

Regional unis walk away winners

Julie Hare, Higher education editor, The Australian, 11 May 2011

ROB Oakeshott's home town of Port Macquarie will receive \$20 million in seed funding for the development of a multi-partner university campus, as part of a new \$500m Education Investment Fund special round quarantined for rural and regional universities over five years.

Regional universities also won a further \$110m in acknowledgement of the higher costs of delivering higher education in non-metropolitan institutions.

They were the big winners in the budget. After months of unsubstantiated gossip and fearmongering the government has delivered on its core 2009 promises to fund growth in student places and provide indexation.

Universities will this year receive 3.8 per cent indexation, a percentage point higher than last year. This will lead to a further \$550m flowing to the sector over the next four years.

The other scare campaign has been on the government's ability or desire to pay for all the additional students expected to come into the higher education as universities stretch to meet the target of 40 per cent of 25- to 34-year-olds holding a bachelor's degree by 2025.

While universities such as the Australian Catholic University have grown dramatically in the past two years, strong growth in the economy will likely dampen demand for higher education in the future. However the government has put aside a further \$1.2 billion to pay for 500,000 students next year and on an upwards slowing trend from then to 2015, when the total additional funding for the reform is \$3.97b to 2015.

The \$250 Student Services and Amenities fee will add another boost to university coffers when it is passed by parliament. As expected, the government will reduce the discount for paying HECS upfront, providing \$293m over four years.

Universities and higher education providers can expect to be slugged for the compulsory privilege of being audited by the new Tertiary Education Quality and Standards Agency when it gets up and running next year, with it expected to raise \$4m a year to help cover its costs. Performance funding is still on the agenda, with \$400m over four years tied to meeting performance measures on teaching and learning, retention and equity.

But part of the reward funding has been delayed as technicalities over how to create criteria to measure specific outcomes 'student experience and quality learning' are developed. This will bring a saving of \$95m over two years.