



Australian Government

Department of Education, Employment and Workplace Relations

Department of Innovation, Industry, Science and Research

Interim Agreement for Mission-Based Compacts

Between:

- Victoria University
- The Australian Government

For the period:

1 January 2010 - 31 December 2010



**VICTORIA
UNIVERSITY**

**A NEW
SCHOOL OF
THOUGHT®**

SECTION ONE

Preamble

Compacts

In 2010, the Australian Government and Victoria University will agree a mission-based compact commencing in 2011. Compacts will be agreements between universities and the Australian Government detailing public funding commitments and reciprocal institutional commitments. They will support universities to pursue their distinctive missions and to contribute to the Australian Government's aspirations for the higher education sector as whole.

This 2009 Interim Agreement is a transitional arrangement, pending finalisation of the first compact in 2010.

Compacts and Interim Agreements will be based on mutual respect, trust and shared goals to improve students' educational experiences and outcomes and to build research capacity and international competitiveness. As noted by the Prime Minister, compacts herald a new era for the operation and funding of Australian higher education. They will play a key role in implementing the Australian Government's reforms and in ensuring improved outcomes from increased Australian Government investment in higher education. Compacts will be underpinned by information and data provided through the Interim Agreement discussions and by other means in order to support the programs and priorities of the Department of Education, Employment and Workplace Relations and the Department of Innovation, Industry, Science and Research.

The Department of Education, Employment and Workplace Relations and the Department of Innovation, Industry, Science and Research will also look to discuss underpinning activities which might inform mission-based compacts, including those supported through the Education Investment Fund and other programs. This will enable a comprehensive analysis of the University's activities in order to drive a reformed university system that promotes excellence, sustainability, transparency, performance, collaboration, international engagement and innovation.

Compacts will facilitate:

- a focus on excellence within the mission of each university irrespective of its distinctive strategic direction;
- transparency in decision making with respect to compact agreements and provision of public funding being open to external scrutiny, and based on a fair application of consistent rules;
- accountability for outcomes, with universities and the Australian Government sharing responsibility to report publicly on performance against clear and measurable goals; and
- a strengthened funding and accountability framework, supported by appropriate and reasonable reporting requirements.

The Australian Government's ambitions for higher education and innovation

The Australian Government's vision for the higher education sector is set out in *Transforming Australia's Higher Education System*. Higher education is central to achieving the key objectives for the nation's future, including:

- **A stronger Australia** – boosting Australia's share of high skilled jobs and productivity growth will require a highly skilled workforce that can rapidly adapt to meet future challenges; and
- **A fairer Australia** – all Australians will benefit from widespread equitable access to a diverse tertiary education sector that allows each individual to develop and reach their potential. Society as a whole will benefit from the widespread application of cutting-edge research.

In supporting these objectives, the Australian Government's ambitions for higher education include:

- producing graduates with the knowledge, skills and understandings for full participation in society and the economy;
- providing opportunities for people from all backgrounds to participate to their full potential and be supported to do so;
- providing students with a stimulating and rewarding higher education experience;
- playing a pivotal role in the national research and innovation system through generation and dissemination of new knowledge and through the education, training and development of world class researchers across a wide range of intellectual disciplines;
- being amongst the leading OECD countries in terms of participation and performance.

The higher education system also plays a crucial role in supporting innovation. The Australian Government's policy statement, *Powering Ideas - An Innovation Agenda for the 21st Century* outlines its aspirations for innovation over the next decade which include:

- progressively increasing the number of research groups performing at world-class levels, as measured by international performance benchmarks;
- progressively addressing the gap in funding for indirect costs related to Australian competitive grants;
- promoting collaboration by encouraging universities to organise themselves into hubs and spokes and to pursue opportunities to undertake industry-driven research more vigorously;
- helping smaller and regional universities develop their research capacity by teaming up with other institutions; and
- significantly increasing the number of students completing higher degrees by research over the next decade.

Principles

The principles under which Australian Government funding for higher education is provided are:

- opportunity for all, especially for those students from groups under-represented in higher education;
- access to university based on merit;
- world-class teaching and learning that advances the international standing of Australian education;

- world class research and research training that advances knowledge, critical thinking and Australia's international standing;
- responsiveness to the economic and social needs of the community, region, state, nation and the international community;
- a sustainable higher-education sector; and
- academic freedom and institutional autonomy.

Australian Government support for higher education

The Australian Government announced a 10-year reform agenda for higher education and research in *Transforming Australia's Higher Education System*. An outline of the new initiatives announced as part of that package is included at Attachment A.

University mission

Victoria University's mission is outlined in ***Making VU 2016: A Statement of Purpose***:

Victoria University seeks to positively transform lives through the power of further education, vocational and higher education, and research.

We work collaboratively to develop the capabilities of individuals, enterprises and communities within the western Melbourne region and beyond to build sustainable futures for ourselves and our stakeholders.

The University was established in 1990 but has a history dating back to the creation of the Footscray Technical School in 1916. VU is one of Australia's five dual sector institutions and is structured to operate as 'one university' to mobilise the the full capabilities of its multiple sectors. VU operates from 11 campuses and other sites in the CBD and the west of Melbourne, with significant overseas partnerships that support international activities. The University aims to combine both equity and excellence in its endeavours and is sharing best practice in this aspiration with partners, notably the University of Texas at El Paso.

The University's planning in the short-term (2010-2012) is focussed on:

- positioning VU to become a high quality and distinctive option for students
- meeting government education aims for widening participation, social inclusion, skills development and improved quality
- strengthening research and research training from a small base
- deepening collaborative partnerships locally and abroad and
- Achieving annual financial returns sufficient to ensure VU's continuing ability to invest in future development and market agility.

Medium term planning over the years 2012-2016 takes VU to its centenary year and the out-year of the university's current *Statement of Purpose*. By 2016, VU aspires to be a provider of choice in the new tertiary environment with recognised areas of education and research strength. VU's long-term planning (to 2025) is mindful of the targets that have been set by the State and Commonwealth governments for increased participation and achievement in vocational and undergraduate education. The University is investing in detailed forecasts of population and education trends in the west of Melbourne and is using this information to underpin institutional decision-making with respect to capital and campus consolidation, course profile and student load planning.

What the University is doing at present

VU's current contribution and position

As a dual sector university VU negotiates funding and performance with both the State and Commonwealth governments. The Commonwealth Interim Compact sits alongside the Statement of Corporate Intent negotiated with the Victorian State Government Department of Innovation, Industry and Regional Development and funding Agreement with the Victorian Skills Council.

VU makes a unique contribution to Australia's tertiary education system by offering a broader range of knowledge-based services than most Australian universities and dual

sector institutions. Over 700 courses span the AQF from Certificate 1 to post doctoral studies across 11 Industry and Community Clusters. This range is the legacy of past mergers and is being rationalised and strengthened in priority areas.

Research is as yet a small but highly significant element of VU's overall endeavours with priority growth areas being underwritten by the university Council using investment drawn from capital funds to target selected areas. Research foci are being developed in areas of regional and international relevance such as sports science, water technologies, education and diversity, logistics and global economics.

VU is one of Australia's larger and more complex institutions with over 3,500 staff, almost 50,000 students and an operating budget of over \$400m. As a higher education provider, the University is a mid sized institution with an agreed Commonwealth government funded load of 10,711 EFTSL excluding higher degree by research load, and approximately a further 250 EFTSL of domestic research students. As a TAFE provider, the University is the second largest of the Victorian institutions with a State funded load of 7.5m government funded student contact hours in 2009, the approximate equivalent of 13,000 EFTSL.

VU serves a very diverse student population with characteristics that are central to the ambitions of both State and Commonwealth governments:

- in 2008, the VU student population of 47,844 students was comprised of 39% enrolled in higher education and 61% enrolled in vocational and further education (with the ratios reversed in terms of revenue);
- 8.2% of reported EFTSL are for students enrolled in postgraduate qualifications;
- approximately 10,500 international students study at offshore partner institutions or in Melbourne;
- over 20% of VU's students are from low socio-economic status (SES) areas
- 41% of VU students speak a language other than English at home, and 54% have a father born outside of Australia;
- a high proportion of all VU students work, with about one quarter being full-time workers including both apprenticeships and postgraduates;
- the quality of VU's education is measured by high levels of student satisfaction, strong research postgraduate completions and high quality international partnerships in China, Europe and North America.

VU has six faculties, including VU College offering foundation entry courses, English language and learning support services. Research centres and Institutes extend VU's engagement with the wider community.

VU makes particular contributions to the west of Melbourne, which is being transformed as Australia's former manufacturing centre and now the destination for many new migrants. The inner west, where VU has its administrative and historic heartland at Footscray, is being gentrified. The outer western suburbs and pockets across the region have low participation in post-secondary education, low SES (now increasingly mixed with newer middle-income housing areas), cultural diversity, a broad range of community health and social issues, high unemployment and a relative paucity of infrastructure and services. The region has three of Melbourne's five State government designated growth corridors and VU now competes with local marketing by other education providers.

VU has an ambitious capital plan to consolidate its 11 campuses and modernise facilities along a spine of strong campuses spanning central Melbourne, Footscray, Sunshine and St Albans, with a spoke to the future employment zone at Werribee. This is a key feature of the University's positioning to contribute to assist the education policy goals of the State Government and Skills Victoria, Commonwealth priorities and COAG targets.

VU strengths and what makes it distinctive

The VU brand, a *New School of Thought* was launched in 2005 and values innovation before tradition. The University has given meaning to its differentiation with a 'Making VU' program and a *strong commitment to work-based education*. A key feature of VU's student experience and teaching and learning is the Learning in Workplace and Community initiative (LiWC). VU is the first institution in Australia to commit to ensuring that courses contain at least 25% of their overall assessment from workplace or community-based activities. This is to be a feature of a VU education with partners in countries like China where strong employment outcomes are highly valued.

VU is working to provide 'high traffic' seamless pathways for students to differentiate the University as Australia's best-integrated tertiary provider – a commitment that preceded the priority since given by government to pathways. VU pathways and credit arrangements are being strengthened to allow students to move flexibly at many points in the AQF and in each of VU's 11 cross-sectoral Course Clusters – at entry level from school, work or via community gateways; between vocational diplomas and bachelor degrees; and from undergraduate to postgraduate awards. While early attention was given to increasing the number of VU pathways, attention has now turned towards 'high traffic' pathways.

*Social inclusion has long been a characteristic feature of VU. The University is currently revising its approach. While the western suburbs are where VU mainly seeks to use the transformative power of education to bring about social inclusion, the university also engages elsewhere in Australia (eg in partnership with IBM in Indigenous communities in the Northern Territory) and in Timor Leste. The gentrification of the inner western suburbs may lead to proportionately less local students from low SES postcodes enrolling at VU and greater competition for these students. VU has embarked on a number of strategies to increase access, retention and success by low SES and NESB students. These include new *VU-School Compacts* with selected low SES schools to leverage VU work in schools with State government priorities and COAG funding. *Work-based education* is being extended. New *Community Gateways* are being established to reach those not currently in school or work.*

VU makes collaborative partnerships a key feature of its approach. Some examples are:

- *SportsWest*, which is the provisional name for a collaborative precinct in Maribyrnong LGA between VU, the Western Bulldogs Football Club, Maribyrnong Secondary College and others to create the sports equivalent, in the west of Melbourne, of the biomedical precinct at Parkville;
- with Western Health and the University of Melbourne, a joint Teaching, Training and Research Centre facility at Sunshine Hospital in Brimbank LGA to be opened in 2011;
- with Seaworks, a future maritime centre of education and research at Williamstown.

What the University aspires to be

By 2016, the objectives of ***Making VU 2016: A Statement of Purpose*** are that VU will:

- be a university leader in responding to the changing nature of work and the workplace in Australia and in our major international markets;
- show strong community values, underpinned by a commitment to social, cultural, environmental and economic sustainability;
- blend vocational and professional, conceptual and creative pursuits;
- be characterised by meaningful engagement with enterprises and communities;
- be an effective partner with Indigenous Australia; and
- be a distinctive international university.

In research, VU aspires to be a national research 'hub' in sport and exercise science and educational strategies for socially and culturally diverse communities. VU also has major contributions to make in:

- Sustainable treatment technologies in water and food production;
- Tourism and small business;
- Chronic disease management in culturally diverse communities;
- Telecommunications and sensor technologies; and
- Logistics and supply chain management (a major focus on the Western region of Melbourne; emerging partnership with University of Macquarie).

Our staff will continue to be recognised for their innovative approaches to supporting effective student learning. An unwavering commitment to VU's mission in the west of Melbourne and beyond will remain as hallmarks of being a VU staff member.

The University's plans for supporting its aspirations

VU's Mission and strategic directions align well with current priorities of governments at State and Commonwealth levels.

Building strengths and capabilities

Capability-building for research and research training is focussed on selected areas and collaborative relationships. Plans to strengthen research were given priority through Council's decision to set aside a substantial capital injection of \$15m for research in a limited number of areas under the *Priority Research Improvement Programme* (PRIP). VU's research performance has improved with the support of PRIP funding and other initiatives, including investments in post-doctoral fellowships and substantial new research facilities (eg for sports science at Footscray park Campus to opening 2010 and the Teaching, Training and Research Centre at Sunshine hospital to open in 2011).

Education strengths and capabilities are being addressed through the lens of the 11 Industry and Community Course Clusters. Substantial market research has been undertaken on labour market trends for each cluster to inform future course and curricula development. New courses are being developed particularly at the interface of vocational and higher education to maximise pathways (eg in health), to grow new international opportunities (eg in Associate degrees) and in areas of emerging regional significance (eg logistics and construction trades). In 2010, VU will develop a new Education Strategy that sets out clearly the University's priorities for future development of VU's course profile in tertiary education and the distinctive aspects of a VU education and student experience.

The University is mindful of its role in meeting the Commonwealth Government's aspirations in *Transforming Australia's Higher Education System*. In particular, in order to assist the Government to meet its target of 40% of the 25-34 year-old cohort holding a Bachelor degree by 2025, VU has undertaken modelling that estimates it would need to gradually increase its commencing enrolment target from the current level of just under 18,000 domestic undergraduate enrolments, to some 26,000 enrolments by 2025, based on its current share of the market, Commonwealth targets and estimated population growth during that period. In 2010, VU expects to enrol at or about the 108% cap on Commonwealth agreed load, and 110% in 2011.

Investing resources to support new developments

Since 2003-4, VU has been continuously engaged in comprehensive reviews and development planning for its operations and assets to support education, research and community priorities.

The University's capital funds that were accumulated prior to 2004 are now fully pre-committed to major investment plans. These include:

- a 'catch-up' to the rest of the higher education sector on information technology systems of \$75m over three years (including a new cross-sectoral Student Management System due to 'go-live' in 2010 that will give VU the functionality it needs for a student-centred market system); together with new systems for Business Intelligence; Human Resources; Research Management; and Learning Management;
- consolidation of VU's 11 campuses to a smaller set of main campuses on a strong spine from the CBD through Footscray to St Albans that will offer students the type of experience that they deserve and will allow the University to develop specialist campus "hubs" for each Cluster of courses and pathways;
- major investments for sports sciences and an expanded learning commons at Footscray Park campus (under construction) and a second major development at the Sunshine campus if the University is successful with a vocational EIF submission; this would open in 2011-2012 and would allow the University to move from the Newport campus;
- co-investment with community partners at secondary sites across the region for learning and research collaboration, with major examples being at Whitten Oval, Sunshine Hospital and the Seaworks maritime development in Williamstown.

VU is one of only a few universities with no debt, but it will not be able to continue to invest in the future without further improvements in its financial and staffing circumstances. The University achieves only a modest annual return on its \$420m revenue. The VU Council has set a financial target for the University to achieve an annual return of a minimum 5% on an underlying basis.

The University has intensified its work on sustainability initiatives since 2008. In addition to the main aim of achieving a strong positive return, VU has regard to:

- diversifying income away from our current reliance on domestic student income, particularly by driving international fee-paying student growth, commercial and philanthropic contributions and
- undertaking workforce planning and renewal in higher education as a first priority, but across in the university in the medium term.

The Victoria University Foundation is leading VU's first major philanthropic fundraising endeavour to support investment in Achievement Scholarships in about 50 local schools in the western region each year (one vocational and one higher education). This is a unique regional contribution for an Australian university is being supported by local partners, notably the Western Bulldogs AFL Club.

Monitoring Progress and Measuring Success

The University's *Statement of Purpose* indicates the direction for the development of the University, and in particular its core activities of engaged education and engaged research. The *Statement of Purpose* defines the University's direction, major objectives and key strategies. These cascade to a broad range of business unit strategic plans and are supported by policies and related procedures that also articulate objectives consistent with the *Statement of Purpose*.

Progress toward the achievement of objectives is measured by Key Performance Indicators (KPIs) in a framework that is modelled on international good practice and reflects Commonwealth and State government priorities. The Council of the university assesses the state of the university at the first Council meeting each year and receives regular reports on performance progress. The high level KPIs are underpinned by more detailed Management Performance Indicators used by management at all levels and reviewed at the end of each year. The University Council adopted a revised set of university KPIs in 2009 and may refine these after finalisation of the Commonwealth's proposed Indicator Framework for Higher Education Performance Funding in 2010.

SECTION TWO

Teaching and Learning

The Commonwealth Grant Scheme funding agreement of December 2009 will remain in effect throughout the period of this Interim Agreement. Where eligible, other funding for 2010 will be delivered through a range of new and existing Australian Government teaching and learning programs.

The University and the Department of Education, Employment and Workplace Relations agree to work co-operatively to enable the Department to:

- finalise the framework for mission-based compacts during 2010; and
- develop a framework for performance funding, including appropriate teaching and learning performance indicators, which will be used to set targets for performance funding in the 2011 compact.

No funding is contingent on the teaching and learning component of this Interim Agreement.

SECTION THREE

Research and Research Training

Funding under the Higher Education Support Act 2003

In 2010, the Department of Innovation, Industry, Science and Research (Department of Innovation) will provide the University with funding from a suite of research block grant programs including the Research Training Scheme (RTS), Australian Postgraduate Awards (APA), International Postgraduate Research Scholarships (IPRS), Research Infrastructure Block Grants (RIBG) and Joint Research Engagement (JRE). These grants form the basis of this agreement. The Department of Innovation will also look to discuss how research collaboration, participation, engagement and excellence, supported by a broader range of the portfolio's programs, might inform mission-based compacts – see Attachment B.

The University and the Department of Innovation agree to work co-operatively to enable the Department to:

- finalise the framework for mission-based compacts during 2010; and
- develop performance indicators and targets to be used within the 2011 compact.

As part of this agreement, the Department may identify priority areas of research which align with the University's strengths and mission.

Sustainable Research Excellence in Australia (SRE)

The Department of Innovation has established the Sustainable Research Excellence in Universities (SRE) program, which supports excellence and contributes to a more sustainable University research sector, by ensuring that adequate funding is available to allow competitive grants for research to be effectively utilised.

The program will have three funding components:

- a Base component whereby 20 per cent of the funding provided will be allocated on the basis of the existing Research Infrastructure Block Grants (RIBG) formula, i.e. on the basis of the relative success of the institutions in attracting competitive research funds as calculated from schemes in the Australia Competitive Grants Register;
- A Threshold One funding component whereby up to 13 per cent of available SRE funding in any one year will be available to those universities participating in Transparent Costing and the Excellence in Research for Australia (ERA) initiative; and
- A Threshold Two component whereby 67 per cent of available SRE funding in any one year will be available for those universities participating in Transparent Costing and ERA and who meet specified performance targets.

The University acknowledges that its participation in SRE will be governed by this agreement and by processes administered by the Department of Innovation as part of this agreement. The University acknowledges that participation in both Transparent Costing and ERA is a prerequisite for receipt of funding under the Threshold 1 and Threshold 2 elements of SRE.

The University commits in this Agreement to working cooperatively with the Department of Innovation to finalise its Transparent Costing and ERA participation status based on the SRE framework set out in the SRE Guidance Paper, Transparent Costing Specification, SRE Conditions of Grant and any other related documents or processes published by DIISR.

Collaborative Research Networks program

The Collaborative Research Networks (CRN) program will assist smaller and regional universities to adapt to a research system driven more strongly by performance outcomes. From 1 July 2010 regional and smaller universities will be invited to make submissions which support areas of national importance. Funding will be made available to successful universities from 1 January 2011. CRN funding and the research activity it will support are therefore outside the scope of this Interim Agreement, but will be addressed in the compacts to be negotiated with universities in 2010.

The University agrees to work with the Department of Innovation on developing the framework for the CRN program.

Interim Agreement

This interim agreement covers the period from 1 January 2010 to 31 December 2010. It may be amended, if agreed in writing by all the parties

Signed on behalf of **Victoria University**



Professor Elizabeth Harman

Vice-Chancellor and President

Signature

Name and position

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

Signature

Name and position

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

Signature

Name and position

Summary of budget initiatives

Initiative	Description	Funding 2009-10 to 2012-13 \$m
Funding to support the low SES participation targets <ul style="list-style-type: none"> ▪ Partnerships ▪ Student loading 	<p>In 2010 funding to support the low SES participation targets will be about 2 per cent of teaching and learning grants, and will increase to about 3 per cent in 2011. By 2012, equity funding will be broadly in line with the recommendation of the Bradley Review to increase it to 4 per cent of teaching and learning grants.</p> <ul style="list-style-type: none"> ▪ Partnerships activities ▪ Student loading <p>The funding will support the government's ambition to increase higher education enrolments of students from a low socio economic background to 20 per cent by 2020. This includes \$394 million new funds, plus existing Equity Support Program funding.</p>	108 325
Demand driven entitlement system for domestic higher education students	Public funding will be provided for each undergraduate student eligible for a university place. Universities will continue to set their own entry standards, including entry requirements such as pre-requisite subjects, and make strategic decisions about course provision and their ultimate size.	491
Higher Education Loan Program (HELP) repayment reduction for education and nursing	Repayments for the Higher Education Loan Program (HELP) for eligible education and nursing graduates will be reduced if they work in a teaching or nursing profession. This proposal is aimed at addressing the skills shortages in both professions.	83
Increase in the maximum annual student contribution amount for education and nursing	The maximum annual student contribution amount for education and nursing will be increased, providing a direct increase in revenue to institutions offering these vital courses.	33
Indexation	Revised indexation for higher education funding will be introduced from 2012, with transitional arrangements for teaching and learning in 2011. The increase in indexation will provide funding security and certainty for institutions to support improved student-to-staff ratios and greater student engagement.	578
Sustainable Research Excellence in Universities	Increase in funding for the indirect costs of research, currently funded through the Research Infrastructure Block Grants (RIBGs). This will ensure resources are allocated rationally and used efficiently.	512
Joint Research Engagement	Replaces the Institutional Grants Scheme to encourage and support engagement with the end users of research.	-
Collaborative Research Networks	Networks to encourage institutions, particularly those in regional Australia, to form partnerships with universities with already established research strengths,	52

	relevant to their mission and profile.	
Excellence in Research for Australia (ERA)	Funding will be provided for establishment of a framework for Excellence in Research for Australia (ERA).	36
Education Investment Fund	Australia's tertiary education and research sectors will benefit from a capital injection from the Education Investment Fund (EIF).	2,985
National body for regulation and quality assurance	The national agency will be established from 2010 to underpin a robust quality assurance framework for Australian higher education, and to drive improved standards of teaching and learning for students.	57
Performance funding	From 2012, new performance funding will reward institutions that meet agreed targets in key areas such as improving the quality of teaching and learning and the outcomes for students from low socio economic backgrounds.	206
New arrangements for student income support	Provides comprehensive changes to the student income support system to remove the financial barriers to the participation of students from low socio economic backgrounds and Indigenous students. This supports the Government's ambition to increase higher education enrolments of students from a low socio economic background to 20 per cent by 2020.	-
Postgraduate Research Student Support	Raises the stipend in the Australian Postgraduate Award to \$22,500 from 2010.	52
Removal of the OS-HELP loan fee	The loan fee on OS-HELP Loans will be removed in 2010. This will encourage Australian students to study overseas during their higher education courses, enhancing their student experience and learning outcomes.	17
Structural Adjustment Fund	Funding will be provided to support significant structural change across the sector, which could include the creation of new models of higher education institutions and collaborations between higher education and vocational education and training providers. Total funding of \$400m includes \$64 million from the existing Diversity and Structural Adjustment Fund, and \$200 million for the capital components of structural adjustment to be funded from the EIF.	402
Savings measures		
Learning and Teaching Performance Fund	This program will be discontinued. Performance funding will provide incentives for institutions to improve learning and teaching quality.	-324
Workplace Productivity Program	This program will be discontinued.	-78

PACKAGE ELEMENTS	2010	2011	2012	2013	2014 and beyond
	Transition period		New student centred funding system		
Student entitlement funding	Transition to student centred funding model		Student centred funding model		
Increased indexation		Conditional funding (equivalent to improved indexation on T&L grants)	Increased indexation of teaching and learning and research HESA grants		
Performance funding			New performance funding of 2.5% of current teaching and learning grants		
Quality and regulatory framework	Tertiary Education Quality and Standards Agency				
Funding to support low SES participation	2% of T&L funding in 2010	3% of T&L funding in 2011	4% T&L funding from 2012 onwards		
Student income support	Improved targeting of income support New student scholarships Australian Postgraduate Awards stipend increase				
	Independence age reduced to 24 years	Independence age reduced to 23 years	Independence age reduced to 22 years		
		Personal Income Threshold increased to \$400 per fortnight	Income support for all Masters by Coursework programs		
Structural adjustment funding	Structural Adjustment Funding				
Higher Education Loan Program	Higher Education Loan Program reforms: Reduction in HELP repayments for nursing and teaching; increase to student contribution for nursing and teaching; removal of OS-HELP loan fee				
Education Investment Fund	Rounds 1, 2 & 3 and Sustainability Round				
Research initiatives	Sustainable Research Excellence (incremental increase to 2013)				
	Joint Research Engagement				
		Collaborative Research Networks			

Enhanced Research Funding System

