

Urgent Outcomes Required from the Bradley and Cutler Reviews

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Relative neglect of universities since 1995



- Progressive erosion of public funding
- Dangerous dependence on income from international students, especially from a limited range of countries and in a limited range of disciplines
- Underinvestment in capital infrastructure
- Low investment in R and D

Core funding 1989 – 2006





Source: DEST Triennium Funding Reports 1989-91 to 2004-06; Higher Education Report 2004-05 and 2005; ABS Consumer Price Index, Australia, March 2007 (Cat No. 6401.0)



UNIVERSITIES AUSTRALIA

Source: DEST Triennium Funding Reports 1989-91 to 2004-06; Higher Education Report 2004-05 and 2005; ABS Consumer Price Index, Australia, March 2007 (Cat No. 6401.0)







Public spend on tertiary education



Public Expenditure on Tertiary Education by Country as percentage of GDP. Source: OECD Education at a Glance 2007: OECD Indicators, table B2.4, p. 208.

Student to Teacher Ratio 1990 to 2005





Source: DEST Higher Education Student and Staff Statistics 1990 to 2000 and DEST Unit Record Files 2001 - 2005 Bond University Management Reports 2001 to 2005

Student: Academic staff ratios



Have risen from 14:1 in 1994 to 20:1 in 2006

International comparators:

Washington University, St Louis	2:1
MIT	4:1
Michigan University	9:1
IITBombay	9:1
Sichuan University	10:1







Sources: OECD Main Science and Technology Indicators, 2007/1; ABS (8110.0) Research and Experimental Development, All Sector Summary 2004-05

Australian government support for science and innovation







Source: ABS Research and Experimental Development (8104.0)

Percentage increase in research investment by UNIVERSITIES entity 2001 - 2006



Source: DEST Triennium Funding Reports 2001-03 to 2004-06; Higher Education Reports 2004-05 and 2005; Unipay Statistics 2006; Science and Innovation Budget 2006-07 and NHMRC research data base 2006



The problem:

- receiving a research grant for a project from ARC or NHMRC covers only a proportion of the direct costs
- the block funds only a proportion of the indirect costs
- the deficit, 50-70c in the dollar must be cross-subsidised

This problem has been addressed in UK, NZ, USA and in other countries

It is a complex but fundamental issue but best to use a tried formula e.g. as in NZ or UK, rather than re-inventing the wheel.

The "Education Revolution" so Far

- Abolition of full-fee U/G places
- Halve HECS rates for science and maths courses
- Increase number of HDR scholarships
- 1000 mid-career fellowships/ increased APAs
- Double number of Commonwealth learning scholarships
- Funding "compacts"
- \$500m BURF, increased IEF to \$11b
- Universities can charge for student services up to \$250p.a.
- Reviews of higher education and innovation

Some Inconsistencies



- International students can enrol outside CSP U/G quota as fee payers, Australian students cannot
- Private universities have CSP places and government subsidised FEE-HELP scheme, yet no restriction on fees or numbers for Australian U/G places
- Public universities receive only 15-40% of their income from government yet have restrictions on fees, numbers of Australian U/G students
- Move for some universities to offer initial professional qualifications as Masters – deregulated (mostly) fees and numbers

Minimum requirements for competitive sector



- 1. Increased government funding proper indexation or other means
 - If this does not eventuate, must have some level of deregulation of fees, perhaps via new funding system
- 2. Increase HEEF/IEF to at least \$20b over 5 years
- 3. Full funding of research infrastructure costs in shortterm increase RIBG to 50c in \$
- 4. Creative use of "compacts" to encourage industry engagement, regional economic development
- 5. Increased student support
- 6. Coordinated indigenous program