian Catholic University	2.110
Monash University	4.591
Murdoch University	2.034
The Australian National University	2.060
The University of Sydney	4.950
The University of Western Australia	2.580
University of Ballarat	1.560
University of Canberra	1.898
University of New England	2.218

Source: DEST internal administrative data, 2005

### 2.3.4 National Institutes

Grants to support national institutes specified in the Other Grants Guidelines for this purpose are paid through the National Institutes programme.

#### *National Institutes programme*

The programme provides funding to the Australian National University, the Australian Maritime College and Batchelor Institute of Indigenous Tertiary Education in recognition of their national role in particular areas of higher education.

For the Australian National University, National Institute funding reflects the University's special position as a higher education provider established under Commonwealth legislation and with continued Australian Government funding for the Institute of Advanced Studies. For Batchelor Institute of Indigenous Tertiary Education, National Institute funding helps to address the higher costs of the Institute's operations in serving Indigenous communities. For the Australian Maritime College, National Institute funding reflects the College's special position as an institute established under Commonwealth legislation with a mission to provide qualifications for the maritime industry.

In 2005, the Australian Government provided \$164.1 million in funding for National Institutes (\$157.9 million to the Australian National University, \$4.2 million to the Australian Maritime College and \$2 million to Batchelor Institute of Indigenous Tertiary Education). Additional funding of \$19.3 million over four years was also announced to further support the work of the National Institutes. This includes:

- funding of \$16.4 million for the Institute of Advanced Studies at the Australian National University as a transitional arrangement from 2005 to 2007 (\$2.7 million in 2005, \$5.4 million in 2006 and \$8.3 million in 2007); and
- funding of \$3 million to develop a new campus of the Australian Maritime College at Point Nepean, Victoria. Funds for this initiative will be appropriated over 2005-2008.

### 2.3.5 Capital Development

Grants to support the capital development projects of higher education providers are funded under the Capital Development Pool programme. Some additional capital projects are funded under the Annual Appropriations Act.

#### *Capital Development Pool*

The Capital Development Pool (CDP) was established in 1994 to assist higher education providers with special capital projects. The Australian Government considers higher

education providers' applications for assistance on a competitive basis. It obtains the views of State and Territory governments on the relative merits of project proposals.

Proposals for CDP grants for 2008 were submitted in 2005. The Australian Government will be providing \$45 million in 2008 for the CDP programme allocated through the competitive bidding process in 2005.

The programme primarily supports four types of projects:

- development of, or on, new campuses in suburban growth corridors and regional centres. Priority will be given to projects which support greater collaboration between higher education providers, between higher education providers and vocational and technical education providers, and between higher education providers, other organisations and the private sector.
- capital developments that assist higher education providers to establish or expand provision of courses identified by the government as discipline areas of national importance;
- information and communications technology infrastructure projects which improve the cost-effectiveness and quality of educational delivery, for example, by improving the efficiency of the higher education provider's infrastructure, or by providing access to education and research networks; and
- the rebuilding or restoration of campus facilities in circumstances which are, in the view of the Minister, special and extraordinary.

The new campus developments approved for funding in 2008 include the extension of facilities at the Cradle Coast Campus of the University of Tasmania, the extension of the Caboolture Campus of the Queensland University of Technology and the expansion of the teaching facilities at both the Ourimbah and Port Macquarie campuses of the University of Newcastle.

The approved Information and Communication Technology projects will enable campuses to communicate more rapidly and reliably with other higher education providers and provide for greater access to online resources.

In 2008, the CDP will support the Australian Government's efforts to increase the supply of health workforce professionals by funding the establishment of health facilities, such as the Podiatric Medicine Training Centre at the University of Western Australia and the provision of nursing facilities at Edith Cowan University's Joondalup Campus.

Table 13 sets out each State and Territory's CDP funding by higher education provider for the years 2006-08. As a result of the 2005-06 Budget, additional funding of \$22.9 million is available for allocation for 2007 and \$23.3 million is available for allocation for 2008.

**Table 13: Capital Development Pool allocations by institution 2006-2008 (adjusted to 2006 dollars)**

State /Higher Education Provider	Project	2006	2007	2008
		\$m	\$m	\$m
<b>New South Wales</b>				
Charles Sturt University	School of Rural Health, Thurgoona campus	2.129		
Charles Sturt University	Extension to Current Facilities, Orange Campus		1.186	
Charles Sturt University	Connection to AREN		1.040	
Charles Sturt University	Veterinary Science Facilities, Wagga Wagga Campus			2.404

<b>State /Higher Education Provider</b>	<b>Project</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
		\$m	\$m	\$m
Southern Cross University	Distributed Network Campus			
Southern Cross University	Tweed Gold Coast Campus development		2.081	
The University of New England	ICT for student learning resources	1.065		
The University of New England	E-Learning Commons		2.081	
The University of Newcastle	Teaching facilities at Ourimbah Campus			2.003
The University of Newcastle	Teaching and Library facilities at Port Macquarie Campus			3.476
The University of Newcastle	City Precinct Fibre Link and ICT architecture implementation	1.491		
The University of Newcastle	Multi-sector e-Learning		0.884	
The University of Sydney	Camden Campus Restoration		2.081	
University of Technology, Sydney	Nursing and Midwifery Facility		2.081	
University of Western Sydney	Wireless based infrastructure	2.129		
University of Wollongong	Virtual Learning Environments and Visualisation Institute (VLEVI)	1.065		
<b>Victoria</b>				
Deakin University	Development of the e-campus	1.065		
Deakin University	Dennys Lascelles Building		2.081	
La Trobe University	ICT infrastructure for Mildura			
La Trobe University	Enhanced ICT connections to regional campuses	1.075		
La Trobe University	Central media streaming server and regional edge servers	0.520		
La Trobe University	New Central ICT Building, Bundoora		1.683	
La Trobe University	New Campus Development, Shepparton		1.561	
Monash University	Centre for multi media at Berwick			
Monash University	Enhanced ICT connections between campuses	1.757		
Monash University	Gippsland Education Precinct		2.081	
Monash University	Frankston Regional Aquatic Health and Wellness Centre			2.504
RMIT University	Digital Design Centre			
RMIT University	Upgrade of ICT systems for regional campuses	1.157		
RMIT University	ICT and Teaching Space Infrastructure, Bundoora Campus		1.136	
Swinburne University of Technology	ICT infrastructure upgrade, Wantirna, Croydon and Lilydale		2.081	
University of Ballarat	Enhanced ICT infrastructure for regional campuses	1.059		
University of Ballarat	Communications Centre Redevelopment and Inter-Campus Links		0.700	
University of Ballarat	Integrated Library and Information Services			2.855
University of Melbourne	Extension to Victorian Education and Research Network		0.686	
Victoria University	Upgrade ICT connections between campuses	1.451		
Victoria University /Swinburne	ICT for common student and courses admin system			
Victoria University	Footscray Park Campus redevelopment			2.504
<b>Queensland</b>				
Central Queensland University	Technology and Information Resource Centre, Mackay Campus		2.081	

State /Higher Education Provider	Project	2006	2007	2008
		\$m	\$m	\$m
Griffith University	Academic Building 2 at Logan Campus	2.129		
Griffith University	Medical school infrastructure	2.129	2.081	
James Cook University	ICT upgrade	2.129		
Queensland University of Technology	Caboolture multi-partner campus			
Queensland University of Technology	ICT link to Caboolture Campus	1.065		
Queensland University of Technology	Teaching and learning spaces, Caboolture Campus			2.504
The University of Queensland	Ipswich campus development			
The University of Queensland	ICT upgrade, Gatton Campus	1.065		
University of Southern Queensland	Stage 3 - Wide Bay Campus	1.288		
University of Southern Queensland	Wide Bay development - ICT infrastructure and Stage 3		2.081	
University of Southern Queensland	Wine Science Laboratory, Stanthorpe			1.673
University of the Sunshine Coast	Stage 5 - Centre for ICT			
University of the Sunshine Coast	Stage 6 - the Science Building		2.081	
University of the Sunshine Coast	Stage 6 - the Science Building			2.003
<b>Western Australia</b>				
Curtin University of Technology	Re-location of the Department of Applied Chemistry to the Minerals and Chemistry Research and Education Precinct			5.009
Edith Cowan University	Indigenous Centre, Mt Lawley Campus	2.129		
Edith Cowan University	Nursing facilities, Joondalup Campus			2.504
Murdoch University	University Learning Centre, Mandurah Campus	2.129	2.081	
The University of Notre Dame Australia	ICT infrastructure, Medical School	2.129		
The University of Notre Dame Australia	Teaching facilities, Fremantle Campus			1.002
University of Western Australia/Curtin/Edith Cowan	Geraldton Universities Centre		2.081	
The University of Western Australia	Podiatric Medicine Training Centre			2.504
<b>South Australia</b>				
Flinders University	Science Innovation Learning Centre		1.040	2.100
University of Adelaide	Enhanced ICT connections between campuses	2.129		
University of South Australia	Electronic delivery infrastructure	0.745		
University of South Australia	Mawson Lakes Campus Development	2.129		
University of South Australia	Access Grids at City West, City East, Magill and Mawson Lakes		0.312	
University of South Australia	Building 3A, City West Campus			2.504
University of South Australia	Redevelopment of facilities, Mt Gambier Campus			1.596
<b>Tasmania</b>				
Australian Maritime College	ICT infrastructure		0.556	
Australian Maritime College	Upgrade of Integrated Marine Simulator			3.766
University of Tasmania	Community Learning Centre, Cradle Coast Campus			2.003
University of Tasmania	ICT infrastructure between campuses	2.129		

State /Higher Education Provider	Project	2006	2007	2008
		\$m	\$m	\$m
<b>Northern Territory</b>				
Batchelor Institute of Indigenous Tertiary Education	Facility for ICT infrastructure		2.081	
Charles Darwin University	The Alice Springs Higher Education Centre	2.129		
Charles Darwin University	Extension of Research School of Environmental Studies (RSES)		2.081	
<b>Australian Capital Territory</b>				
Australian National University	Medical School and Integrated Regional Health Facilities	2.129	2.081	
<b>Multi-State</b>				
Australian Catholic University	Enhanced ICT infrastructure between Sydney campuses	1.363		
Australian Catholic University	Restoration of facilities and ICT upgrade at Signadou Campus		0.835	
<b>TOTAL AUSTRALIA</b>		<b>44.908</b>	<b>44.915</b>	<b>44.914</b>

Source: Institutional Reporting and Analysis Unit, DEST

Note: Discrepancies in column totals are due to rounding.

### **Additional Capital projects**

In addition to the capital works funded through the competitive Capital Development Pool process, the Australian Government has allocated (Table 14):

- \$12 million over 2 years from 2005 for the medical school at the University of Tasmania;
- \$12 million over 2 years from 2005 to James Cook University for the development of a new School of Veterinary Science and Tropical Agricultural Science;
- \$2 million over 3 years from 2005 to Charles Darwin University for upgrades to ICT infrastructure;
- \$25 million over 3 years from 2006 as the Commonwealth share of the cost of developing a new medical school at the University of Western Sydney with the NSW State Government and the University;
- \$18 million over 3 years from 2006 to the University of Western Sydney for the upgrading of facilities, including a new teaching building, a library and laboratories.
- \$15 million in 2007 to James Cook University for an anatomy laboratory and clinical skills laboratories;
- \$7.5 million in 2007 to the University of Queensland for additional facilities for medical training; and
- \$3 million in 2007 to the University of New England to establish a new rural medical programme with the University of Newcastle.

**Table 14: Additional capital projects funded under the *Higher Education Support Act 2003, 2005-2008***

Higher Education Provider	Project	2005 \$m	2006 \$m	2007 \$m	2008 \$m
Charles Darwin University	IT Infrastructure upgrading	1	0.5	0.5	
James Cook University	Veterinary School	6	6		
James Cook University	Medical School			15	
University of Tasmania	Medical School	6	6		
University of New England	Medical School			3	
University of Queensland	Medical School			7.5	
University of Western Sydney	Medical School		13	6	6
University of Western Sydney	Infrastructure projects		4	10	4
<b>TOTAL</b>		<b>13</b>	<b>29.5</b>	<b>42</b>	<b>10</b>

Source: Institutional Reporting and Analysis Unit, DEST

Under the Annual Appropriations Act, a further \$186 million has been approved for special infrastructure projects between 2005 and 2008, including:

- \$10 million over two years, commencing in 2005-06 for capital works for a new medical school at the University of Wollongong;
- \$2 million in 2005-06 and a further \$2 million in 2007-08 for the University of Notre Dame Australia's Broadway and Darlinghurst (Sydney) campuses to help meet the costs of refurbishment and development;
- \$12 million in 2005-06 for a Global Centre for Transnational Crime Prevention at the University of Wollongong, which will strengthen Australia's capacity to deal with transnational crime by training graduates in investigating and preventing organised crime activities;
- \$125 million in 2005-06 to the Australian National University. Of this funding, \$75 million is for general capital works with the refurbishment of science laboratories as a first priority. The University will provide \$50 million of its own funds for the capital works. \$50 million of the funding is for the Stage 2 redevelopment of the John Curtin School of Medical Research;
- \$4.5 million in 2005-06 to Bond University for the construction of the Faculty of Health Sciences and Medicine building;
- \$5 million in 2005-06 to Monash University for a new postgraduate Medical School at its Gippsland campus;
- \$18 million in 2005-06 to Deakin University to establish a Medical School with a rural and regional focus; and
- \$4 million over three years commencing in 2005-06 to establish an Institute of Islamic Studies open to all students and based at an Australian university.

**Table 15: Capital projects funded under the Annual Appropriations Act**

Higher Education Provider	Project	2005-06 \$m	2006-07 \$m	2007-08 \$m
Australian National University	John Curtin School of Medical Research refurbishment and other capital works	125		
Bond University	Health Sciences and Medical building	4.5		
Deakin University	Medical School	18		
Deakin University	Alfred Deakin Institute		4	
Monash University	Medical School	5		
Provider to be announced	Institute of Islamic Studies		1.5	2
University of Notre Dame Australia	Broadway & Darlinghurst campuses	2		2
University of Wollongong	Medical School	5	5	
University of Wollongong	Centre for Transnational Crime Prevention	12		
<b>TOTAL</b>		<b>171.5</b>	<b>10.5</b>	<b>4</b>

Source: Institutional Reporting and Analysis Unit, DEST

### 2.3.6 Superannuation

Grants to assist with the cost of higher education providers' superannuation liabilities are paid through the Superannuation Programme.

#### Superannuation Programme

The Australian Government provides funding to higher education providers to cover the additional superannuation expenditure they incur for some current and former staff who are members of State emerging cost superannuation schemes. A proportion of the funding is recovered from the relevant States under cost share arrangements.

In 2005, the Australian Government continued with the review of the funding arrangements, with a view to replacing them by simpler procedures for all parties based on actuarial measurement of the liabilities. Measurement of the liabilities in respect of Tasmania commenced.

In 2005, \$107.4 million (of \$127 million available) was expended on the programme. The recovery from the States was \$25.7 million.

### 2.3.7 Research

Grants to support research by, and the research capability of, higher education providers are paid through the Research Infrastructure Block Grants and the Institutional Grants Scheme.

#### Research Infrastructure Block Grants

Research Infrastructure Block Grants (RIBG) provide block research funding on a calendar year basis to enhance the development and maintenance of research infrastructure. RIBG funds are allocated to eligible higher education providers based on their relative share of Australian competitive grant income. In 2005, \$183 million was allocated to eligible higher education providers under this scheme (Table 16).



**Table 16: Research Infrastructure Block Grants allocations, 2005**

<b>State/Higher Education Provider</b>	<b>2005 RIBG Allocation<sup>(a)</sup></b>
	<b>\$</b>
<b>New South Wales</b>	
Charles Sturt University	1,082,233
Macquarie University	2,667,217
Southern Cross University	475,592
The University of New England	2,182,116
The University of New South Wales	16,215,215
The University of Newcastle	4,476,009
The University of Sydney	21,150,451
University of Technology, Sydney	1,898,036
University of Western Sydney	1,358,959
University of Wollongong	3,066,219
<b>Victoria</b>	
Deakin University	1,939,573
La Trobe University	2,937,284
Melbourne College of Divinity*	0
Monash University	12,705,777
Royal Melbourne Institute of Technology	1,231,201
Swinburne University of Technology	1,025,133
University of Ballarat	219,288
The University of Melbourne	25,038,357
Victoria University	706,478
<b>Queensland</b>	
Bond University*	16,483
Central Queensland University	377,980
Griffith University	2,831,524
James Cook University	1,804,258
Queensland University of Technology	2,049,454
The University of Queensland	17,277,500
University of Southern Queensland	434,962
University of the Sunshine Coast*	72,389
<b>Western Australia</b>	
Curtin University of Technology	1,676,150
Edith Cowan University	471,939
Murdoch University	2,852,614
The University of Notre Dame Australia*	0
The University of Western Australia	13,902,985
<b>South Australia</b>	
The Flinders University of South Australia	3,064,403
The University of Adelaide	13,773,160
University of South Australia	1,495,109
<b>Tasmania</b>	
Australian Maritime College*	79,856
University of Tasmania	4,914,337
<b>Northern Territory</b>	
Batchelor Institute of Indigenous Tertiary Education*	0
Charles Darwin University	469,670
<b>ACT</b>	
The Australian National University	14,486,690
University of Canberra	355,176
<b>Other</b>	
Australian Catholic University	200,223
<b>TOTAL</b>	<b>182,982,000</b>

Source: DEST internal administrative data, 2005

Data underlying each scheme's allocation (except the Regional Protection Scheme) is sourced from the Higher Education Research Data Collection from DEST's University Statistics Unit.

(a) Columns may not sum due to rounding.

\* Denotes a designated 'small' higher education provider. Until 2006, small HEPs were eligible to receive additional RTS funds over and above the allocation that they would receive based on performance only. The small HEPs provision was discontinued from 2006. 42 higher education providers are eligible to receive RTS, IGS and RIBG Funds.

### **Institutional Grants Scheme**

The Institutional Grants Scheme (IGS) provides block research funding, on a calendar year basis, to eligible higher education providers to support research and research training activities. Higher education providers have discretion in the way they spend their IGS funds. The IGS may be used to fund any activity related to research.

The IGS allocation mechanism reflects providers' relative success in a performance index comprising research income (60%), Commonwealth funded research student load (30%) and research publications (10%). In 2005, \$291 million was allocated to eligible higher education providers under this scheme (Table 17).

### **Safety Net**

In 2005, a 5% safety net on losses was added to the IGS allocation mechanism replacing the former 5% cap on increases. The safety net is a response to recommendations from the 2003 Knowledge and Innovation evaluation. It prevents providers from losing more than 5% of their IGS allocation from year to year.

**Table 17: Institutional Grants Scheme allocations, 2005**

<b>State/Higher Education Provider</b>	<b>2005 IGS Allocation<sup>(a)</sup></b>
	<b>\$</b>
<b>New South Wales</b>	
Charles Sturt University	1,483,580
Macquarie University	5,838,855
Southern Cross University	1,336,270
The University of New England	3,592,363
The University of New South Wales	23,781,916
The University of Newcastle	6,591,675
The University of Sydney	29,973,222
University of Technology, Sydney	3,968,774
University of Western Sydney	3,437,603
University of Wollongong	5,568,943
<b>Victoria</b>	
Deakin University	3,828,196
La Trobe University	5,864,397
Melbourne College of Divinity*	175,875
Monash University	20,920,731
Royal Melbourne Institute of Technology	5,231,466
Swinburne University of Technology	2,176,127
University of Ballarat	677,824
The University of Melbourne	32,771,643
Victoria University	1,962,220
<b>Queensland</b>	
Bond University*	77,846
Central Queensland University	1,208,869
Griffith University	6,409,352
James Cook University	4,016,784
Queensland University of Technology	5,082,244
The University of Queensland	29,051,968
University of Southern Queensland	1,095,699
University of the Sunshine Coast*	186,068
<b>Western Australia</b>	

State/Higher Education Provider	2005 IGS Allocation <sup>(a)</sup>
Curtin University of Technology	5,887,998
Edith Cowan University	1,697,805
Murdoch University	5,027,342
The University of Notre Dame Australia*	98,489
The University of Western Australia	16,253,929
<b>South Australia</b>	
The Flinders University of South Australia	6,574,322
The University of Adelaide	16,311,291
University of South Australia	4,663,530
<b>Tasmania</b>	
Australian Maritime College*	247,931
University of Tasmania	7,200,800
<b>Northern Territory</b>	
Batchelor Institute of Indigenous Tertiary Education*	79,300
Charles Darwin University	1,153,125
<b>ACT</b>	
The Australian National University	16,667,927
University of Canberra	1,765,776
<b>Other</b>	
Australian Catholic University	650,925
<b>TOTAL</b>	<b>290,591,000</b>

Source: DEST internal administrative data, 2005

Data underlying each scheme's allocation (except the Regional Protection Scheme) is sourced from the Higher Education Research Data Collection from DEST's University Statistics Unit.

(a) Columns may not sum due to rounding.

\* Denotes a designated 'small' higher education provider. Until 2006, small HEPs were eligible to receive additional RTS funds over and above the allocation that they would receive based on performance only. The small HEPs provision was discontinued from 2006. 42 higher education providers are eligible to receive RTS, IGS and RIBG Funds.

### 2.3.8 Research Training

Grants to support the training of research students are paid through the Research Training Scheme and the Regional Protection Scheme.

#### Research Training Scheme

The Research Training Scheme (RTS) provides block research funding, on a calendar year basis, to eligible higher education providers to support research training for students undertaking doctorate and masters degrees by research.

The allocation mechanism for the RTS changed in 2005, in response to recommendations from the 2003 Knowledge and Innovation evaluation. The new allocation mechanism was developed by the AVCC. For 2005 the mechanism returns 75% of higher education providers' previous years' allocations and allocates the remaining 25% according to providers' relative success in a performance index comprising research income (40%), higher degree by research student completions (50%) and research publications (10%). In 2005, \$552 million was allocated to eligible higher education providers under this scheme (Table 18).

#### Safety Net

In 2005, a 5% safety net on losses was added to the RTS allocation mechanism replacing the former 5% cap on increases. The safety net, which is also a response to recommendations from the 2003 Knowledge and Innovation evaluation, prevents higher education providers from losing more than 5% of their RTS allocation from year to year.

### Small Higher Education Providers

In 2005 designated 'small' higher education providers were entitled to apply for additional RTS funds. The objective was to assist the providers with emerging research training profiles to grow.

The designated small higher education providers were: Melbourne College of Divinity, Bond University, University of the Sunshine Coast, University of Notre Dame Australia, Australian Maritime College and Batchelor Institute of Indigenous Tertiary Education. This small higher education provider provision of the RTS is to be discontinued from 2006 funding onwards.

**Table 18: Research Training Scheme allocations, 2005**

State/Higher Education Provider	2005 RTS Allocation <sup>(a)</sup>
	\$
<b>New South Wales</b>	
Charles Sturt University	3,166,693
Macquarie University	11,861,084
Southern Cross University	3,076,628
The University of New England	8,471,323
The University of New South Wales	42,138,012
The University of Newcastle	12,567,130
The University of Sydney	56,901,982
University of Technology, Sydney	9,796,882
University of Western Sydney	8,286,660
University of Wollongong	13,133,907
<b>Victoria</b>	
Deakin University	8,524,780
La Trobe University	13,348,278
Melbourne College of Divinity*	253,744
Monash University	39,162,472
Royal Melbourne Institute of Technology	12,636,244
Swinburne University of Technology	5,087,855
University of Ballarat	1,191,634
The University of Melbourne	56,851,292
Victoria University	5,340,119
<b>Queensland</b>	
Bond University*	149,570
Central Queensland University	2,714,479
Griffith University	12,325,685
James Cook University	8,490,602
Queensland University of Technology	10,421,986
The University of Queensland	53,227,996
University of Southern Queensland	2,239,582
University of the Sunshine Coast*	695,971
<b>Western Australia</b>	
Curtin University of Technology	11,675,640
Edith Cowan University	3,971,307
Murdoch University	9,106,467
The University of Notre Dame Australia*	255,267
The University of Western Australia	28,904,215
<b>South Australia</b>	
The Flinders University of South Australia	11,093,375
The University of Adelaide	29,639,959
University of South Australia	7,797,416
<b>Tasmania</b>	
Australian Maritime College*	193,734

University of Tasmania	15,680,348
<b>Northern Territory</b>	
Batchelor Institute of Indigenous Tertiary Education*	62,717
Charles Darwin University	2,219,335
<b>ACT</b>	
The Australian National University	25,597,366
University of Canberra	2,796,618
<b>Other</b>	
Australian Catholic University	1,096,646
<b>TOTAL</b>	<b>552,153,000</b>

Source: DEST internal administrative data, 2005

Data underlying each scheme's allocation (except the Regional Protection Scheme) is sourced from the Higher Education Research Data Collection from DEST's University Statistics Unit.

(a) Columns may not sum due to rounding.

\* Denotes a designated 'small' higher education provider. Until 2006, small HEPs were eligible to receive additional RTS funds over and above the allocation that they would receive based on performance only. The small HEPs provision was discontinued from 2006. 42 higher education providers are eligible to receive RTS, IGS and RIBG Funds.

### Regional Protection Scheme

The Regional Protection Scheme (RPS) helps to protect designated regional higher education providers from losses they incur in total RTS and IGS funds against a baseline established in 2001. From 2005, RPS is limited to \$3 million annually (indexed) (Table 19).

Designated regional higher education providers are: Charles Sturt University; Southern Cross University; University of New England; University of Newcastle; University of Wollongong; Deakin University; La Trobe University; University of Ballarat; Central Queensland University; James Cook University; University of Southern Queensland; University of Tasmania; and Charles Darwin University.

**Table 19: Regional Protection Scheme allocations, 2005**

State/Higher Education Provider	2005 RPS Allocation <sup>(a) (b)</sup>
	\$
<b>New South Wales</b>	
The University of New England	394,006
The University of Newcastle	1,141,770
University of Wollongong	108,159
<b>Victoria</b>	
La Trobe University	931,954
<b>Queensland</b>	
Central Queensland University	12,137
James Cook University	335,894
<b>Northern Territory</b>	
Charles Darwin University	105,080
<b>TOTAL</b>	<b>3,029,000</b>

Source: DEST internal administrative data, 2005

(a) Columns may not sum due to rounding.

(b) Due to the change in funding available through the Regional Protection Scheme a direct comparison, based on dollar figures from 2002 to 2005 should not be used as a reflection of a Regional HEPs need for RPS support.

\* Denotes a designated 'small' higher education provider. Until 2006, small HEPs were eligible to receive additional RTS funds over and above the allocation that they would receive based on performance only. The small HEPs provision was discontinued from 2006.

13 higher education providers are eligible for the RPS.

### 2.3.9 Collaboration

Grants to foster collaboration and reform in higher education are paid through the Collaboration and Structural Reform Fund.

#### Collaboration and Structural Reform Fund

The Collaboration and Structural Reform Fund (CASR) commenced operation on 1 January 2005 with the aim of achieving better higher education outcomes in teaching, learning, research and innovation by promoting structural reform and collaboration in the higher education sector.

During 2005, CASR funds were used to foster collaboration between higher education providers and business, schools, the vocational education and training sector, professional associations and community groups (Table 20).

\$46.797 million has been allocated to CASR over the 2005-2009 calendar years.

**Table 20: Collaboration and Structural Reform Fund allocations, 2005**

Grant Recipient	Project Title	Funding provided in 2005 \$
<b>New South Wales</b>		
Macquarie University	Academic Leadership and Management: Developing Strategies for Support, Enhancement and Succession Planning	22,781
	Breaking the Barriers Between TAFE and University – Developing a model for collaboration around higher education and VET pathways in Environmental Sciences and Management	70,000
	Redevelopment of Macquarie Customised Accessibility Services (M-CAS) – A service to universities that provides individually tailored learning experiences for students with disabilities	99,213
	Establishment of a student exchange programme in Environmental Science and Environmental Management between leading universities across Australia	104,800
University of New England	Cross-Institutional Rationalisation of Language Teaching – Provision of German at the University of Newcastle by the University of New England	60,000
University of Newcastle	Curriculum redesign	1,400,000
University of Sydney	Clinical learning opportunities for physiotherapy undergraduates	80,500
University of Technology, Sydney	Enhancing student learning through formative assessment - to improve the quality of assessment across the Australian Technology Network (ATN) Universities	73,631
University of Western Sydney	Accessing the student voice: using CEQ comments to improve the quality of learning programmes in Australian universities	32,600
	To formalise and disseminate the work of the Australian Universities Community Engagement Alliance (AUCEA)	100,000
	Professional development for university governing bodies	115,000
<b>Western Australia</b>		
Murdoch University	Study into the feasibility of a merger of Curtin and Murdoch universities	194,193
<b>South Australia</b>		
The University of Adelaide	Australian Chemistry Enhanced Laboratory Learning Project (ACELL) – A central resource of chemistry laboratory exercises developed and tested by staff from 32 participating Australian universities and	73,091

Grant Recipient	Project Title	Funding provided in 2005 \$
	members of the Royal Australian Chemical Institute	
University of South Australia	ATeNergy – provision of graduate and post-graduate energy education and energy R&D	153,918
<b>Tasmania</b>		
University of Tasmania	Amalgamation with Australian School of Fine Furniture	675,000
University of Tasmania	Renewing the Region – the establishment of a collaborative Institute for Enterprise and Regional Development	187,641
<b>Australian Capital Territory</b>		
The Australian National University	Consolidation and expansion of the University Industry Linkages in Chemistry (UniChe) project.	100,000
University of Canberra	Beyond Articulation - the establishment of an Office of Cross Sectoral Collaboration at the University of Canberra to facilitate resource sharing and flexible pathways with the Canberra Institute of Technology	68,100
<b>Queensland</b>		
Queensland University of Technology	e-Grad School (AUSTRALIA) – the collaborative development of virtual graduate school services	76,878
	Indigenous Pathways @ Caboolture – a collaborative project to extend educational opportunities for the indigenous community	50,000
The University of Queensland	Advanced Engineering Capability Network (AECN) – improving outcomes in higher engineering education, training and innovation through new patterns of collaboration between industry and universities	150,000
	The Development and Implementation of a Curriculum Articulation Model for Nursing between the University and TAFE Sectors	57,954
	A feasibility study on innovative approaches to the provision of languages other than English in Australian Higher Education – Australian Council of the Deans of Arts, Social Sciences and Humanities (DASSH)	313,000
	PhD Graduates 3 to 5 Years Out: Employment Outcomes, Job Attributes and the Quality of Research Training – a longitudinal study of PhD graduates from seven Go8 universities	100,000
University of Southern Queensland	Establishment of the Australian Graduate School of Engineering – A collaborative venture between four universities	168,000
	Beyond education: graduates into the workforce – to identify the skills necessary for the effective transition of graduates to the workforce and to assess whether universities are effectively meeting corporate/business needs	50,061
	Joint degree in Wine Science – developed and delivered in collaboration with Charles Sturt University	86,500
<b>Victoria</b>		
La Trobe University	Use of WebCT to Support Regional Nursing Students	50,000
Monash University	Effective pedagogy for improving critical thinking – ARC linkage project	6,950
	Frankston Peninsula Health and Wellbeing Precinct – a feasibility study into the establishment of a multi-disciplinary regional health and wellbeing centre	34,000
Royal Melbourne Institute of Technology	Koori Cohort Programme – to increase the access, participation and achievement of Indigenous postgraduate researchers and students	69,700
	International Partnership for the Collaborative Development and Delivery of a Post-Graduate Program in Automotive Engineering – a	54,000

Grant Recipient	Project Title	Funding provided in 2005 \$
	collaborative project to develop and deliver an International Masters course in automotive engineering	
	The Helen & Geoff Handbury Fellowship Program - supports projects that benefit the sustainability of the Southern Grampians region and surrounds	83,000
Swinburne University of Technology	Business Link – a service to actively connect undergraduate and postgraduate students to short term, paid work-based projects related to their area of study	102,429
The University of Melbourne	Integration of the Victorian College of the Arts and the University of Melbourne	691,860
Victoria University of Technology	Re-engineering Engineering - an industry-led approach to new courses and pathways in Victoria by 2007	111,500
<b>Other Incorporated Bodies</b>		
Academy of Social Sciences of Australia	Academy of Social Sciences of Australia - Operational funding	115,000
Business/Higher Education Round Table Ltd	Sponsorship of B-HERT Annual Awards	20,000
Australian Academy for the Humanities	Australian Academy for the Humanities - Operational funding	115,000
Council for Humanities, Arts & Social Sciences	Council for Humanities, Arts and Social Sciences - operational funding	200,000
General Sir John Monash Foundation	General Sir John Monash Awards (Administration Costs)	100,000
General Sir John Monash Foundation	General Sir John Monash Awards (Contributions to Endowment Fund)	465,700
General Sir John Monash Foundation	General Sir John Monash Awards (Scholarships)	800,000
Universities Admissions Centre (NSW & ACT) Pty	Commonwealth Learning Scholarships Central - Centralised Application and Assessment of Commonwealth Learning Scholarships for Institutions Participating in the Universities Admissions Centre	62,000
<b>TOTAL</b>		<b>7,744,000</b>

Source: DEST internal administrative data, 2005

### 2.3.10 Systemic Infrastructure

Grants to support the development of systemic infrastructure used by higher education providers is paid through the Systemic Infrastructure Initiative.

Critical to Australia's research capacity and future growth is a robust research infrastructure. Through the Systemic Infrastructure Initiative (SII), part of *Backing Australia's Ability*, funding of \$246 million from 2002 to 2006, is being directed towards projects which strengthen infrastructure resources to support high quality research and research training at Australian universities.

The SII provides funding for innovative approaches which link or expand access to shared facilities or high priority investments that will bring sector-wide strategic benefits.



## Systemic Infrastructure Initiative

SII funds are directed to key areas including the provision of high-speed communications links and facilitating discovery, access and dissemination of scholarly and scientific information. Funds are allocated on the advice of the Australian Research and Education Network Advisory Committee (ARENAC) and the Australian Research Information Infrastructure Committee (ARIIC).

Through the SII, the government has provided over \$84 million for high-speed communications links and access to broadband, bolstered by co-investment from universities, the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and State and Territory governments. The resulting communications capacity is facilitating improved research collaboration, providing greater access to remote instruments, and enabling better quality, faster transmission of e-learning resources. This funding has been used to establish the Australian Research and Education Network (AREN), one of the largest and most advanced fibre optic research and education networks in the world.

On the recommendation of the ARIIC, the government has provided over \$52 million for 22 projects to improve research information infrastructure. The projects will provide improved access to information, develop software solutions for storing and organising digital information in institutional repositories, curate and preserve research data sets and information, and provide solutions which link authorised users to research and information within and between institutions. These projects draw together research communities without the need to build capital facilities, provide access to large amounts of research data that were previously inaccessible; and provide access to information in areas of fundamental importance to the community including medical and environmental research.

The SII has provided \$29 million to the Australian Partnership for Advanced Computing (APAC) over 2004 to 2006 to strengthen the national advanced computing capabilities and to develop the national advanced computing and grid infrastructure to serve the Australian research community. Part of this funding was used to install the new supercomputing system of APAC's National Facility. The APAC National Facility provides a world-class advanced computing service to Australian researchers as part of the APAC National Grid.

The projects funded by SII are delivering benefits across the entire research sector. To this end there is extensive collaboration being undertaken between universities and industry to ensure that the solutions and tools being developed can be applied to a wide range of research environments and behaviours. These tools will allow researchers to work more effectively, collaborate in new ways in secure virtual environments and allow Australian research to perform at the highest level.

**Table 21: Systemic Infrastructure Initiative allocations, 2005**

Institution	Project	2005 Funding \$
<b>New South Wales</b>		
Macquarie University	IMS Australia - Core Funding	800,000
Macquarie University	Meta Access Management System Project	1,298,285
Macquarie University	Australian Service for Knowledge of Open Source Software	60,880
The University of New South Wales	TimeSync: Mapping the Global Financial System	575,000
The University of Sydney	Administrative Support and Project Management for Information Infrastructure	200,000
The University of Sydney	National Broadband Adviser for Education	150,000
<b>Victoria</b>		

<b>Institution</b>	<b>Project</b>	<b>2005 Funding \$</b>
The University of Melbourne	Molecular Medicine Informatics Model: A Multi-institutional, Multi-disciplinary Research and Training Platform for Clinical Research	2,354,529
Monash University	Australian Research Repositories Online to the World	1,085,000
Monash University	Victorian Education and Research Network Stage 2	3,000,000
Monash University	Dataset Acquisition, Accessibility and Annotation e-Research Project	1,618,500
<b>Queensland</b>		
James Cook University	Queensland Research and Education Network - Sunshine Backbone Interim Stage 2	500,000
James Cook University	Laboratory Upgrades: Biochemistry and Molecular Biology, and Parasitology	1,250,000
The University of Queensland	e-Security Framework for Researchers	206,000
The University of Queensland	Middleware Action Plan and Strategy	164,932
Queensland University of Technology	Legal Protocols for Copyright Management: Facilitating Open Access to Research at the National and International Levels	665,000
University of Southern Queensland	Regional Universities Building Research Infrastructure Collaboratively	1,345,474
<b>Western Australia</b>		
Murdoch University	Perth to Mandurah Link	2,202,000
The University of Notre Dame	Centre for Research in Health and Education	2,675,000
<b>South Australia</b>		
The Flinders University of South Australia	South Australian Research and Education Network	750,000
<b>Tasmania</b>		
University of Tasmania	Tasmanian Research and Education Network	4,000,000
University of Tasmania	BlueNet: The Australian Marine Science Data Network	888,000
<b>Northern Territory</b>		
Charles Darwin University	155Mbps Link Between AARNet PoP at Adelaide and Charles Darwin University	1,855,400
<b>Australian Capital Territory</b>		
The Australian National University	Australian Partnership for Advanced Computing 2004-2006	16,000,000
The Australian National University	High Bandwidth Research Link with the United States of America	8,400,000
The Australian National University	Access for the Higher Education and Research Sectors to the Nextgen Network	3,000,000
The Australian National University	Towards an Australian Partnership for Sustainable Repositories	858,000
<b>TOTAL</b>		<b>55,902,000</b>

Source: DEST internal administrative data, 2005

### **2.3.11 Quality**

Grants for activities that assure and enhance the quality of Australia's higher education are paid to the Carrick Institute for Learning and Teaching in Higher Education, the Australian Universities Quality Agency, Graduate Careers Australia and the Australian Council for Educational Research.

#### ***The Carrick Institute for Learning and Teaching in Higher Education***

The Carrick Institute for Learning and Teaching in Higher Education provides a national focus for the enhancement of learning and teaching in Australian higher education.

2005 was a planning year for the Carrick Institute, with Professor Lesley Parker, Planning Director, progressing planning, development and consultation relating to the establishment of the institute and its programmes. A budget of \$3.727 million was provided to enable planning to proceed and to continue work associated with the Australian Awards for University Teaching.

The Carrick Institute board consists of the following members:

- Professor John Hay AC (Chair)
- Mr Tim Besley
- Professor Margaret Gardner
- Professor Elizabeth Harman
- Professor Daryl Le Grew
- Professor Terence Lovat
- Professor David Ian O'Connor
- Professor Belinda Probert
- Professor Lynne Hunt
- Dr Kenneth Rowe
- Dr Brian Millis
- Ms Helen Paphitis
- Mrs Judith Wheeldon

The board met five times during 2005 and endorsed the operational plan for the planning phase and five strategic priority areas for 2006-08:

1. A Grants Scheme - encompassing three major programs: a Priority Projects Program; a Competitive Grants Program; and a Leadership Capacity-Building Program.
2. Discipline-Based Activities - to provide for discipline-specific development, dissemination and application of good practice.
3. A Resource Identification Network - to provide a repository service which facilitates the sharing and adoption of good practice in learning and teaching.
4. The Carrick Fellowship Scheme - designed to support national and international fellows.

5. A scheme for the Carrick Awards for Australian University Teaching - designed both to reward excellence and to provide for maximum benefit to the system as a whole (Table 22).

The Carrick Institute's inaugural annual report was tabled in Parliament in October 2005.

Professor Richard Johnstone was appointed as the Executive Director in November. Significant progress was made in all areas during 2005 and the Carrick Institute was on target to be fully operational in January 2006.

### **Australian Awards for University Teaching**

The Carrick Institute managed the 2005 Australian Awards for University Teaching. Table 22 and 23 list the individual and institutional winners of the 2005 awards, who were announced at a ceremony at Parliament House on 29 November 2005. From 2006, the awards will be known as the Carrick Awards for Australian University Teaching.

**Table 22: Australian Awards for University Teaching, individual awards, 2005**

<b>Award category</b>	<b>Award recipient</b>	<b>Institution</b>	<b>\$</b>
Prime Minister's Award for University Teacher of the Year	Associate Professor Michael Christie, Ms Waymamba Gaykamangu, Ms Betty Marrnganyin & Mr John Greatorex,	Charles Darwin University	35,000
Biological Sciences, Health and Related Studies	Professor Joanne Wood	Queensland University of Technology	40,000
Law, Economics, Business and Related Studies	Professor Michelle Barker	Griffith University	40,000
Humanities and the Arts	Associate Professor Michael Christie, Ms Waymamba Gaykamangu, Ms Betty Marrnganyin & Mr John Greatorex,	Charles Darwin University	40,000
Physical Sciences and Related Studies	Dr Michael Bulmer	The University of Queensland	40,000
Social Sciences	Dr Sandra Frid & Dr Len Sparrow	Curtin University of Technology	40,000
Early Career Academics	Mr Colin Jones	University of Tasmania	40,000
Neville Bonner Award	Associate Professor Susan Green	The University of New South Wales	40,000
<b>TOTAL</b>			<b>315,000</b>

Source: DEST internal administrative data, 2005

**Table 23: Australian Awards for University Teaching, institutional awards, 2005**

<b>Award category</b>	<b>Institution</b>	<b>\$</b>
Provision of Support Services that Assist Student Learning	Curtin University of Technology	50,000
Teaching Large, First Year Classes	Deakin University	50,000
Provision of Educational Services to the Community	The University of Queensland	50,000
Enhancement of the Quality of Teaching and Learning in the Applicant's Institution	University of Technology Sydney	50,000
Approaches to Improving/Enhancing Assessment	The University of Queensland	50,000
<b>TOTAL</b>		<b>300,000</b>

Source: DEST internal administrative data, 2005

## ***Australian Universities Quality Agency***

The Australian Universities Quality Agency (AUQA) was established by the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) in 2000 as an independent national body. AUQA is responsible for the following:

- conducting quality audits of self-accrediting higher education providers and State and Territory accreditation authorities on a five yearly cycle;
- publishing reports revealing the outcomes of these audits;
- commenting on the criteria for the accreditation of new universities and non-university higher education awards, as a result of information obtained during the audits of higher education providers and State and Territory accreditation processes; and
- reporting on the relative standards and international standing of the Australian higher education system and its quality assurance processes obtained during the audit process.

The Australian Government funds 50% of AUQA's core operating grant, the States and Territories contribute the other half, and higher education providers/accreditation authorities also pay a fee for audit.

Since the first round of audits commenced in 2002, ten higher education providers/accreditation authorities have been audited per year. A list of higher education providers audited in 2005 and an audit report for each institution is available at [www.auqa.edu.au/qualityaudit/index/shtml](http://www.auqa.edu.au/qualityaudit/index/shtml).

Universities and agencies are asked to indicate how they intend to address the recommendations made in the audit report and are expected to report on their progress at a later stage. Should a higher education provider or agency receive a negative audit report, it is the responsibility of the governing body of that institution or agency, and if required the relevant government, to determine appropriate action.

AUQA hosts a national forum on quality annually. The Australian Universities Quality Forum (AUQF) was held in Sydney from 6-8 July 2005 with the theme 'Engaging Communities' attended by nearly 230 delegates.

### ***AUQA – Offshore auditing***

In 2005, the Australian Government provided additional funds totalling \$490,000 to increase AUQA's offshore auditing activities and to assist AUQA in the development of bilateral relationships with overseas quality agencies. This additional funding has enabled AUQA to strengthen its focus on the quality of transnational education through activities such as increasing the number of overseas visits and enhancing training activities to support audit directors in this area. These activities commenced in 2005 and will continue during 2006.

### ***Graduate Destination Survey & Course Experience Questionnaire***

Funding for Graduate Careers Australia (GCA), formerly the Graduate Careers Council of Australia, totalled \$598,000 in 2005. This funding was provided to GCA to conduct the annual Course Experience Questionnaire (CEQ) and the Graduate Destinations Survey (GDS). During 2004, DEST also provided additional funds of \$350,000 to conduct a project during 2005 designed to enhance the GDS. The aim of the project was to facilitate an examination of the critical factors leading to enhancements to the survey instrument, methodology and processes. In late 2005, GCA held a forum to canvass early findings of the project and seek feedback from the sector.

## Graduate Skills Assessment

Since 1999, the Australian Council for Educational Research (ACER) has been developing and administering a test of generic skills that can be assessed at university entry and exit level. This tool provides an objective measure of the generic skills of graduates in the areas of critical thinking, problem solving, interpersonal understanding and written communication.

The funding allocated for the Graduate Skills Assessment in 2005 was \$455,000.

### 2.3.12 Promotion of Research and Scholarship

Grants for activities that promote research and scholarship in, science, social science or the humanities in Australia are paid through the Learned Academies programme, the Grants to the Australian and New Zealand Association for the Advancement of Science programme and the Chair in Child Protection.

#### Learned Academies

Grants under this programme provide funds to support the operation of the National Academies Forum and the four Learned Academies: the Australian Academy of Science, the Academy of the Social Sciences in Australia, the Australian Academy of Technological Sciences and Engineering, and the Australian Academy of the Humanities. These grants assist the academies, notably in promoting research and scholarship in their fields of expertise and providing a source of advice to the Australian Government regarding research related issues.

The Learned Academies received a total of \$1.946 million in 2005 under this programme (Table 24).

**Table 24: Learned academies, funding allocations, 2005**

Academy	\$
Australian Academy of Science	856,359
Academy of the Social Sciences in Australia	333,240
Australian Academy of Technological Sciences and Engineering (includes \$62,233 for the National Academies Forum)	422,786
Australian Academy of the Humanities	333,614
<b>TOTAL</b>	<b>1,946,000</b>

Source: DEST internal administrative data, 2005

#### Grants to the Australia and New Zealand Association for the Advancement of Science

Grants under this programme provide funding to support the participation of students from each Australian State and Territory to attend an annual Australia and New Zealand Association for the Advancement of Science (ANZAAS) Youth Conference. ANZAAS aims to promote communication between scientists in different disciplines and foster public interest in science and technology.

The Australia and New Zealand Association for the Advancement of Science received \$18,000 in 2005 under this programme.

#### Chair in Child Protection

The Australian Government is providing \$10 million over ten years from 2004, to support a Chair in Child Protection at the University of South Australia.

The funding is being used to undertake collaborative research and facilitate its translation into policy, program development, professional education and service delivery, in order to enhance the life opportunities of children at risk of abuse or neglect in Australia.

### **2.3.13 Open Access**

Grants for activities that support open access to higher education are paid through the Open Learning Initiative and the Framework for Open Learning programme.

#### ***Opening Learning Initiative – Administrative payment to Open Universities Australia***

Under the Commonwealth agreement with Open Universities Australia, the Government provided financial assistance to Open Universities Australia for administration costs relating to FEE-HELP. In 2005, \$153,982 was paid to Open Universities Australia for the administration of FEE-HELP.

#### ***Framework for Open Learning Programme***

In 2005, the Framework for Open Learning Programme (FOLP) continued to promote the uptake of Information and Communications Technology (ICT) in education and training to meet the challenges of the 21<sup>st</sup> century information economy. The programme underpins Australia-wide cross-sectoral cooperation, through funding and other arrangements to enable all key stakeholders to undertake collaborative ICT work relevant to the education and training sector.

The major component of FOLP activities during 2005 was the support to *education.au limited*, a ministerially-owned company, that carried out MCEETYA endorsed long-term collaborative exercises and key government initiatives, including the management of EdNA Online, the Government Education Portal, the Le@rning Federation and *myfuture*.

FOLP also supported the Australian ICT in Education Committee (AICTEC) which is the national cross sectoral forum advising MCEETYA on issues relating to the educational use of ICT. AICTEC brings together key stakeholders from the higher education, schools and vocational training and education sectors. Its work priorities relevant to higher education for 2005 were:

- Providing advice to ensure that legislative arrangements and other agreements relating to digital copyright and technological protection measures did not impact negatively on education;
- developing approaches to high speed access to the internet at a fair price. In particular leveraging from the work done in the higher education and research sectors across to the schools and the vocational and technical education (VTE) sectors;
- developing approaches to promote interoperability across the education and training sectors; and
- developing policies for the administration of the .edu.au domain.

## 2.4 Scholarships

### 2.4.1 Commonwealth Learning Scholarships

The Commonwealth Learning Scholarships (CLS) consists of the Commonwealth Education Costs Scholarships (CECS) and Commonwealth Accommodation Scholarships (CAS). The programme provides financial assistance to students from low socio-economic backgrounds, particularly those from rural and regional areas and Indigenous students. Students may receive the scholarships for up to four years. The value of the scholarships is indexed annually. In 2005, the value of the CECS was \$2,042 and the value of the CAS was \$4,084. The CECS are provided to assist with the general costs of education, while the CAS are provided to assist students from rural and regional areas, who have had to move away from home in order to pursue their studies, with the costs of accommodation.

Table 25 sets out the number of CLS allocated to higher education providers for 2005.

**Table 25: Number of scholarships allocated under the Commonwealth Learning Scholarships, 2005**

Higher Education Provider	CECS	CAS
<b>New South Wales</b>		
Avondale College	3	2
Charles Sturt University	144	77
Macquarie University	72	40
Southern Cross University	78	48
University of New England	98	38
University of New South Wales	109	82
University of Newcastle	206	159
The University of Sydney	179	138
University of Technology, Sydney	121	94
University of Western Sydney	183	134
University of Wollongong	83	65
<b>Victoria</b>		
Deakin University	163	78
La Trobe University	160	120
Monash University	198	143
Royal Melbourne Institute of Technology	125	92
Swinburne University of Technology	47	34
The University of Melbourne	149	112
University of Ballarat	42	31
Victoria University of Technology	138	100
<b>Queensland</b>		
Central Queensland University	160	86
Griffith University	221	169
James Cook University	147	105
Queensland University of Technology	270	200
The University of Queensland	280	206
University of Southern Queensland	139	71
University of the Sunshine Coast	57	44
<b>Western Australia</b>		
Curtin University of Technology	213	164
Edith Cowan University	186	128
Murdoch University	96	71
The University of Notre Dame Australia	10	8



Higher Education Provider	CECS	CAS
The University of Western Australia	94	72
<b>South Australia</b>		
Flinders University of South Australia	94	72
The University of Adelaide	104	79
University of South Australia	218	140
<b>Tasmania</b>		
Australian Maritime College	5	4
University of Tasmania	170	129
<b>Northern Territory</b>		
Batchelor Institute of Indigenous Tertiary Education	56	48
Charles Darwin University	39	24
<b>Australian Capital Territory</b>		
The Australian National University	40	31
University of Canberra	34	26
<b>Multi-state</b>		
Australian Catholic University	98	54
<b>TOTAL</b>	<b>5,029</b>	<b>3,518</b>

Source: Formula-derived result based on the Selected Higher Education Student Statistics, various years

Table 26 sets out the funding provided to higher education providers for CLS in 2005. The 2005 grant amount includes the second year of funding for CLS allocated in 2004.

**Table 26: Total Commonwealth Learning Scholarships funding for 2005**

Higher Education Provider	\$
<b>New South Wales</b>	
Avondale College	26,546
Charles Sturt University	974,034
Macquarie University	573,802
Southern Cross University	618,726
University of New England	557,466
University of New South Wales	1,035,294
University of Newcastle	1,715,280
The University of Sydney	1,668,314
University of Technology, Sydney	1,059,798
University of Western Sydney	1,625,432
University of Wollongong	751,456
<b>Victoria</b>	
Deakin University	1,147,604
La Trobe University	1,531,500
Monash University	1,782,666
Royal Melbourne Institute of Technology	1,176,192
Swinburne University of Technology	447,198
The University of Melbourne	1,425,316
University of Ballarat	453,324
Victoria University of Technology	1,163,940
<b>Queensland</b>	
Central Queensland University	1,037,336
Griffith University	1,894,976
James Cook University	1,243,578

<b>Higher Education Provider</b>	<b>\$</b>
Queensland University of Technology	2,309,502
The University of Queensland	2,421,812
University of Southern Queensland	863,766
University of the Sunshine Coast	516,626
<b>Western Australia</b>	
Curtin University of Technology	1,709,154
Edith Cowan University	1,402,854
Murdoch University	745,330
University of Notre Dame Australia	77,596
The University of Western Australia	847,430
<b>South Australia</b>	
Flinders University of South Australia	812,716
The University of Adelaide	906,648
University of South Australia	1,629,516
<b>Tasmania</b>	
Australian Maritime College	42,882
University of Tasmania	1,690,776
<b>Northern Territory</b>	
Batchelor Institute of Indigenous Tertiary Education	414,526
Charles Darwin University	251,166
<b>Australian Capital Territory</b>	
The Australian National University	416,568
University of Canberra	328,762
<b>Multi-state</b>	
Australian Catholic University	696,322
<b>TOTAL</b>	<b>41,993,730</b>

Source: Formula-derived result based on the value of CECS and CAS in 2005.

## **2.4.2 Indigenous Staff Scholarships**

The Indigenous Staff Scholarships Programme assists Indigenous staff (academic or general) to participate in higher education and complete their courses. The scholarships enable staff of eligible higher education providers to take one year of leave from their employment to undertake full-time higher education study in their chosen academic or professional area. This recognises their commitment to assisting students in higher education and enhances their own academic and professional standing.

In 2005, five national scholarships were awarded for study in 2006 (Table 27). Each scholarship provides funds to cover tuition fees and/or student contribution amounts for that year, and a stipend for each student.

Applicants for Indigenous Staff Scholarships are considered by the Indigenous Higher Education Advisory Council, which provides advice to the Minister for Education Science and Training on who should receive a scholarship under this programme.

**Table 27: Indigenous Staff Scholarships allocations, 2005**

	\$ per person	No.	Total \$
Scholarships	21,400	5	107,000
Course Fees	10,600	5	53,000
<b>TOTAL</b>	<b>32,000</b>	<b>5</b>	<b>160,000</b>

Source: DEST internal administrative data, 2005

### 2.4.3 Australian Postgraduate Awards

The Australian Postgraduate Awards (APA) Programme provides financial support to Australian postgraduate students of exceptional research promise who undertake their higher degree by research at an Australian higher education provider. Masters students may receive an award for a maximum of two years and Doctoral students for three years with a possible extension of six months. Students in receipt of an APA receive an annual stipend and may qualify for other allowances.

APAs are allocated to higher education providers on the basis of a performance-based formula which takes into account higher degree research completions, publications and research income. In 2005, \$91 million was allocated to eligible higher education providers under this scheme to support a notional 1,550 new awards and to continue to support students who were awarded APAs in previous years (Table 28).

**Table 28: Australian Postgraduate Awards allocations, 2005**

Higher Education Provider	2005 APAs Allocations <sup>(b)</sup> \$
<b>New South Wales</b>	
Charles Sturt University	475,691
Macquarie University	1,650,796
Southern Cross University	657,140
The University of New England	1,243,875
The University of New South Wales	7,051,086
The University of Newcastle	2,087,383
The University of Sydney	8,692,092
University of Technology, Sydney	1,440,131
University of Western Sydney	1,321,912
University of Wollongong	1,795,967
<b>Victoria</b>	
Deakin University	1,534,443
La Trobe University	2,256,405
Melbourne College of Divinity*	184,898
Monash University	6,609,001
Royal Melbourne Institute of Technology	2,495,092
Swinburne University of Technology	887,982
University of Ballarat	254,515
The University of Melbourne	10,163,803
Victoria University	773,156
<b>Queensland</b>	
Bond University*	58,826
Central Queensland University	403,248

Higher Education Provider	2005 APAs Allocations <sup>(b)</sup>
	\$
Griffith University	2,100,153
James Cook University	1,351,358
Queensland University of Technology	1,988,208
The University of Queensland	8,389,542
University of Southern Queensland	352,955
University of the Sunshine Coast*	58,826
<b>Western Australia</b>	
Curtin University of Technology	2,068,505
Edith Cowan University	871,029
Murdoch University	1,470,022
The University of Notre Dame Australia*	58,826
The University of Western Australia	4,654,136
<b>South Australia</b>	
The Flinders University of South Australia	1,746,864
The University of Adelaide	4,288,577
University of South Australia	1,590,555
<b>Tasmania</b>	
Australian Maritime College*	58,826
University of Tasmania	2,148,810
<b>Northern Territory</b>	
Batchelor Institute of Indigenous Tertiary Education*	19,212
Charles Darwin University	342,276
<b>ACT</b>	
The Australian National University	4,729,236
University of Canberra	619,339
<b>Other</b>	
Australian Catholic University	235,303
<b>TOTAL</b>	<b>91,180,000</b>

Source: DEST internal administrative data, 2005

(a) Data underlying each scheme's allocation (except the Regional Protection Scheme is sourced from the Higher Education Research Data Collection from DEST's University Statistics Unit.

(b) Columns may not sum due to rounding.

\* Denotes a designated 'small' higher education provider. Until 2006, small higher education providers were eligible to receive additional RTS funds over and above the allocation that they would receive based on performance only. 42 higher education providers are eligible to receive APA Funds.

## 2.4.4 International Scholarships

### Endeavour Programme

The Endeavour Programme is the department's international scholarships programme. In 2005-06 the Australian Government contributed \$22.6 million to the programme to enable students and scholars from around the world to undertake study or research in Australia and for Australians to go overseas.

### Australian University Mobility in Asia and the Pacific Programme

The Australian University Mobility in Asia and the Pacific Programme (UMAP) provides funding to Australian higher education institutions to subsidise the cost of their establishing and monitoring, and of Australian students' participation in UMAP student exchanges with counterpart higher education institutions in the Asia Pacific region. The student exchanges

include provision for tuition fee waiver and credit transfer arrangements between the institutions.

In the 2005 round of the Australian UMAP Programme, DEST provided \$1.4 million to 29 Australian higher education institutions to fund 110 projects involving institution-to-institution student exchanges. Under the programme, DEST provides subsidies to Australian higher education institutions to assist with the costs:

- of short staff visits to counterpart institutions in eligible countries in Asia and the Pacific to negotiate details of student exchanges with certain characteristics including tuition fee waiver and credit transfer; and
- to Australian students participating in these student exchanges.

The projects funded in the 2005 round include 30 staff visits to counterpart institutions and the participation of 340 Australian students from a wide range of disciplines. The country distribution of funding is provided at Table 29.

**Table 29: Australian University Mobility in Asia and the Pacific Programme allocations, 2005**

Country	Subsidies for Australian students for overseas study	Subsidies for Australian staff to visit counterpart institutions
Canada	68	5
Chile	12	2
China, People's Republic of	18	3
Fiji	3	0
Hong Kong	8	0
Japan	43	5
Korea, The Republic of	7	0
Malaysia	14	1
Mexico	42	3
New Zealand	6	1
Peru	1	0
Singapore	6	0
Taiwan	3	0
Thailand	10	1
USA	99	9
<b>TOTAL</b>	<b>340</b>	<b>30</b>

Source: DEST internal administrative data, 2005

### **Endeavour Cheung Kong Scholarships**

In 2004, the department entered into a \$2.25 million sponsorship agreement with the Cheung Kong Group, through Powercor Australia Limited (Australian subsidiary company). The department agreed to match Cheung Kong funding over a three-year period. As part of that agreement, two award programmes were developed: Endeavour Australia Cheung Kong Awards (Table 30) and the Endeavour Cheung Kong Student Exchange Programme (Table 31).

In the 2005 round of the Endeavour Cheung Kong Student Exchange Programme, \$550,000 was provided to 21 Australian higher education institutions to support 45 projects involving

institution-to-institution student exchange programmes (Table 31). DEST provided funding totalling \$275,000. This funding was matched by the Cheung Kong Group.

The funded projects cover student exchanges between these 21 Australian higher education institutions and 34 counterpart institutions in Asia. Fifty out-going Australian undergraduate exchange students and 50 in-coming Asian undergraduate exchange students will be supported to participate in student exchanges of one or two semesters' duration involving tuition fee waiver and credit transfer.

In the 2005 round of the Endeavour Australia Cheung Kong Awards, a total of 40 postgraduate awards were offered to Australian and international researchers. These awards enable high achieving scholars from Asia to undertake research in Australia and for Australians to do the same in Asia.

The country distribution of the supported students is provided at Table 30.

**Table 30: Endeavour Cheung Kong Awards, 2005**

Country	Fellowships for international scholars undertake research in Australia	Fellowships for Australian scholars to undertake research overseas
China, the people's Republic of (including Hong Kong SAR)	14	14
India	2	1
Indonesia*	0	1.33
Japan*	0	1.5
Korea, The Republic of	0	0.5
Singapore	1	0.67
Thailand	3	1.33
<b>TOTAL</b>	<b>20</b>	<b>20</b>

Source: DEST internal administrative data, 2005

\* Three award holders are undertaking research in multiple countries. Each country visited has been counted in these figures.

**Table 31: Endeavour Cheung Kong Student Exchange Programme**

Country	Subsidies for international students to study in Australia	Subsidies for Australian students for overseas study
China	15	15
Hong Kong	19	19
Japan	7	7
Korea, Republic of (South)	1	1
Malaysia	1	1
Singapore	3	3
Thailand	4	4
<b>TOTAL</b>	<b>50</b>	<b>50</b>

Source: DEST internal administrative data, 2005

### **Endeavour Research Fellowships**

The Endeavour Research Fellowships provide financial support for postgraduate students and postdoctoral fellows from participating countries to undertake short-term research of four to six months, in any field of study, in Australia. The fellowships engage overseas higher

education institutions, through collaborative and quality research. It is expected that the strong research links, academic networks and partnerships that develop will further Australian innovation. Researchers from Europe, Latin America and the Middle East were granted fellowships in the 2005 round. A country distribution of awards offered in 2005 is provided at Table 32.

**Table 32: Endeavour Australia Postgraduate and Postdoctoral Research Fellowships allocations, 2005**

Country	Fellowships for international scholars undertake research in Australia
Austria	1
Brazil	8
Chile	3
Ireland	4
Italy	2
Mexico	1
Iraq	6
United Kingdom	1
<b>TOTAL</b>	<b>26</b>

Source: DEST internal administrative data, 2005

### **Endeavour Australia Postgraduate Study and/or Research**

The Endeavour Postgraduate Awards provide financial support for postgraduate students from designated countries to undertake, in any field of study an Australian higher degree; or research in Australia towards a higher degree in their home country. Funding is provided for the first year of their study. Scholars from Asia and Europe were awarded scholarships in the 2005 round. A country distribution of awards offered in 2005 is provided at Table 33.

**Table 33: Endeavour International Postgraduate Research Scholarship Scheme allocations, 2005**

Country	Awards for international students to undertake study/research in Australia
China, People's Republic of (including Hong Kong SAR)	1
Indonesia	2
France	1
Germany	4
Ireland	2
Italy	4
Japan	1
Malaysia	1
Singapore	1
Sweden	1
Taiwan	2
Thailand	1
United Kingdom	2

Vietnam	1
<b>TOTAL</b>	<b>24</b>

Source: DEST internal administrative data, 2005

### **Endeavour Language Teacher Fellowships**

Practicing language teachers from government as well as non-government schools in Australia participate in a three-week intensive language and cultural in-country programme in six to seven countries each year. The main focus of the language study programme is to improve the language teacher's knowledge, skills and understanding of the languages and cultures about which they teach as well as to strengthen networking among language teachers nationally and in each State and Territory. In the 2005 round a total of 115 language teachers participated in the fellowships. A country distribution of awards offered in 2005 is provided at Table 34.

**Table 34: Endeavour Language Teacher Fellowships allocations, 2005**

<b>Country</b>	<b>Fellowships participants</b>
Chile	7
China	17
France	19
Germany	18
Greece	6
Italy	26
Japan	22
<b>TOTAL</b>	<b>115</b>

Source: DEST internal administrative data, 2005

### **Endeavour International Postgraduate Research Scholarship (IPRS)**

The International Postgraduate Research Scholarships (IPRS) have been re-badged as part of the new Endeavour Programme under which high-performing students from around the world will be able to study in Australia. The Endeavour Programme encompasses both new and existing scholarships, with an extra \$7.9 million committed over the next four years.

The Endeavour IPRS programme aims to attract students to areas of research strength in Australian higher education providers and to develop international research linkages. Higher education providers are required to give preference to students from the regions identified as priorities under the Endeavour Programme. These regions are Asia, Europe, North and South America and the Middle East. Masters students may receive an IPRS for two years and doctoral students for three years with possible extension for both of up to one year in certain circumstances for both masters and doctoral students at the discretion of the higher education provider. An IPRS covers the student's tuition fees and health insurance premiums.

Endeavour IPRS are allocated to higher education providers based on the provider's research performance in higher degree by research completions, publications and research income. In 2005, 330 scholarships were available to support international postgraduate research students.

Table 35 sets out Endeavour IPRS allocations and funding by higher education provider for 2005.



**Table 35: Allocation of Endeavour IPRS and funding for 2005**

State/Higher Education Provider	2005	
	No.	\$
<b>New South Wales</b>		
Charles Sturt University	2	99,666
Macquarie University	6	331,938
Southern Cross University	3	141,897
University of New England	5	271,970
University of New South Wales	23	1,421,929
University of Newcastle	7	400,353
The University of Sydney	31	1,671,094
University of Technology, Sydney	5	265,635
University of Western Sydney	5	276,615
University of Wollongong	6	364,879
<b>Victoria</b>		
Deakin University	6	296,886
La Trobe University	8	455,676
Monash University	24	1,259,761
Royal Melbourne Institute of Technology	9	508,888
Swinburne University of Technology	3	165,969
The University of Melbourne	38	1,937,574
University of Ballarat	1	55,323
Victoria University of Technology	3	154,989
Melbourne College of Divinity	1	55,323
<b>Queensland</b>		
Central Queensland University	1	55,323
Griffith University	8	396,552
James Cook University	4	282,950
Queensland University of Technology	7	376,281
The University of Queensland	30	1,659,692
University of Southern Queensland	1	55,323
University of the Sunshine Coast	1	15,626
Bond University	1	55,323
<b>Western Australia</b>		
Curtin University of Technology	8	424,847
Edith Cowan University	3	165,969
Murdoch University	6	281,261
University of Notre Dame Australia	1	55,323
The University of Western Australia	16	891,926
<b>South Australia</b>		
Flinders University of South Australia	6	345,030
The University of Adelaide	15	823,511
University of South Australia	6	320,958
<b>Tasmania</b>		
Australian Maritime College	1	55,323
University of Tasmania	8	420,624
<b>Northern Territory</b>		
Charles Darwin University	1	55,323
<b>Australian Capital Territory</b>		
The Australian National University	17	997,504
University of Canberra	2	110,646
<b>Multi-state</b>		

Australian Catholic University	1	55,323
<b>TOTAL</b>	<b>330</b>	<b>18,037,006</b>

Source: Formula-derived result based on the Selected Higher Education Student Statistics and Research Data Collections, various years

### ***Australian-American Fulbright Commission***

The Fulbright Commission is a non-profit organisation in Australia, established through a treaty between the Australian and United States Governments in 1949. The Fulbright awards allow Australians and Americans to participate in educational and cultural exchange programs. DEST contributed around \$580,000 to the Fulbright Commission's core funding in 2005.

### ***General Sir John Monash Postgraduate Student Awards***

The General Sir John Monash Foundation was established in December to 2001 with the purpose of raising funds for, and administering Australia's own prestigious postgraduate scholarships – the General Sir John Monash Awards. Awards are granted to outstanding Australians graduating from Australian universities to enable them to undertake postgraduate study abroad at the world's best universities, appropriate to their field of study.

## 2.5 Support for Students

### 2.5.1 Overview

Since 1989, Australian higher education students have contributed to the cost of their education. Since this time, the Australian Government has provided eligible students with an interest free, income contingent loan with repayments through the taxation system.

Data at 30 June 2005 indicates that since 1989, over 1.9 million students had been able to access higher education opportunities through Australian Government funded loans and around \$15.5 billion had been loaned to those students. Around 780,000 people had repaid their debt. The average repayment time was 7.1 years<sup>7</sup>.

**Table 36: Accumulated HELP debts 1989-90 to 2005-06<sup>(a)</sup>**

Year	Voluntary repayments by students \$m	Repayments through tax system \$m	Accumulated HELP debt as at 30 June \$m
1988-1989	1	9	216
1989-1990	2	28	673
1990-1991	6	49	1,190
1991-1992	12	57	1,749
1992-1993	11	72	2,321
1993-1994	19	133	2,932
1994-1995	16	169	3,354
1995-1996	32	218	3,958
1996-1997	58	262	4,504
1997-1998	67	472	4,922
1998-1999	72	497	5,526
1999-2000	80	532	6,229
2000-2001	97	586	7,162
2001-2002	134	612	8,104
2002-2003	137	638	9,164
2003-04	156	701	10,185
2004-05 <sup>(a)</sup>	193	666	11,371
2005-06 <sup>(b)</sup>	137	671	12,925

Source: Australian Taxation Office

(a) Before 2005, debts were incurred under the *Higher Education Funding Act 1988* (HEFA). From 1 January 2005, debts are incurred under the *Higher Education Support Act 2003* (HESA) and are known as HELP debts. All previous HECS debts became HELP debts on 1 June 2006. Debts incurred under HEFA include Higher Education Contribution Scheme (HECS), Postgraduate Education Loan Scheme (PELS), Bridging for Overseas Trained Professionals Loan Scheme (BOTPLS) and Open Learning Deferred Payment Scheme (OLDPS) debts. HELP debts incurred since 1 January 2005 include HECS-HELP, FEE-HELP and OS-HELP debts.

(b) DEST estimates.

### Commonwealth supported students

Commonwealth supported students pay a contribution towards the cost of their education, called a student contribution amount. The Australian Government pays a Commonwealth contribution to higher education providers for each Commonwealth supported place through the Commonwealth Grant Scheme.

<sup>7</sup> Data in this paragraph has been provided by the Australian Taxation Office.

In 2005, over 412,000 students (expressed in EFTSL) were in Commonwealth supported places. Of that number, almost 11,500 were students in postgraduate Commonwealth supported places (see Table 40).

Only domestic students are eligible for a Commonwealth supported place. It is the responsibility of higher education providers to allocate Commonwealth supported places but this must be done on merit.

### Student Contributions

In 2005, higher education providers were given the flexibility to set student contributions for Commonwealth supported students within a range from zero to a maximum set by the Australian Government. The maximum student contribution for the 'national priority' category of student contributions for units of study in nursing and education has been maintained at the 2004 HECS rates (indexed). For all other units of study, providers have the flexibility to set a maximum student contribution up to 25% higher than the 2004 HECS rates (indexed).

Some students continuing a course of study they began prior to 2005 are regarded as pre-2005 students. Pre-2005 students have access to HECS-HELP assistance under the previous HECS arrangements. This includes a maximum student contribution set at the 2004 HECS rates (indexed). The arrangements for pre-2005 students cease at the end of 2008.

Table 37 sets out the student contribution bands and ranges for students commencing a new course from 2005 and the ranges for students who continued a course they commenced prior to 2005.

**Table 37: Student contribution bands and ranges for 2005**

Student contribution band	Students commencing on or after 1 January 2005	Pre-2005 HECS students who began their course:	
		on or after 1 January 1997	before 1 January 1997
<b>Band 3</b> (law, dentistry, medicine, veterinary science)	\$0 – \$8,170	\$0 – \$6,535	\$0 - \$2,943
<b>Band 2</b> (accounting, administration, economics, commerce, mathematics, statistics, computing, built environment, health, engineering, science, surveying, agriculture)	\$0 – \$6,979	\$0 – \$5,583	\$0 - \$2,943
<b>Band 1</b> (humanities, behavioural science, social studies, foreign languages, visual and performing arts)	\$0 – \$4,899	\$0 – \$3,920	\$0 - \$2,943
National priorities (education, nursing)	\$0 – \$3,920	\$0 – \$3,920	\$0 - \$2,943

Source: Higher Education Support Act 2003

### Student Learning Entitlement

On 1 January 2005, all eligible students received a Student Learning Entitlement (SLE) giving them access to seven years of equivalent full-time study in a Commonwealth supported place. Additional SLE is also provided to eligible students enrolling in an undergraduate course that is longer than six years, an honours course, a graduate entry

bachelor degree or a postgraduate course. Students also accrue lifelong SLE to encourage lifelong learning. Students must have sufficient SLE to cover the units of study in which they wish to enrol as a Commonwealth supported student.

### ***Domestic Fee-paying students***

Higher education providers may charge tuition fees to domestic students who are not Commonwealth supported for their course, or who are undertaking units in a full-fee summer school. Providers determine their own fee levels for domestic fee-paying students, taking into account course costs and demand. For units of study in which Commonwealth supported students are enrolled, fee-paying students must be charged an amount equal to or more than the student contribution amount for Commonwealth supported students for that unit. A provider may offer a domestic student a fee-paying place in a course if it fills all of its allocated Commonwealth supported places in the relevant funding cluster. Table 38 shows the number of domestic fee-paying places by course level for Table A and Table B providers.

#### *Undergraduate fee-paying students*

The vast majority of domestic undergraduate students at public universities undertaking an award course are Commonwealth supported (around 97%). Since 1989 universities have been able to charge domestic students fees for undergraduate courses, provided that the number of domestic students being charged tuition fees for a particular course did not exceed 25% of the total number of places available for domestic students in that course. From 1 January 2005, the maximum number of fee-paying places in a course was increased to 35%, to enable higher education providers to better respond to student demand in particular areas, and to provide additional educational opportunities and choices for students. Higher education providers were also able to offer fee-paying places in a course of study in medicine for the first time. In 2005, up to 10% of domestic places in a course of study in medicine could be fee-paying.

The limits on the number of domestic fee-paying places in an undergraduate course of study apply to providers listed on Table A of the HESA. It does not apply to providers listed on Table B of the Act or approved private providers.

In 2005, 25 Table A providers offered 9,773 domestic undergraduate fee-paying places. This is an increase of 34% from 2004. Three Table B providers offered 3,371 domestic undergraduate fee-paying places.

#### *Postgraduate fee-paying students*

Domestic postgraduate coursework students usually pay tuition fees. Most domestic postgraduate research students study in a place provided under the Research Training Scheme (RTS) and are exempt from the payment of tuition fees. Postgraduate research students who are not in an RTS place are charged tuition fees.

In 2005, 38 Table A providers offered 41,611 postgraduate fee-paying places for domestic students in research and coursework degrees. Three Table B providers offered 858 postgraduate fee-paying places for domestic students in research and coursework degrees.

**Table 38: Domestic fee-paying student places by course level, 2004 and 2005**

<b>Undergraduate places</b>	<b>Postgraduate Research places</b>	<b>Other Postgraduate Places</b>	<b>Enabling, non-award and cross institutional</b>	<b>Total EFTSL</b>
-----------------------------	-------------------------------------	----------------------------------	--	--------------------

<b>2004</b>	13,083	4,332	40,698	4,085	62,198
<b>2005</b>	13,143	1,773	40,694	2,737	58,347

Source: *Selected Higher Education Student Statistics, various years*

Includes providers listed on Table A and Table B of the *Higher Education Support Act 2003* only.

Excludes data on 2004 places for the Australian Film, Television and Radio School, Christian Heritage College and Tabor College previously reported in Table 3.32 of the *Higher Education Report 2004-2005*.

Total may be different from sum of parts due to rounding.

Data on the total number of places offered by private providers is not available for 2005, as private providers were required to provide data only on students who took out a FEE-HELP loan.

## 2.5.2 Higher Education Loan Programme

The Higher Education Loan Programme (HELP) consists of HECS-HELP for eligible Commonwealth supported students, FEE-HELP for eligible domestic fee-paying students and OS-HELP for eligible Commonwealth supported students who wish to undertake some of their studies overseas.

HELP debtors are not required to make repayments of their HELP debt until their income exceeds the minimum threshold for compulsory repayment, which was \$36,184 in 2005-06 (Table 39). This repayment threshold is indexed annually in line with the movement in average weekly earnings. HELP debtors may also make voluntary repayments towards their HELP debts. Voluntary repayments of \$500 or more attract a 10% bonus.

**Table 39: HELP 2005-06 income thresholds and repayment rates**

For repayment income in the range:	Percentage rate to be applied to repayment income:
Below \$36,185	Nil
\$36,185 - \$40,306	4
\$40,307 - \$44,427	4.5
\$44,428 - \$46,762	5
\$46,763 - \$50,266	5.5
\$50,267 - \$54,439	6
\$54,440 - \$57,304	6.5
\$57,305 - \$63,062	7
\$63,063 - \$67,199	7.5
\$67,200 and above	8

Source: *Higher Education Support Act 2003*

In 2005, of students required to pay student contributions, approximately 77% (in EFTSL terms) deferred all or part of their student contribution through HECS-HELP. 21% paid their student contribution (with HECS-HELP discount) in full and up-front. The remaining 2% paid their student contribution upfront with no HECS-HELP assistance.

In terms of EFTSL, the number of students receiving HECS-HELP assistance decreased by around 1% to 401,742 between 2004 and 2005.

In 2005, approximately 43% of domestic fee-paying students (in EFTSL terms) at Table A and Table B providers deferred all or part of their tuition fees through FEE-HELP (Table 40 shows total FEE-HELP liable students and EFTSL at all providers and Open Universities Australia).

**Table 40: Actual Student Load (EFTSL) for All Students by Liability Status, Full Year 2005**

Commonwealth supported student (a)	Total Post-graduate	Bachelor	Other Under-graduate	Sub-total Other Under-graduate (b)	Total Under-graduate	Cross Institution Programmes	Enabling and non-award courses	Other	Total
<b>Student contribution liable</b>									
<b>HECS-HELP</b>									
Pre-2005 HECS student - deferred all or part through HECS-HELP	2,300	213,671	1,098	1,525	215,196	681	7	0	218,184
Pre-2005 HECS student - paid full contribution up-front with HECS-HELP discount	1,746	58,296	344	569	58,865	170	2	0	60,782
2005 onwards student - deferred all or part through HECS-HELP	5,218	91,444	818	1,117	92,561	250	8	0	98,037
2005 onwards student - paid full contribution up-front with HECS-HELP discount	2,213	22,171	210	289	22,460	65	1	0	24,739
<b>Sub Total</b>	<b>11,477</b>	<b>385,582</b>	<b>2,470</b>	<b>3,500</b>	<b>389,082</b>	<b>1,166</b>	<b>18</b>	<b>0</b>	<b>401,742</b>
<b>Paid student contribution up-front with no HECS-HELP assistance (c)</b>									
Pre-2005 HECS student	78	1,737	7	12	1,749	3	0	0	1,830
2005 onwards student	460	3,811	13	18	3,830	5	0	0	4,296
<b>Sub Total</b>	<b>538</b>	<b>5,548</b>	<b>20</b>	<b>30</b>	<b>5,579</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>6,126</b>
<b>Student contribution liable total</b>	<b>12,015</b>	<b>391,130</b>	<b>2,490</b>	<b>3,530</b>	<b>394,661</b>	<b>1,174</b>	<b>18</b>	<b>0</b>	<b>407,868</b>
<b>Student contribution exempt</b>									
Pre-2005 merit based equity scholarship holder	0	52	0	0	52	0	0	0	52
Exemption scholarship holder	13	1,002	2	2	1,005	0	0	0	1,017
Enrolled in an enabling course	0	0	0	0	0	0	3,078	0	3,078
Undertaking WEI where learning and performance is not directed or supported	80	872	1	5	878	0	0	0	958
<b>Domestic fee-paying student (d)</b>									
<b>Tuition fee liable</b>									
<b>FEE-HELP</b>									
Pre-2005 PELS	9,953	0	0	0	0	24	0	0	9,977
Deferred all or part of award or enabling course tuition fee	11,461	5,404	765	772	6,176	59	55	0	17,750
Deferred all or part of employer reserved place tuition fee	3	1	4	459	459	0	0	0	463
Deferred all or part of OUA tuition fee	0	0	0	0	0	0	0	2,849	2,849
Deferred all or part of BOTP tuition fee	0	0	0	0	0	0	109	0	109
<b>Paid tuition fee up-front with no FEE-HELP assistance</b>									
Paid full award or enabling course tuition fee	20,796	8,408	223	234	8,642	356	126	0	29,920
Paid full employer reserved place tuition fee	922	1,293	230	464	1,758	0	70	0	2,750
Paid full OUA tuition fee	0	0	0	0	0	0	0	1,596	1,596
Paid full BOTP tuition fee	0	0	0	0	0	0	2	0	2

Commonwealth supported student (a)	Total Post-graduate	Bachelor	Other Under-graduate	Sub-total Other Under-graduate (b)	Total Under-graduate	Cross Institution Programmes	Enabling and non-award courses	Other	Total
<b>Tuition fee exempt</b>									
Exemption scholarship holder	2,813	19	0	0	19	0	5	0	2,837
Undertaking WEI where learning and performance is not directed or supported	18	18	0	0	18	0	0	0	36
<b>Non-award student</b>	3	3	4	4	7	1	2,389	0	2,398
<b>RTS student</b>	22,307	0	0	0	0	4	0	0	22,310
<b>Overseas fee-paying student</b>	59,373	104,656	1,619	1,645	106,302	597	5,945	224	172,442
<b>AMC special course</b>	0	0	347	347	347	0	0	0	347

Source: Selected Higher Education Student Statistics (DEST)

(a) Work experience in industry load is excluded for some funding purposes

(b) Includes Other Undergraduate and Associate Degree

(c) Students ineligible for a HECS-HELP loan required to pay their student contribution up-front with no discount.

(d) Includes Commonwealth Supported Students who may be undertaking a fee-paying unit (for example, during summer school)

Note: Totals in this table include small numbers of EFTSL that have been misreported by higher education providers (for example non award courses under the student contribution liable category). DEST is working with the providers to identify and re-classify these records.



## HECS-HELP

HECS-HELP assistance helps eligible Commonwealth supported students pay their student contribution amount. HECS-HELP provides an interest free, income contingent loan from the Australian Government or a 20% discount if a student pays all, or at least \$500, of their student contribution up-front.

Table 41 provides a breakdown of student contribution liabilities for Commonwealth supported students and the type of HECS-HELP assistance accessed by students.

**Table 41: Student contribution (HECS) liabilities and assistance accessed**

Year	Total students' liabilities \$m	Deferred to a HECS/HECS-HELP loan \$m	Up-front payments made to institutions \$m	Up-front discount <sup>(b)</sup> \$m
1989	505	411	80	14
1990	578	475	87	15
1991	682	548	114	20
1992	785	633	129	23
1993	816	639	133	44
1994	869	664	156	48
1995	885	668	164	53
1996	957	719	179	58
1997	1,191	895	220	76
1998	1,374	1,049	246	79
1999	1,534	1,188	263	83
2000	1,639	1,275	277	87
2001	1,753	1,367	295	91
2002	1,864	1,450	317	98
2003	1,907	1,470	334	103
2004	1,919	1,457	350	112
2005 <sup>(a)</sup>	2,121	1,625	399	96

Source: *Selected Higher Education Student Statistics, various years*

(a) DEST estimates

(b) The up-front discount represents the amount paid by the Australian Government to higher education providers on behalf of students paying up-front. The up-front discount was reduced in 2005 from 25% to 20%

## FEE-HELP

Prior to 2005, there were three different loan schemes for domestic fee-paying students to cover tuition fees. Postgraduate coursework students could access the Postgraduate Education Loans Scheme (PELS), full-time undergraduate students at (formerly) Open Learning Australia (now called Open Universities Australia) could access the Open Learning Deferred Payment Scheme (OLDPS), and overseas-trained professionals undertaking study to meet the requirements for entry into professional occupations in Australia could access the Bridging for Overseas-Trained Professionals Loan Scheme (BOTPLS).

From 1 January 2005, under the *Our Universities: Backing Australia's Future* reforms to higher education, the Australian Government introduced a new loan programme called FEE-HELP. FEE-HELP significantly expanded the availability of Australian Government loans to higher education students. FEE-HELP replaced the PELS, OLDPS and BOTPLS schemes. It also enabled domestic undergraduate fee-paying students and students at approved private providers to take out loans for their tuition fees for the first time.

Under FEE-HELP, eligible undergraduate and postgraduate fee-paying students at approved higher education providers are able to obtain a loan for their tuition fees, up to a maximum limit of \$50,000 (indexed annually). From 1 January 2007, the general FEE-HELP limit will increase to \$80,000 and \$100,000 for medicine, dentistry and veterinary science courses.

There is a loan fee of 20% for FEE-HELP loans for undergraduate courses of study. The FEE-HELP limit does not include the loan fee. There is no loan fee for FEE-HELP loans for postgraduate courses, bridging studies for overseas-trained professionals, enabling courses or units of study undertaken directly with Open Universities Australia.

FEE-HELP is an income contingent loan. Students repay their loan through the taxation system when their income reaches the minimum threshold for compulsory repayments. The deferred repayment arrangements are the same as those that were available under PELS, OLDPS and BOTPLS. However, the minimum threshold was increased from \$25,348 in 2003-04 to \$35,001 in 2004-05 and this was indexed to \$36,185 in 2005-06.

Table 42 shows FEE-HELP liability data for 2005 by level of course for Table A, Table B and private higher education providers. For 2005, based on data submitted by providers (subject to revisions), the Australian Government's FEE-HELP loan payments total \$344.3 million to providers on behalf of students who had elected to defer all or part of their tuition fees. This benefited about 67,000 students (31,149 equivalent full time students, which includes 2,849 equivalent full-time students undertaking units at Open Universities Australia). The average FEE-HELP loan amount in 2005 was \$11,053 per equivalent full-time student.

**Table 42: FEE-HELP liability by course level, 2005**

	FEE-HELP Students <sup>(a)</sup>	FEE-HELP Equivalent Full-Time Student Load
Undergraduate	9,720	6652
Postgraduate	49,583	21485
Enabling	83	55
Bridging Training for Overseas-Trained Professionals	398	109
Open Universities Australia Units	8,172	2849
<b>TOTAL</b>	<b>67,956</b>	<b>31,149</b>

*Source: Selected Higher Education Student Statistics (DEST)*

Total may be different to sum of parts due to rounding

<sup>(a)</sup> Students enrolled in a cross-institutional course are counted once for each of the providers at which they are enrolled

## OS-HELP

The OS-HELP loan scheme was introduced in 2005 and provides loans to eligible Commonwealth supported students who wish to undertake some of their course of study overseas. The loan assists students with travel, accommodation and other overseas expenses. OS-HELP is intended to encourage more Australian students to undertake part of their study overseas and to increase the accessibility of overseas study to students who may not otherwise have sufficient financial means to take up such opportunities. In 2005, eligible students who are selected by their higher education provider to receive a loan are able to borrow up to \$5,000 per six month study period for one or two study periods. OS-HELP loans attract a 20% loan fee.

Table 43 shows the number and amount of loans distributed to eligible students in 2005.

**Table 43: OS-HELP loan allocation by higher education provider, 2005**

Higher education provider	2005 actual OS-HELP loans	2005 actual \$
<b>New South Wales</b>		

Higher education provider	2005 actual OS-HELP loans	2005 actual \$
Avondale College	0	0
Charles Sturt University	4	20,000
Macquarie University	25	125,000
Southern Cross University	19	93,000
The University of Sydney	9	42,000
University of Newcastle	17	85,000
University of New England	16	80,000
University of New South Wales	13	58,500
University of Technology, Sydney	47	235,000
University of Western Sydney	4	20,000
University of Wollongong	27	135,000
<b>Victoria</b>		
Deakin University	67	320,000
La Trobe University	26	123,000
Monash University	37	177,000
Royal Melbourne Institute of Technology	63	305,000
Swinburne University of Technology	6	30,000
The University of Melbourne	52	251,000
University of Ballarat	2	10,000
Victoria University	3	15,000
<b>Queensland</b>		
Christian Heritage College <sup>(a)</sup>	0	0
Central Queensland University	0	0
Griffith University	18	84,000
James Cook University	13	65,000
Queensland University of Technology	30	150,000
The University of Queensland	100	470,000
University of Southern Queensland	1	5,000
University of the Sunshine Coast	19	95,000
<b>Western Australia</b>		
Curtin University of Technology	10	49,000
Edith Cowan University	7	35,000
Murdoch University	0	0
The University of Notre Dame Australia	1	5,000
The University of Western Australia	1	5,000
<b>South Australia</b>		
Tabor College <sup>(a)</sup>	0	0
The Flinders University of South Australia	13	65,000
The University of Adelaide	44	217,000
University of South Australia	12	57,000
<b>Tasmania</b>		
Australian Maritime College	0	0
University of Tasmania	22	96,230
<b>Northern Territory</b>		
Batchelor Institute of Indigenous Tertiary Education <sup>(a)</sup>	0	0
Charles Darwin University <sup>(a)</sup>	0	0
<b>Australian Capital Territory</b>		
The Australian National University	26	128,800
University of Canberra	10	48,500
<b>Multi-state</b>		
Australian Catholic University	2	10,000
<b>TOTAL</b>	<b>766</b>	<b>3,710,030</b>

Source: Selected Higher Education Student Statistics (DEST)

(a) These higher education providers did not request an allocation of OS-HELP loans.

(b) At September 2006 - due to the timing of the reconciliation arrangements final totals in this table may be subject to some variation.

## HELP debts<sup>8</sup>

As at 30 June 2005, there were around 1.1 million persons with a HELP debt, totalling around \$11 billion with the average debt being around \$9,800.

Table 44 shows the breakdown of the outstanding HELP debt by size and Table 45 shows the breakdown of the outstanding HELP debt by State and Territory<sup>9</sup>.

**Table 44: Breakdown of outstanding HELP debt as at 30 June 2005**

Range of loan balances	Number of persons
\$1,000 and under	570,006
\$1,000.01 to \$2,000	73,944
\$2,000.01 to \$4,000	149,266
\$4,000.01 to \$6,000	148,876
\$6,000.01 to \$8,000	106,690
\$8,000.01 to \$10,000	105,550
\$10,000.01 to \$12,000	110,621
\$12,000.01 to \$14,000	84,865
\$14,000.01 to \$16,000	76,927
\$16,000.01 to \$18,000	63,321
\$18,000.01 to \$20,000	39,521
\$20,000.01 to \$30,000	88,985
\$30,000.01 to \$40,000	14,798
\$40,000.01 to \$50,000	2,195
Over \$50,000	395

Source: Australian Taxation Office

Due to a change in reporting requirements, this information does not include debts incurred in the first half of 2005.

This amount excludes compulsory repayments relating to the 2004-05 income year.

**Table 45: State and Territory breakdown of outstanding HELP debt as at 30 June 2005**

State/Territory	HELP debt amount	Persons with a debt
Australia Capital Territory	\$367,917,109	25,113
New South Wales	\$2,832,872,689	284,061
Northern Territory	\$72,198,733	8,796
Queensland	\$1,913,111,471	194,034
South Australia	\$726,151,707	71,525
Tasmania	\$214,588,426	21,677
Victoria	\$2,930,698,644	264,430
Western Australia	\$939,898,809	94,476

<sup>8</sup> On 1 June 2006, all Higher Education Contribution Scheme (HECS) debts (including debts incurred under HECS, the Postgraduate Education Loan Scheme (PELS), the Bridging for Overseas Trained Professionals Loan Scheme (BOTPLS), and the Open Learning Deferred Payment Scheme (OLDPS)) became, along with any new HECS-HELP, FEE-HELP and OS-HELP debts, accumulated HELP debts.

<sup>9</sup> Data provided by the Australian Taxation Office.

Other	\$1,329,551,061	157,710
<b>Total</b>	<b>\$11,326,988,649</b>	<b>1,121,822</b>

Source: Australian Taxation Office

Due to a change in reporting requirement, this information does not include debts incurred in the first half of 2005.

Data does not include unmatched records.

This data is based on the residential address postcode of each client. If the residential address postcode is blank or invalid, then the postal address postcode is used.

'Other' clients include those overseas or where the postal address postcode is invalid or incomplete.

Address data is based on the latest information provided to the Australian Tax Office by the taxpayer or their agent and may no longer be current and may differ from where a client once resided.

The amount of outstanding debt, repayments and debt not expected to be repaid for each financial year 1988-89 to 2005-06 are set out below. Figures for 2005-06 are DEST estimates.

**Table 46: Accumulated HECS/HELP debts and debt expected not to be repaid 1989-90 to 2005-06**

Year	Voluntary repayments by students \$m	Repayments through tax system \$m	Accumulated HECS debt \$m	Debt expected not to be repaid \$m	Proportion of total HECS debt
1988-89	1	9	216	N/A	N/A
1989-1990	2	28	673	N/A	N/A
1990-1991	6	49	1,190	N/A	N/A
1991-1992	12	57	1,749	N/A	N/A
1992-1993	11	72	2,321	386	16.6%
1993-1994	19	133	2,932	438	14.9%
1994-1995	16	169	3,354	541	16.1%
1995-1996	32	218	3,958	687	17.4%
1996-1997	58	262	4,504	607	13.5%
1997-1998	67	472	4,922	700	14.2%
1998-1999	72	497	5,526	953	17.2%
1999-2000	80	532	6,229	1,124	18.0%
2000-2001	97	586	7,162	1,397	19.5%
2001-2002	134	612	8,104	1,723	21.3%
2002-2003	137	638	9,164	2,018	22.2%
2003-2004	156	701	10,185	2,055	20.2%
2004-2005	193	666	11,371	2,166	19.0%
2005-2006*	137	671	12,925	2,501	19.3%

Source: Australian Taxation Office

\*The total accumulated HECS debt includes the compulsory repayments made in relation to that income year.

\* DEST estimates.

### 2.5.3 Going to Uni website and Course Information System

The Going to Uni website ([www.goingtouni.gov.au](http://www.goingtouni.gov.au)) was launched in November 2004 and was developed as part of the *Our Universities: Backing Australia's Future* reforms. The site provides a range of material about undertaking higher education study in Australia and includes links to the Course Finder System and *myUniAssist*.

The Course Finder System ([www.goingtouni.gov.au/CourseFinder.htm](http://www.goingtouni.gov.au/CourseFinder.htm)) provides, for the first time, nationally comparable information about courses, cut-off scores, indicative costs, eligibility requirements and more, for all higher education providers who receive Commonwealth assistance. The site was developed in close consultation with the higher education sector and further enhancements are progressively being implemented through 2006. Since the site's launch, over half a million visitors have made use of this information to help inform themselves about higher education choices.

From 2005, students receiving Australian Government assistance, such as a Student Learning Entitlement, assistance under the Higher Education Loan Programme or a Commonwealth Learning Scholarship are allocated a unique number, called the Commonwealth Higher Education Student Support Number (CHESSN). Using this number, a password and other

details that students can now access their entitlement usage through *myUniAssist* (<https://www.goingtouni.gov.au/myuniassist/forms/logon.aspx>). To help manage these new entitlements, higher education providers are sent an alert when students approach their entitlement limits. To the end of 2005 over 955,000 CHESSNs had been allocated, with the millionth CHESSN being allocated in March 2006.

### 3 Additional initiatives

#### 3.1 Private higher education providers

##### 3.1.1 Approval of higher education providers

In 2005, DEST continued to assess applications from non-self accrediting higher education institutions wishing to become an approved higher education provider under the HESA.

Approved higher education providers are able to offer their eligible Australian students access to FEE-HELP, an Australian Government loan scheme which assists students pay their tuition fees. Approved higher education providers may also be allocated Commonwealth supported places in areas of National Priority (nursing and teaching).

In 2005, a total of 38 applications from non-self accrediting higher education institutions seeking to offer FEE-HELP were assessed and given final approval (Table 47).

In 2005, three approved non-self accrediting higher education providers were allocated National Priority Places which provide Australian Government grants for student places in areas of national priority, currently teaching and nursing. These providers were Avondale College, Christian Heritage College and Tabor College Adelaide.

Non-self accrediting providers approved under the HESA offer a variety of higher education courses, including education, theological training, design, arts management, dramatic arts, business, architecture, youth work, counselling, information technology, viticulture, applied aquaculture and equine studies.

A list of approved higher education providers, including non-self accrediting providers approved under the HESA, can be found at [www.goingtouni.gov.au](http://www.goingtouni.gov.au).

More information on FEE-HELP is provided in Section 2.5 of this report. National Priority Places have also been described under *Allocation of New Places* in Section 2.2.4 of this report.

More information on becoming an approved higher education provider is available at [http://www.dest.gov.au/sectors/higher\\_education/programmes\\_funding/forms\\_guidelines/higher\\_education\\_providers.htm](http://www.dest.gov.au/sectors/higher_education/programmes_funding/forms_guidelines/higher_education_providers.htm)

**Table 47: Higher Education Providers approved under the *Higher Education Support Act 2003* during 2005<sup>(a)</sup>**

Adelaide College of Divinity
Australian College of Applied Psychology
Australian College of Natural Medicine Pty Ltd
Australian College of Physical Education
Australian College of Theology
Australian Film Television and Radio School
Australian Institute of Music
Australian Institute of Public Safety
Australian International Hotel School
Australian Lutheran College
Avondale College
Blue Mountains International Hotel Management School
Christian Heritage College

College of Law
Curtin International College
East Coast Gestalt Training
Harvest Bible College
Holmes Institute
International College of Hotel Management
KvB Institute of Technology
Marcus Oldham College
Melbourne Institute of Business & Technology
Monash College
Moore Theological College
National Institute of Dramatic Art (NIDA)
Northern Melbourne Institute of TAFE
Oceania Polytechnic Institute of Education
Perth Bible College
Perth Institute of Business and Technology Pty Ltd
Queensland Institute of Business & Technology
South Australian Institute of Business & Technology
Southern School of Natural Therapies
Sydney College of Divinity
Sydney Institute of Business & Technology
Tabor College New South Wales
Tabor College South Australia
Tabor College Victoria
Wesley Institute

Source: DEST internal administrative data, 2005

(a) Includes higher education providers for which instruments of approval were tabled in 2004 and 2005 and had the 15 day joint Parliamentary disallowance period expire in 2005. For a list of instruments of approval tabled in 2005 only, see Appendix C.

### **3.1.2 Auditing of private higher education providers**

In 2005, DEST continued to work with stakeholders to develop an approach to quality auditing of non-self accrediting (private) higher education providers approved under the HESA. Under the agreed model, these providers will have a quality audit conducted by either the Australian Universities Quality Agency (AUQA) or by a State or Territory higher education accrediting authority as an integrated part of the provider's re-approval process. Accrediting agencies must be added to the list of quality auditing agencies contained in the Higher Education Provider Guidelines to be able to conduct an integrated quality audit. Pilot quality audits will be conducted in late 2006 and early 2007, with auditing of all providers expected to begin soon afterwards.

## **3.2 Quality**

### **3.2.1 National Protocols for Higher Education Approval Processes**

In March 2005, the (then) Minister for Education, Science and Training, the Hon Dr Brendan Nelson MP, released an issues paper entitled *Building University Diversity*, and initiated a national debate on the future diversity of Australian higher education. The paper followed a 2004 Review of *Australia's National Protocols for Higher Education Approval Processes* (the Protocols).

The debate around diversity and the future shape of the National Protocols was focused through a series of roundtable discussions, a national workshop, and written submissions. During March and April, representatives of universities, other higher education providers,



governments and peak bodies, participated in face-to-face discussions in a number of capital cities. Approximately 100 delegates also attended a Joint Committee on Higher Education (JCHE) national workshop held in Melbourne in August, and 85 written submissions were received in response to *Building University Diversity*.

At its November meeting, the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA), agreed to a revised framework for the Protocols. The framework recognised the increased diversity that would be a feature of Australian higher education in the future, while retaining the Protocols' strong focus on ensuring the ongoing quality of the system. MCEETYA asked the JCHE to undertake further work to draft revised National Protocols, for consideration by Ministers in July 2006. The revised National Protocols agreed by Ministers in 2006 can be found at <http://www.mceetya.edu.au/mceetya/default.asp?id=15212>.

### **3.2.2 Articulation and credit transfer**

MCEETYA agreed in May 2005 to a series of initiatives for the improvement of credit transfer and articulation arrangements, which recognise and provide advanced standing for students moving from vocational and technical education into undergraduate higher education programs.

One of these was a national study to explore current practices in credit transfer, and make recommendations for their improvement in 2006. Another was a project to improve the data on credit transfer from higher education providers.

It also adopted in 2005 *Good Practice Principles for Credit Transfer and Articulation from VET to Higher Education*, and agreed to a set of draft *Principles for Good Practice Information Provision*. These set out some broad goals to encourage measurable improvement over time, provide a benchmark against which progress can be assessed and reported, and improve the information available to students and prospective students. A copy of the Principles is available from <http://www.mceetya.edu.au/mceetya/default.asp?id=11910>.

## **3.3 Collaboration**

### **3.3.1 Business, Industry and Higher Education Collaboration Council**

The Business, Industry, and Higher Education Collaboration Council (BIHECC) was established in 2004 to advise the Government on ways to increase collaboration between the higher education sector, the business and industry sector, and the wider community.

The council was allocated \$71,000 in 2005-06 to support its activities. In 2005 the council engaged a consultant at a cost of \$35,000 to undertake a gap analysis of knowledge exchange networks.

## **3.4 Indigenous education**

### **3.4.1 Indigenous Higher Education Advisory Council**

The Indigenous Higher Education Advisory Council (IHEAC) provides policy advice to the Minister for Education, Science and Training on improving outcomes in higher education for Indigenous students and staff relating to their participation, progression and retention both in study and employment. In 2005-06, the council met four times.

In November 2005, the IHEAC hosted its inaugural conference on Indigenous Higher Education, *Improving Indigenous Outcomes and Enhancing Indigenous Culture and Knowledge in Australian Higher Education*. The report arising from the conference is based on seven key priority areas, which IHEAC believes will assist in improving educational outcomes for Indigenous people in Australian higher education. The IHEAC report can be viewed at [http://www.dest.gov.au/sectors/indigenous\\_education/](http://www.dest.gov.au/sectors/indigenous_education/).

## 3.5 Research

### 3.5.1 Overview of higher education research and research training

Australia operates a 'dual support system' for the public funding of research and research training in its higher education sector. In a dual support system core public funding for research and research training is allocated independently of funding for specific research projects, programmes or fellowships. The former is typically distributed through a specific system of often performance based block grants; the latter through some form of merit-based, peer determined competitive process.

The dual support system offers governments a range of levers to influence the direction and performance of publicly funded research and research training. It also supports diversity and system robustness by allowing a focus on national priorities linked to economic and social aspirations, or a focus on research excellence, to be balanced with the ability to support and maintain strategic research capabilities over the long-term or develop emerging research areas, irrespective of the availability of competitive funding.

The project or programme oriented competitive element of Australia's dual support system is represented by approximately \$1 billion a year administered by the Australian Research Council (ARC) and the National Health and Medical Research Council (NHMRC). This funding takes the form of research grants and fellowships (awarded mainly to universities), on the basis of advice from expert assessors. While national research priorities have an important role, funding decisions are largely based on the relative scientific merits of the proposed research, the track record of the researcher or research team, or the extent of collaborative linkages with industry and other end users, depending on the specific scheme.

In comparison, approximately \$1.15 billion a year is provided to higher education providers as block grants for research and research training, through a variety of performance based schemes administered by DEST. Higher education providers have considerable autonomy in deciding what research projects, teams and students, and what equipment and infrastructure, this funding should support. In this way, the system recognises that these sorts of decisions are often best made by those with the information advantage: the higher education provider and its researchers and stakeholder communities.

## 3.6 International Higher Education

### 3.6.1 Key achievements

- International education contributed an estimated \$10 billion to the Australian economy in 2005-06.
- The international education industry is Australia's second largest service export industry and fourth largest export industry behind coal, tourism and iron ore.
- Close cooperation with industry and other stakeholders to clarify and improve the National Code in response to the independent evaluation of the *Education Services for Overseas Students Act 2000*.
- Agreement by MCEETYA to a Transnational Quality Strategy Framework to protect Australia's international reputation for the quality of the education and training delivered in other countries.
- Country Education Profiles online was launched in October 2005 to provide Australian education providers with comprehensive market intelligence on 106 countries.
- Australian Scholarships was launched in April 2006, providing \$185.5 million of new funding over 5 years, for over 9,000 scholarships under the umbrella of the Endeavour Programme (see Section 2.4.4).

- DEST funded the Higher Education Day during the Australian Education Week at the Aichi World Expo (Japan) in June 2005.
- DEST supported the Chinese University Administrators' Mentoring Project 2005, which continued to support the building of senior linkages between Australian and Chinese universities.

### **3.6.2 Australian Education International and its focus on higher education**

Australian Education International (AEI) is the international arm of DEST. AEI provides its services through the International Education Group based at DEST's National Office and through the DEST International Network, extending to 17 economies across the world. AEI has 24 offices and is also represented in a further eight European and two Latin American locations.

The aim of AEI is to encourage and facilitate Australia's international education and training engagement in line with the national interest to realise the intellectual, social, cultural, economic and security benefits from internationalisation.

This is achieved by:

- creating the environment for a successful sector through government-to-government cooperation, underpinning the quality of education and training services delivered to international students;
- achieving greater diversity of students from a broad range of countries and in the modes of education delivery and range of subjects being offered; and
- coordination of government support in partnership with the Australian education and training industry.

### **3.6.3 Funding of international higher education**

During 2005-06, the Government provided \$22.85 million for programmes administered by AEI to promote and support Australia's international education sector<sup>10</sup>. These included the Endeavour Scholarships Programme (\$6.2 million), International Centres of Excellence (\$9.8 million), and the National Centre for Language Training (\$2.3 million).

### **3.6.4 Education Services for Overseas Students**

AEI has been working closely with the international education industry, including the higher education sector, to improve the framework that governs the delivery of education and training services to international students in Australia. An independent evaluation report, released in June 2005, found widespread support for the current legislated requirements. Consultations with industry are progressing the areas identified for improvement, which will aim to better support Australia's reputation for high quality education and training services, the protection of overseas students and the integrity of the student visa programme. A continued program of visits and other support was provided to Universities and other higher education providers during the year to monitor and strengthen the quality of their educational and support services to overseas students.

During 2005, the *Education Services for Overseas Students Act 2000* (ESOS) was amended to allow high quality foreign owned and operated higher education providers to offer education and training services to overseas students in Australia. These amendments were aligned with the relevant amendments to the *Higher Education Support Act 2003* (see Appendix C).

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<sup>10</sup> Includes funding for higher education, Vocational and Technical Education, schools, and English Language Intensive Courses for Overseas Students.

### **3.6.5 Transnational Quality Strategy**

In November 2005, Australian, State and Territory government education ministers agreed to the Transnational Quality Strategy framework to ensure that Australia's international reputation for the quality of the education and training delivered in other countries is protected and promoted.

The Strategy will better communicate and promote Australia's quality assurance arrangements; increase access to data and information about Australia's offshore delivery activities; and strengthen Australia's transnational quality assurance arrangements so that:

- Australia's quality assurance arrangements are effective and efficient;
- courses and programs delivered in other countries are equivalent in the standard of delivery and outcomes to those delivered in Australia;
- providers and consumers clearly understand roles and responsibilities in the delivery and quality assurance of offshore education and training; and
- Australia's quality assurance arrangements are well understood and well regarded internationally.

Australia's education and training system faces an increasingly globalised environment in which students, providers and courses are becoming more and more discerning and increasingly mobile. In this environment Australia's ability to compete and sustainably expand and benefit from the delivery of education and training will depend to an ever greater extent upon our capacity to deliver – and be seen to deliver – quality. Agreement by Australia's Education ministers in November 2005 to the Transnational Quality Strategy framework will protect and promote Australia's capacity to compete internationally by further strengthening its quality assurance arrangements and ensuring that they are well understood and well regarded internationally.

### **3.6.6 Diploma Supplement Activities**

Following the 2002 Diploma Supplement pilot projects, DEST's Professional and International Recognition Unit commissioned a further trial of the Diploma Supplement in 2005 to determine detailed consideration of system requirements and costings for Australian tertiary institutions to issue a Diploma Supplement.

Building on the outcomes of the pilot project, a consultancy study was undertaken by Global Learning Services Pty Ltd in 2005 to identify good practice in developing and implementing the Diploma Supplement in Australia. The consultancy raised a number of key issues and recommendations for DEST to consider in the development of strategies to promote the use of the Diploma Supplement.

### **3.6.7 Country Education profiles**

The Country Education Profiles (CEP) Online was launched in October 2005 and has been positively received by the Australian higher education industry. CEP Online profiles over 100 countries. A wide range of stakeholders, including Australian educational institutions and other organisations which support the higher education industry, use it as an essential resource for comparing overseas qualifications to Australian qualifications for admissions purposes, as well as employment and migration. CEP Online supports global mobility, and consistent and quality decision-making in qualifications recognition. By December 2005, CEP Online attracted close to 400 subscriptions and approximately 1200 users, including overseas organisations.

## **3.7 Higher Education Information Management System**

The *Our Universities: Backing Australia's Future* reforms introduced a fundamental change to the way the higher education sector was funded and to the entitlements and loans available to students from January 2005. There was a requirement to build a new and sophisticated Higher Education Information Management System (HEIMS) to enable the implementation and ongoing management of the reforms.

HEIMS is being developed for this purpose and through 2005 two major milestones were reached, with the release of the Course Finder System in September and the release of *myUniAssist* in November, both of which form part of the *Going to Uni* website.

## 4 Institutional Accountability

### 4.1 Institution Assessment Framework

In 2004, the Institution Assessment Framework (IAF) replaced Educational Profiles as the Australian Government's primary accountability mechanism for universities and other Table A higher education providers. The IAF is a streamlined information collection exercise compared to the previous Educational Profiles process.

Much of the information for the IAF process is collected by DEST from public sources such as annual reports, audited financial statements and university websites, and from data routinely supplied to DEST through student and staff statistical collections and research data collection. Some information on planning, capital management, indigenous education, and equity issues was collected from universities specifically for the IAF assessments.

A number of indicators and measures were derived from this information and used in assessing a higher education provider's performance in four key areas:

- organisational sustainability – to verify that the provider is in a sound financial situation and is well governed and managed, so that it will be able to continue delivering programmes for the Australian Government;
- achievements in higher education provision – to measure the extent to which it has contributed to meeting the Australian Government's higher education objectives;
- quality – to gain assurance that its educational provision is of a high standard; and
- meeting legislative requirements – to confirm that the provider has met its obligations under legislation and guidelines.

In 2005, an assessment portfolio was provided to each university covering the four areas of interest showing its own performance over a period of time as well as comparisons with the sector average and with similar higher education providers.

Senior officers of DEST visited 19 Table A providers in 2005 for bilateral discussions centred on their submissions and the assessment portfolio. DEST officers will normally visit every Table A provider biennially.

More information on the IAF can be found at:

[http://www.dest.gov.au/sectors/higher\\_education/policy\\_issues\\_reviews/key\\_issues/institution\\_assessment\\_framework.htm](http://www.dest.gov.au/sectors/higher_education/policy_issues_reviews/key_issues/institution_assessment_framework.htm)

### 4.2 Report on Assessments

In 2005, assessment portfolios were prepared on 37 universities, the Batchelor Institute of Indigenous Tertiary Education and the Australian Maritime College.

The assessment covered the four key areas detailed in Section 4.1, but the portfolios were divided into five sections, with research performance covered separately. The first section, Organisational Sustainability, included assessments of a higher education provider's strategic planning processes and financial health. The second section, Achievements in Higher Education Provision, provided statistics on student load, staffing profile and equity outcomes, including those for Indigenous Australians. Section three, Quality Outcomes, documented issues relating to quality, including the results of Australian Universities Quality Agency audits, graduate experience and outcomes surveys, tertiary entrance scores and student-staff ratios. Section four examined research performance and section five detailed issues with meeting legislative requirements.

All higher education providers were presented with their assessment portfolios by the end of 2005. Higher education providers were invited to formally respond to DEST's assessment of their individual performance and this response formed an integral part of the final assessment portfolio.

The assessments continued to indicate a financially sustainable, high achieving, high quality and accountable higher education sector in Australia.

### **4.3 Financial health of the sector**

The Australian Government monitors the financial situation of higher education providers by assessing their audited financial statements. Higher education providers receiving Australian Government grants under the *Higher Education Funding Act 1988* (HEFA), the *Higher Education Support Act 2003* (HESA) or the *Australian Research Council Act 2001* (ARCA) are required to lodge their annual calendar-year audited financial statements with the Australian Government by 30 June of the following year. The Australian Government and State and Territory Auditors-General audit the annual financial statements of the higher education providers within their jurisdictions.

Guidelines for the preparation of annual financial statements are issued to higher education providers each year after consultations with the higher education sector and State and Territory finance and audit officials. Financial information extracted from the higher education providers' audited financial statements is used in DEST's finance publication, *Finance 2005: Financial Reports of Higher Education Providers*<sup>11</sup>, and to acquit Australian Government grants.

Analysis of higher education providers' published annual financial statements for 2005 was undertaken. As in previous years, the sector-wide analysis presented in this report is based on the aggregate financial data extracted from the published financial statements of 40 publicly funded higher education providers.

The analysis encompassed three main aspects:

- operating performance;
- liquidity and financial stability; and
- capital management.

The general financial position of the higher education sector as a whole and as reflected in the higher education providers' 2005 audited financial statements remains sound.

The financial information for the tables and charts used in this section was derived from the annual audited financial statements of higher education providers.

### **4.4 Financial measures and ratios**

The key financial measures and ratios used in the analysis are operating margin, current ratio, borrowings, cash and investments, net assets and net capital expenditure, which are outlined in Table 48.

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<sup>11</sup> Available at

[http://www.dest.gov.au/sectors/higher\\_education/publications\\_resources/profiles/finance\\_2005\\_stats.htm](http://www.dest.gov.au/sectors/higher_education/publications_resources/profiles/finance_2005_stats.htm)

**Table 48: Principal ratios and financial measures used**

Operating margin	It measures the ability of the provider to contain expenses within the available revenue. A positive percentage for any given year indicates that total revenue exceeded total expenses for that year.	<u>Surplus/(Deficit)</u> Total Revenue
Current Ratio	The current ratio is a liquidity ratio. It measures the ability of the provider to meet its short term obligations. A current ratio of less than 1.0 is used as a flag indicating potential liquidity risk.	<u>Current Assets</u> Current Liabilities
Borrowings	Information on external borrowings of providers.	Borrowings classified under current and non-current liabilities.
Cash and Investments	Cash and mostly near liquid investments, although some are restricted investments.	Cash and investments are reported in the balance sheet under current and non-current assets.
Net Assets	Highlights a provider's total net value.	Total assets less total liabilities.
Net Capital Expenditure	Measures net investment in capital assets financed from operating surpluses, internal reserves and external sources.	Total capital expenditure less capital asset sales.

#### **4.4.1 Operating performance**

The revenue for the higher education sector has grown consistently.

The main sources of revenue for higher education providers are Australian Government grants, Higher Education Loan Programme (formerly HECS) payments, domestic and overseas fee-paying students, other fees and charges, consultancies and contract research, investment income and other business-type activities. The major portion of expenses for higher education providers is attributable to salary and salary related costs.

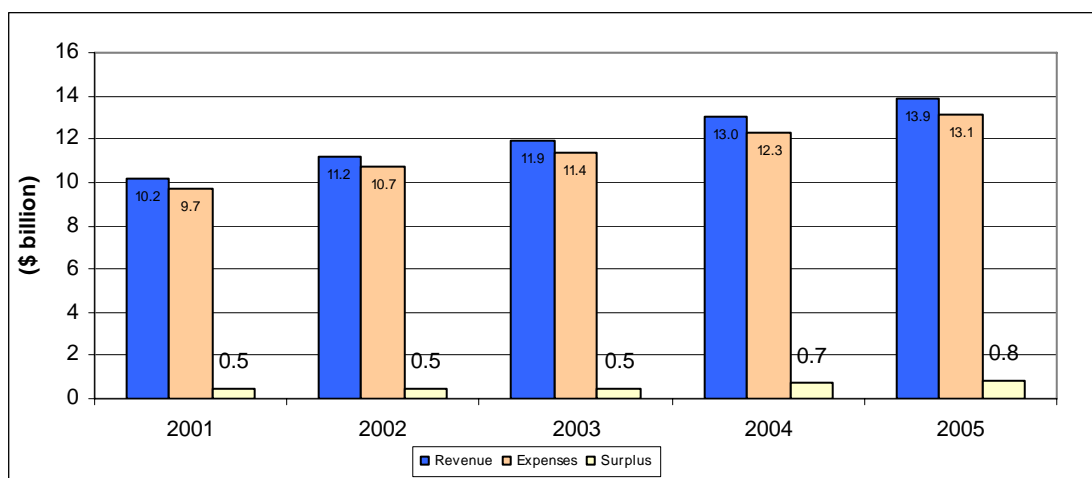
Consistent with the approach adopted in previous years, the revenue and expense figures in Figure 18 exclude “deferred government superannuation income” from revenue and “deferred employee benefits” from expenses reported by higher education providers in their financial statements. These revenue and expense items often offset each other, so excluding them has no effect on the overall result. Although they are not meaningful in this context, these items are recorded in higher education providers’ operating statements to reflect any increases or decreases in their unfunded superannuation liabilities.

Sector revenue for higher education activities in 2005 continued its upward trend reaching \$13.9 billion, an increase of \$0.9 billion from 2004. The revenue for the sector including Vocational and Technical Education (VTE) activities was \$14.3 billion. Sector expenses were \$13.1 billion, increasing by \$0.8 billion. Including VTE activities, the expenses were \$13.5 billion.



During the period 2001 to 2005, sector revenue increased by \$3.7 billion while expenses increased by \$3.4 billion. Hence, the operating result for the sector increased from \$0.5 billion in 2001 to \$0.8 billion in 2005.

**Figure 18: Revenue and expenses for higher education activities, 2001-05**

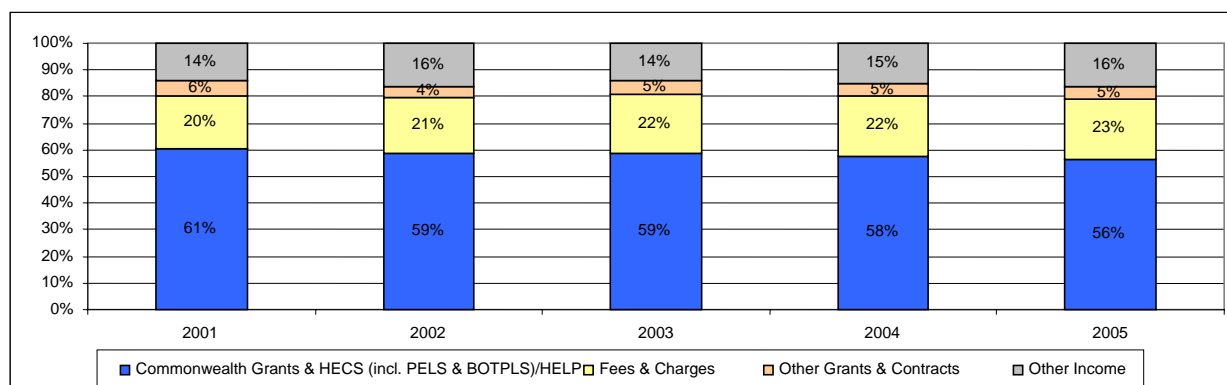


Source: Derived by DEST from the annual audited financial statements of higher education providers

#### 4.4.2 Sources of revenue

Australian Government grants and payments under the Higher Education Loan Programme (HELP) increased to \$7.8 billion in 2005, contributing 56% to the total revenue. The proportion of higher education providers' revenue consisting of Australian Government funds (including HELP) varied considerably across the sector from about 35% for Central Queensland University to around 95% for Batchelor Institute of Indigenous Tertiary Education. Figure 19 shows the sector-wide trends in sources of revenue over the period 2001 to 2005.

**Figure 19: Sources of revenue – trend analysis, 2001-05<sup>(a)</sup>**



Source: Derived by DEST from the annual audited financial statements of higher education providers

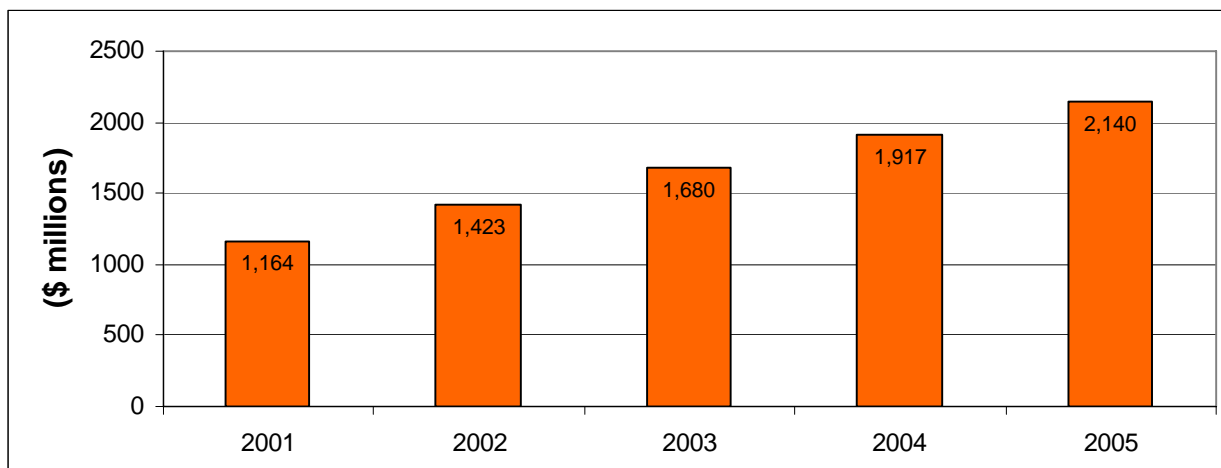
(a) Some figures do not total 100% because of rounding.

Revenue from fees and charges continues to grow with \$3.2 billion (or 23% of total revenue) being earned from this source in 2005. The major components of fees and charges were overseas student income (\$2.1 billion or 15% of revenue) and domestic postgraduate fees (\$192 million or 1% of revenue).

Revenue from domestic undergraduate fees is continuing to grow, with 28 higher education providers reporting undergraduate fee-paying course revenue totalling \$102 million in 2005, compared to 22 higher education providers generating \$44 million in 2001. Investment income accounted for a further \$577 million (or 4%) of sector revenue in 2005.

The majority of higher education providers continued to increase their revenue derived from overseas students. Overseas student revenue increased by \$223 million (or 12%) in 2005 (Figure 20). Revenue from overseas student fees has almost doubled since 2001 and now represents 15% of sector revenue.

**Figure 20: Revenue from full fee-paying overseas students, 2001-05**

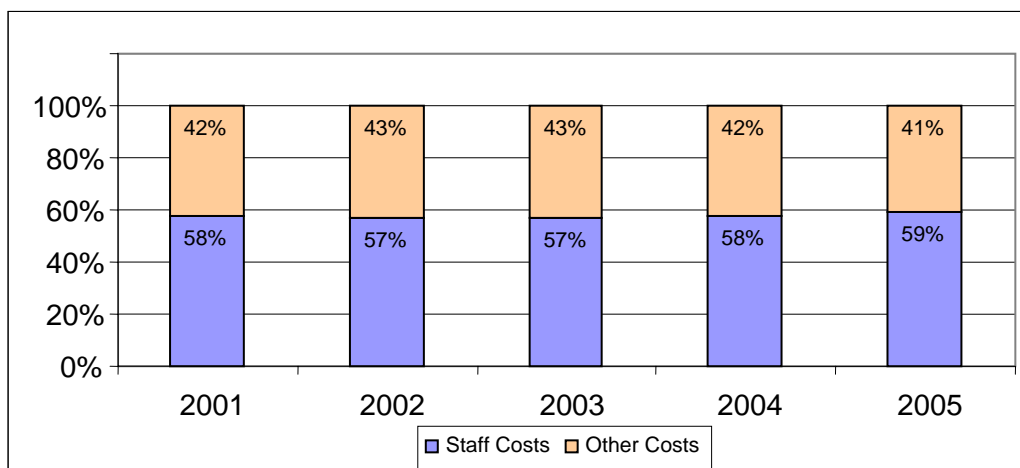


Source: Derived by DEST from the annual audited financial statements of higher education providers

#### 4.4.3 Expenses analysis

There was an 8% rise in staff salary and salary related costs in 2005. These costs accounted for 59% of operating expenses in 2005 compared to 58% in 2001 (Figure 21).

**Figure 21: Expenses analysis, 2001-05**

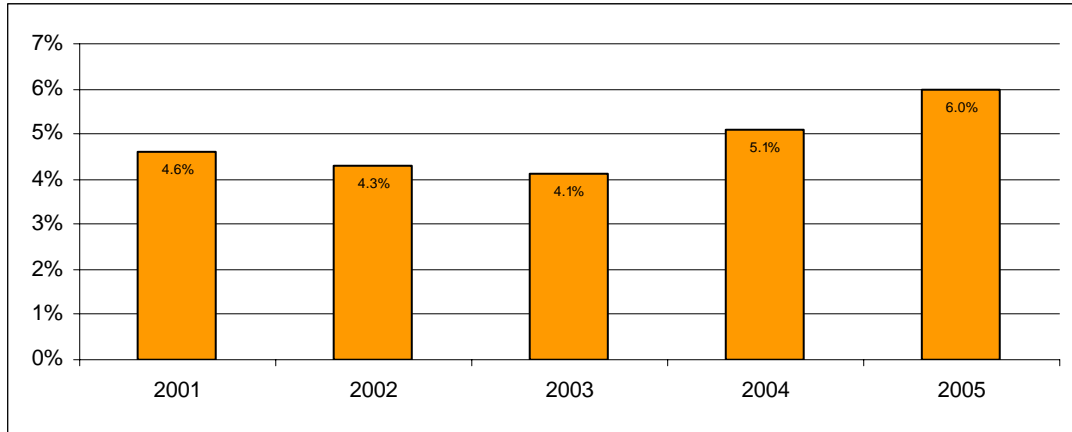


Source: Derived from the annual audited financial statements of higher education providers

The sector-wide operating margin has remained positive for the 2001 – 2005 period (Figure 22) at 6% in 2005. Higher education providers continue to earn additional revenue from non-government sources with revenue from overseas students increasing by about 12% in the last year. The majority of higher education providers have been able to contain expenses within the limits of available revenue.

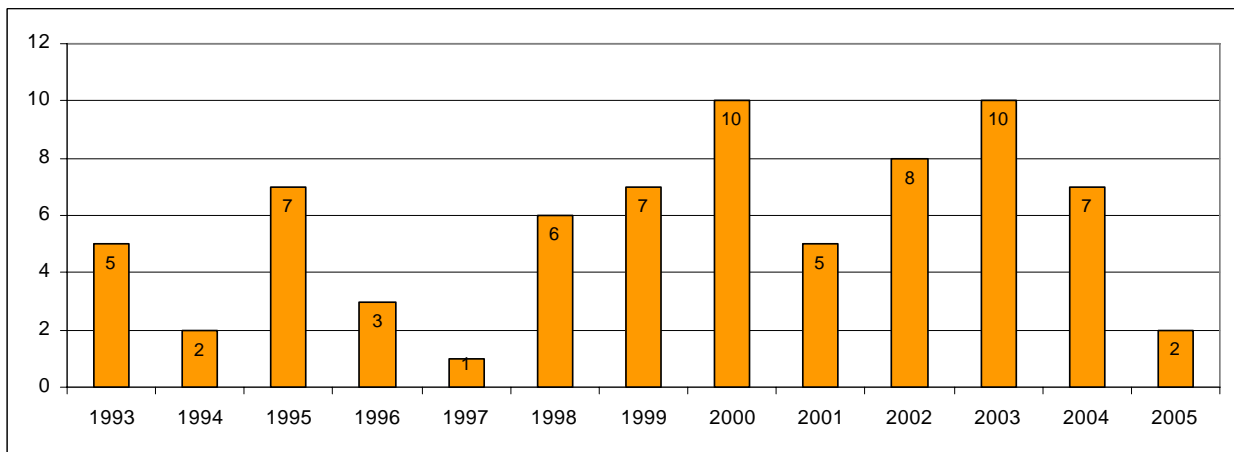
The number of higher education providers reporting deficits each year has fluctuated between one and ten since 1993 (see Figure 23). In 2005, two higher education providers recorded negative operating margins (higher education component only).

**Figure 22: Operating margin, 2001-05**



Source: Derived by DEST from the annual audited financial statements of higher education providers

**Figure 23: Number of higher education providers in deficit, 1993-2005**



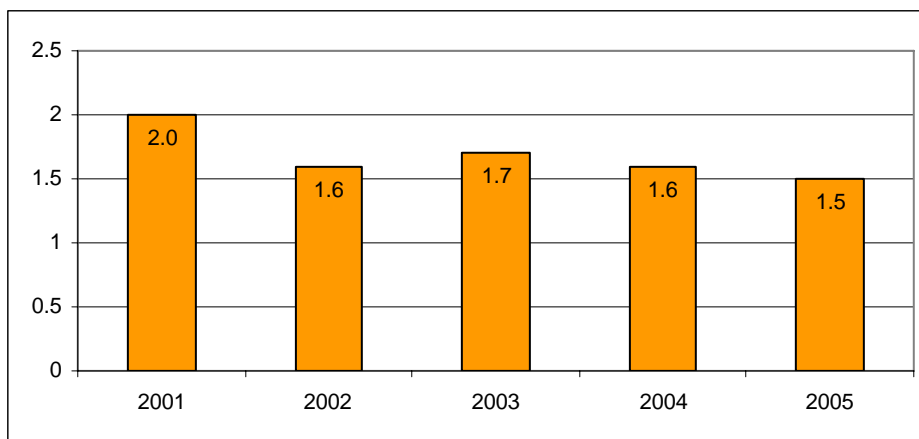
Source: Derived by DEST from the annual audited financial statements of higher education providers

#### **4.4.4 Current ratio**

The sector-wide current ratio continues to be significantly higher than the threshold of 1.0. A current ratio of less than 1.0 flags a potential liquidity risk. In 2005, current assets were 1.5 times current liabilities (Figure 24).

While the majority of higher education providers continue to perform strongly and maintain sufficient levels of liquid assets to meet current liabilities, there were four higher education providers with a current ratio of less than 0.75 at the end of 2005.

**Figure 24: Current ratio, 2001-05**



Source: Derived by DEST from the annual audited financial statements of higher education providers

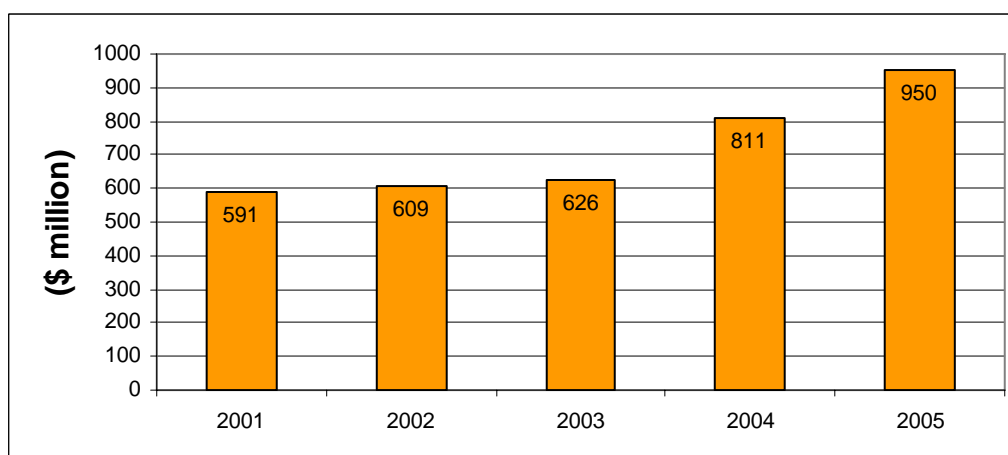
#### **4.4.5 Borrowings, cash and investments, capital expenditure and net assets**

Higher education providers continue to have low levels of borrowings even though the level of borrowings has been increasing in recent years (Figure 25). The borrowings for the sector were \$950 million in 2005, \$139 million (17%) higher than the previous year.

Net assets increased by around 5% to reach \$25.7 billion at the end of 2005. Total assets of the sector were \$34.1 billion in 2005 with capital assets accounting for \$22.3 billion.

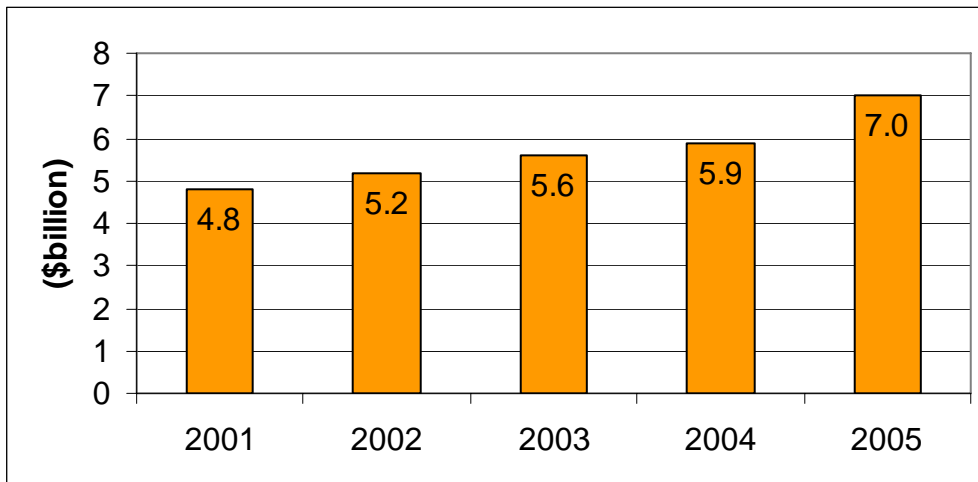
In addition to its substantial capital assets, the sector also has substantial liquid assets as measured by cash and investments. The cash and investments of the sector totalled \$7 billion at the end of 2005, an increase of around \$1.1 billion from the previous year (Figure 26). This was approximately seven times the size of external borrowings.

**Figure 25: External borrowing, 2001-05**



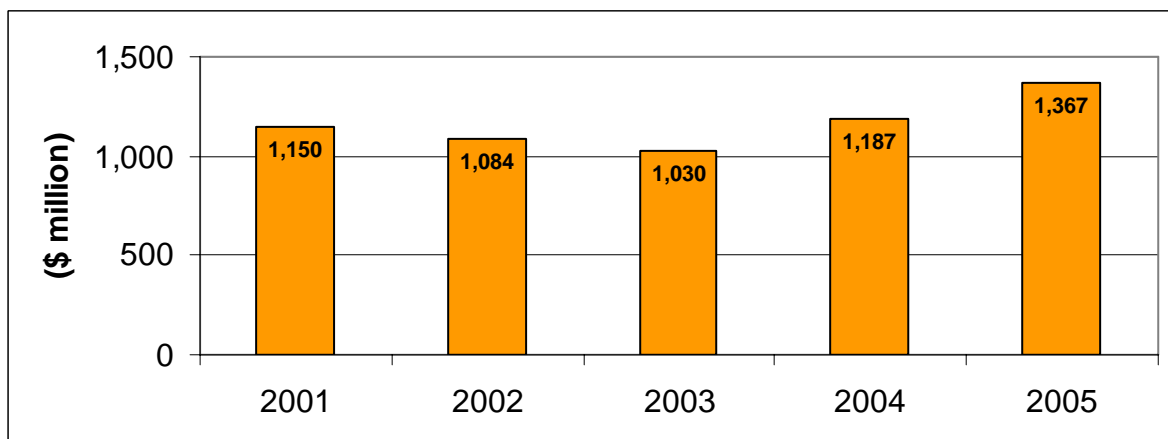
Source: Derived by DEST from the annual audited financial statements of higher education providers

**Figure 26: Cash and investments, 2001-05**



Source: Derived by DEST from the annual audited financial statements of higher education providers

**Figure 27: Net capital expenditure, 2001-2005**



Source: Derived by DEST from the annual audited financial statements of higher education providers

Over the past five years net investment in capital assets has totalled \$5.8 billion (see Figure 26), while borrowings have increased by \$359 million. Cash and investments rose by \$2.2 billion in that period. Net capital expenditure was \$1.4 billion in 2005 (see Figure 27).

The increases in cash and investments and capital expenditure are significant given the relatively small increase in borrowings. It indicates that higher education providers are not necessarily increasing their borrowings or depleting their cash reserves to fund capital expenditure, rather they are utilising their operating cash surpluses to fund capital expenditure.

## Appendix A - Abbreviations

AARNet	Australian Academic and Research Network
ABS	Australian Bureau of Statistics
ACER	Australian Council for Educational Research
ADT	Australian Digital Theses
AEI	Australian Education International
AICTEC	Australian Information and Communications Technology in Education Committee
ANZAAS	Australian and New Zealand Association for the Advancement of Science
APA	Australian Postgraduate Awards
APAC	Australian Partnership for Advanced Computing
ARC	Australian Research Council
ARCA	<i>Australian Research Council Act 2001</i>
AREN	Australian Research and Education Network
ARENAC	Australian Research and Education Network Advisory Committee
ARIIC	Australian Research Information Infrastructure Committee
ASSD	Additional Support for Students with Disabilities
AUQA	Australian Universities Quality Agency
AUQF	Australian Universities Quality Forum
AWA	Australian Workplace Agreements
AWE	Average weekly earnings
AVCC	Australian Vice-Chancellors' Committee
BAF	<i>Our Universities: Backing Australia's Future</i>
BIHECC	Business, Industry and Higher Education Collaboration Council
BOTP	Bridging Courses for Overseas Trained Professionals
BOTPLS	Bridging Courses for Overseas Trained Professionals Loan Scheme

CAS	Commonwealth Accommodation Scholarship
CASR	Collaboration and Structural Reform Fund
CDP	Capital Development Pool
CECS	Commonwealth Education Costs Scholarships
CEP	Country Education Profiles
CEQ	Course Experience Questionnaire
CGS	Commonwealth Grant Scheme
CLS	Commonwealth Learning Scholarships
CPI	Consumer Price Index
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DEST	Department of Education, Science and Training
DETYA	Department of Education, Training and Youth Affairs (now DEST)
DSP	Education Disability Support Programme
EESP	Education Equity Support Programme
EFTSL	Equivalent Full-time Student Load
ESOS	Education Services for Overseas Students
ESP	Higher Education Equity Support Programme
FOLP	Framework for Open Learning Programme
FRLI	Federal Register of Legislative Instruments
GCA	Graduate Careers Australia
GDS	Graduate Destination Survey
HECS	Higher Education Contribution Scheme
HEFA	<i>Higher Education Funding Act 1988</i>
HEIF	Higher Education Indexation Factor
HEIMS	Higher Education Information Management System

HELP	Higher Education Loan Programme
HEP	Higher Education Provider
HESA	<i>Higher Education Support Act 2003</i>
HEWRRS	Higher Education Workplace Relations Requirements
IAF	Institution Assessment Framework
ICT	Information and Communications Technology
IGS	Institutional Grants Scheme
IHEAC	Indigenous Higher Education Advisory Council
IPRS	International Postgraduate Research Scheme
ISP	Indigenous Support Programme
ISSP	Indigenous Staff Scholarship Programme
JCHE	Joint Committee on Higher Education
LTPF	Learning and Teaching Performance Fund
MCEETYA	Ministerial Council on Education, Employment, Training and Youth Affairs
NHMRC	National Health and Medical Research Council
OLDPS	Open Learning Deferred Payment Scheme
OS-HELP	Overseas Study – Higher Education Loan Programme
PELS	Postgraduate Education Loans Scheme
RDLO	Regional Disability Liaison Officer
RIBG	Research Infrastructure Block Grants
RPS	Regional Protection Scheme
RRMA	Rural, remote and metropolitan areas classification
RTS	Research Training Scheme
SES	Socio-economic status
SII	Systemic Infrastructure Initiative



SLE	Student Learning Entitlement
SNA	Safety Net Adjustment
TAFE	Technical and Further Education
TAR	Tuition Assurance Requirement
TREN	Tasmanian Research and Education Network
UMAP	Australian University Mobility in Asia and the Pacific Programme
VTE	Vocational and Technical Education
WEI	Work Experience in Industry
WPP	Workplace Productivity Programme
WRP	Workplace Reform Programme

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## Appendix C - Legislation enacted in 2005

### **Higher Education Legislation Amendment (2005 Budget Measures) Act 2005 (received Assent on 19 December 2005)**

The *Higher Education Legislation Amendment (2005 Budget Measures) Act 2005* amended the *Higher Education Support Act 2003* to update funding amounts to provide \$25 million in capital infrastructure funding over three years to expand facilities for students at several campuses of the University of Western Sydney (UWS) and to improve teaching and research capacity.

These amendments varied maximum funding amounts appropriated for Other Grants for the years 2006, 2007 and 2008 in relation to the \$25 million in capital infrastructure funding for UWS, by bringing forward \$5 million of the 2008 funding; \$3 million to 2006 to facilitate building works at the Parramatta campus and upgrade research and teaching facilities at the Hawkesbury campus and \$2 million to 2007 to assist in the development of a new medical training facility at Campbelltown and to enhance library facilities at Penrith.

### **Higher Education Legislation Amendment (2005 Measures No. 1) Act 2005 (received Assent on 25 May 2005)**

The *Higher Education Legislation Amendment (2005 Measures No. 1) Act 2005* made a range of amendments to the *Higher Education Support Act 2003* (HESA).

The Act adjusted funding amounts under the Commonwealth Grant Scheme to reflect additional funding for 100 new radiation therapy and 40 new aged care nursing places for the years 2005-08.

The Act also adjusted funding amounts under Other Grants to reflect: additional funding for capital development at Charles Darwin University for 2005-07 and at James Cook University for 2005-06; National Institute funding for the Australian National University for 2005-07; and a transfer of funding from the Commonwealth Grant Scheme to the National Institutes for the Australian Maritime College for 2005.

The Act extended the eligibility for capital development pool funding under Other Grants to Table B providers. It also provided for exemptions from the tuition assurance requirements (TARs) for Higher Education Providers to be subject to conditions and to apply only for a specified period. It further clarified arrangements for the re-crediting of Student Learning Entitlement (SLE) and FEE-HELP balance if a higher education provider who is subject to the TARs ceases to be able to provide a unit of study.

The Act amended the *Higher Education Funding Act 1988* to clarify that no refunds of voluntary HECS repayments would be made from 1 January 2005 and to make a technical correction to the definition of HECS debt to make it consistent with the *Higher Education Support Act 2003*.

The Act also amended the *Maritime College Act 1978*, to ensure that the Australian Maritime College complied with the National Governance Protocols.

### **Higher Education Legislation Amendment (2005 Measures No. 2) Act 2005 (received Assent on 6 July 2005)**

The *Higher Education Legislation Amendment (2005 Measures No. 2) Act 2005* made a number of amendments to the *Higher Education Support Act 2003* that clarified the requirements for the review of decisions made by higher education providers in relation to students. The amendments ensured that providers have clear advice on their responsibilities, and students

would be well informed of their rights and the procedure they need to follow if they wish to seek a review of a decision.

The Act also included amendments to the HESA which gave higher education providers more flexibility to deal with changes in demand and supply for particular courses or units of study. These changes enabled providers to publish more than one schedule of student contribution amounts and tuition fees per year, and specify more than one date for the publishing of Census Date and Equivalent Full Time Student Load values.

The changes also ensured that students enrolled through Open Learning Australia could access FEE-HELP.

The Act also included technical amendments to the *Higher Education Support Act 2003* and the *Taxation Administration Act 1953* which clarified the tax file number requirements for students.

The Act also amended the *Higher Education Support (Transitional Provisions and Consequential Amendments) Act 2003* to clarify references to relevant Guidelines.

### **Higher Education Legislation Amendment (2005 Measures No. 3) Act 2005 (received Assent on 14 December 2005)**

The *Higher Education Legislation Amendment (2005 measures No. 3) Act 2005* amended the *Higher Education Support Act 2003* to clarify the definition of Student Load (EFTSL) and quality and accountability requirements (to ensure that higher education providers' selection procedures are based on merit in the providers' 'reasonable view').

The Act also provided for guidelines for 'incidental fees' and fees in respect of overseas students to be specified in the Higher Education Provider Guidelines (rather than the Commonwealth Grant Scheme Guidelines).

The Act contained provisions to allow an audit to be conducted on the operation of non-Table A Higher Education Providers. It also clarified the requirements for a person to be taken to be a Commonwealth supported student and reflected the new business name of Open Learning Australia as Open Universities Australia.

The Act also amended the *Australian National University Act 1991* to repeal an obsolete heading and correct a drafting error in the *Higher Education Support Act 2003*.

### **Higher Education Legislation Amendment (2005 Measures No. 4) Act 2005 (received Assent on 19 December 2005)**

The *Higher Education Legislation Amendment (2005 measures No. 4) Act 2005* amended the *Higher Education Support Act 2003* (HESA) to insert a category of Table C providers. This included a range of amendments to enable foreign universities to be listed as overseas higher education providers and to establish an Australian branch and for that branch to have access to certain types of Commonwealth assistance. Carnegie Mellon University was included as the first Table C provider.

This Act also amended the HESA in relation to tuition assurance arrangements for Higher Education Providers other than Table A providers. These amendments clarified and strengthened the policy intent of the tuition assurance requirements as a consumer protection measure for students. These requirements were also expanded to cover situations where providers 'cease to provide' units as a consequence of ceasing to provide the course of which the unit forms part.

A transitional provision was included regarding the name change proposed in the *Higher Education Legislation Amendment (2005 Measures No. 3) Act 2005* from Open Learning

Australia to Open Universities Australia.

This Act also made a number of technical amendments to the *Higher Education Funding Act 1988*, the *Higher Education Support Act 2003* and the *Higher Education Support (Transitional and Consequential Amendments) Act 2003* as a consequence of the commencement of the *Legislative Instruments Act 2003* on 1 January 2005.

#### **Higher Education Legislation Amendment (Workplace Relations Requirements) Act 2005 (received Assent on 18 November 2005)**

The *Higher Education Legislation Amendment (Workplace Relations Requirements) Act 2005* amended the *Higher Education Support Act 2003* to provide for the inclusion in the Commonwealth Grant Scheme Guidelines, requirements to be known as the Higher Education Workplace Relations Requirements (HEWRRs).

This Act also provided for higher education providers' basic grant amount for a year to be increased (5% in 2006; 7.5% in later years) under Section 33-15 of the *Higher Education Support Act 2003* if the Minister is satisfied that the provider has met the requirements of the National Governance Protocols and the Higher Education Workplace Relations Requirements by the respective dates set out in the Commonwealth Grant Scheme Guidelines.

#### **Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Act 2005 (received Assent on 19 December 2005)**

The *Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Act 2005* amended the *Higher Education Support Act 2003* to make student unionism a voluntary activity in Australian higher education institutions.

The Act prohibited all higher education providers (public and private) from requiring a person to become a member of a student association (union or guild) or requiring a student to pay fees for non-academic student services.

The Act provided measures to reduce a higher education provider's basic grant amount if they breached the voluntary student unionism requirements (VSU); requiring Open Learning Australia to comply with VSU requirements; and to ensure that students could not have their results withheld or face expulsion if they had not paid a fee to join a student organisation.

The Act also included transitional arrangements to ensure that VSU would apply to higher education providers from 1 January 2006, only in respect of students enrolling with the provider for a period of study starting on or after 1 July 2006, who were not enrolled with the higher education provider for an earlier period in 2006. These measures provided that VSU would apply in full to higher education providers who were enrolling students for the first time in 2006 for periods of study that commence from 1 July 2006.

# Appendix D - Legislative instruments tabled in Parliament in 2005

## Higher Education Support Act 2003 Guidelines

- Administration Guidelines – revision (13 September 2005)
- Administration Guidelines – revocation and re-make (18 September 2005)
- Commonwealth Grant Scheme Guidelines:
  - Amendment No. 3 – Chapter 2 (April 2005)
  - Amendment No. 4 – Chapters 4, 6 and 7 (September 2005)
  - Amendment No. 5 – Chapter 7 (November 2005)
- Commonwealth Scholarships Guidelines (September 2005)
- Guidelines for Remission of HECS/PELS/BOTPLS/OLDPS Debt (February 2005)
- Higher Education Provider Guidelines (September 2005)
- OS-HELP Guidelines (August 2005)
- Other Grants Guidelines:
  - Amendment Number 3 – Chapters 3 and 5 (September 2005)
  - Amendment Number 4 – Chapters 7 and 8 (December 2005)
- Student Learning Entitlement Guidelines (October 2005)
- Tax File Number Guidelines for Higher Education Providers and Open Universities Australia (June 2005)

## Other Instruments

Factor to index an accumulated higher education contribution debt (May 2005)



## Higher Education Provider Approvals tabled in 2005

Instruments approving the following institutions as higher education providers under the Higher Education Support Act 2003:

- Australian College of Natural Medicine Pty Ltd
- Australian Film, Television and Radio School
- Blue Mountains International Hotel Management School Pty Ltd
- Box Hill Institute of Technical and Further Education (trading as Box Hill Institute of TAFE and Box Hill Institute)
- Champion Institute Limited (trading as Champion College Australia)
- College of Law Pty Ltd
- Colleges of Business and Technology (WA) Pty Ltd (trading as Curtin International College)
- East Coast Gestalt Training Incorporated
- International College of Hotel Management Ltd
- Melbourne Institute of Technology Pty Ltd
- Northern Melbourne Institute of TAFE
- Perth Bible College
- Perth Institute of Business and Technology Pty Ltd
- Southern School of Natural Therapies Limited

## Appendix E - Determinations registered in 2005

### Determinations under the *Higher Education Support Act 2003*

<b>Title</b>	<b>Section</b>	<b>Date Registered on FRLI/Date of Effect</b>
List of programmes and funding under Division 41	S41-50	4 March 2005
Provision of statistical higher education information	Subsection 19-70(2)	26 April 2005
Provision of schedule of student contributions and tuition fees to the Minister	Subsection 19-95(1)	25 September 2005
Provision of statistical higher education information	Subsection 19-70(2)	7 December 2005
Declaration of percentage of Commonwealth supported places to be provided by Table A providers for a course of study in medicine. <i>Note: This instrument has since been repealed and replaced.</i>	S36-35	12 December 2005

### Determinations under the *Higher Education Funding Act 1998*

<b>Title</b>	<b>Section</b>	<b>Date Registered on FRLI</b>
Determination under Section 15 in Relation to Grants for Expenditure for Operating Purposes (Marginal Funding Estimates (Over Enrolments))	S15	20 May 2005
Determination Under Section 15 in Relation to Grants for Expenditure for Operating Purposes (Base Operating (excluding HECS))	S15	21 June 2005
Determination Under Section 16 in Relation to Grants for Expenditure for Limited Operating Purposes (Base Operating (excluding HECS))	S16	22 June 2005
Determination Under Section 15 in Relation to Grants for Expenditure for Operating Purposes (Marginal Funding Estimates (Over Enrolments))	S15	19 August 2005

## Appendix F - Higher Education Indexation Factor

From 2005 the Higher Education Indexation Factor (HEIF) has replaced the Higher Education Cost Adjustment Factor (CAF). The HEIF is an index reflecting the contribution the Commonwealth makes towards increases in the operating costs of higher education institutions. The HEIF does not measure actual price rises but the Commonwealth's contribution towards annual increases in salary and non-salary costs.

Salary costs notionally constitute 75% of grants. This component of the HEIF was based on the Safety Net Adjustment (SNA) as determined by the Australian Industrial Relations Commission. Due to the changes in the workplace relations legislation, the Industrial Relations Commission's safety net review has been replaced by the new Australian Fair Pay Commission's process for setting minimum wages and the SNA will no longer be available for indexation purposes. The SNA will be replaced by the determination from the Fair Pay Commission. The same methodology of calculation for the HEIF will be used, with the only change being the different source of information. This change will affect the HEIF for 2008.

Non-salary costs notionally constitute 25% of grants and are indexed using the Consumer Price Index (CPI).

Figures for the CPI and SNA are provided by the Department of Finance and Administration in June of the preceding year, around six weeks after the Federal Budget. The resulting HEIF applies to the whole of the following calendar year and indexation starts from the first payment each year.

In this Report all figures for 2005 are actual amounts (unless stated otherwise). All amounts for 2006 onwards are using the current legislated 2006 HEIF (i.e. 1.021) – SNA 1.7% and CPI 2.5%.

The Higher Education Indexation Factor is shown in Table A1 and the Cost Adjustment Factor Index is shown in Table A2.

**Table A1: Higher Education Indexation Factor, 2004-06**

2004	1.000
2005 - Final	1.021 (2.1%)
2006 - Final	1.019 (1.9%)

**Table A2: Cost Adjustment Factor Index, 1995-2004**

1995	1.000000
1996	1.015750
1997	1.033823
1998	1.050122
1999	1.066707
2000	1.085211
2001	1.108650
2002	1.134358
2003	1.161183
2004	1.188354