

Group Summary

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Hot Topic Briefs

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Higher Education, Research and International 2023–24 Supplementary Budget Estimates

Response/Facts
<p>SB23-000356 - 20,000 extra university places</p> <p>Providing up to \$485.5 million over 2022–23 to 2025–26 (\$587 million to end 2027) to deliver a one-off boost of 20,000 commencing Commonwealth Supported Places (CSPs) for students commencing in 2023 and 2024 only.</p> <p>The CSPs are for sub-bachelor and bachelor courses. 42 providers will receive \$587 million from 2023 to 2028 to deliver 20,038 places commencing in 2023 and 2024 (breakdown by institution and state are at Attachment A).</p> <p>Places have been allocated to courses in areas of skills need to providers who were most readily able to demonstrate capacity to deliver and support students from underrepresented backgrounds.</p> <p>Each provider's final funding amount will be subject to actual utilisation of their allocation. The department will monitor providers' ongoing enrolment data as part of our standard process of estimating and verifying data.</p>
<p>SB23-000357 - Accelerator Seed Program - Implementation</p> <p>Australia's Economic Accelerator (AEA) Seed</p> <p>The \$1.6 billion AEA program is part of the Government's university research translation and commercialisation.</p> <p>The AEA will help transform Australia's research translation and commercialisation ecosystem supporting economic growth, real world innovations and productivity gains.</p> <p>The AEA Seed offered a total of \$10.172 million in funding through 2 tranches, in 4 of the 7 National Reconstruction Fund (NRF) priorities:</p> <p>Tranche One:</p> <ul style="list-style-type: none"> • renewables and low emissions technologies • medical science, including veterinary science. <p><i>Funding round was open between 6 February 2023 and 17 March 2023. 27 universities submitted 206 proposals.</i></p> <p>Tranche Two:</p> <ul style="list-style-type: none"> • value-add in agriculture, forestry, and fisheries sectors • value-add in resources. <p><i>Funding round was open between 27 March 2023 and 5 May 2023. 30 universities submitted 156 proposals.</i></p> <p>The outcomes of Round 1 were published on the department website on 17 October 2023. The outcomes of Round 2 were published on the department website on 24 October 2023.</p>
<p>SB23-000358 - Australian Universities Accord</p> <p>\$2.7 million has been committed over two years from 2022–23 to deliver the Australian Universities Accord through a 12-month review of Australia's higher education system. Chair is Professor Mary O'Kane AC, with 6 members. As of 1 October 2023, the Panel has met 36 times and now meets weekly.</p> <p>The Panel delivered the Interim Report by 30 June 2023, which the Minister for Education released on 19 July 2023. The Final Report is due before the end of December 2023.</p> <p>The Accord Panel offered briefings to interested senators and members of Parliament on 22 June 2023 and again on 8 and 9 August 2023.</p> <p>The Interim Report recommended 5 priority actions (details in next section).</p>

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The department is undertaking a number of external work packages on a range of topics to inform the deliberations of the Panel and support the development of the Accord Final Report.

Financial year	UCB \$'000				Total
	2022–23	2023–24	2024–25	2025–26	
Budget Allocation	2,100	600	-	-	2,700
Committed	775	237	-	-	1,012
Uncommitted	1,325	363	-	-	1,688

As of 1 October 2023, includes costs paid and costs accrued but not yet paid. Includes Panel remuneration, consultation and work packages.

SB23-000359 - Australian Universities Accord - implementation of Interim Report

The Interim Report included over 70 considerations for change and 5 priorities for immediate actions, which the Government is implementing ahead of the Accord Panel's Final Report:

- University study hubs
 - Double the number of study hubs with up to 20 new Regional University Study Hubs and up to 14 new Suburban University Study Hubs.
- 50 per cent pass rule
 - Abolish the rule and introduce through the *Higher Education Support Amendment (Response to the Australian Universities Accord Interim Report) Bill 2023* the requirement for providers to have a Support for students policy. Legislation was introduced to Parliament on 3 August 2023.
- Demand driven funding for First Nations Students
 - The Government has committed that from 2024 a guarantee of a CSP for First Nations students for a bachelor level course (excluding medicine) when accepted to the chosen course of study at a Table A university.
- Higher Education Continuity Guarantee (HECG) extension
 - HECG will be extended for 2024 and 2025 to provide funding certainty for universities.
- Strengthening university governance
 - A working group of Commonwealth, state and territory officials is developing an action plan containing actions to help ensure universities are safe for staff and students, and universities are good employers with the right governance structures in place.

Financial year	2022–23 (\$m)	2023–24 (\$m)	2024–25 (\$m)	2025–26 (\$m)	2026–27 (\$m)	Total (\$m)
University Study Hubs - Expand RUCs	0.0	5.2	5.3	13.4	10.6	34.4
University Study Hubs - Suburban University Study Hubs	0.0	6.2	7.8	9.1	9.5	32.5
Demand Driven First Nations Students	0.0	2.1	6.0	10.7	15.2	34.1
50 per cent pass rule	0.0	0.5	0.3	0.2	0.1	1.1
HECG extension	0.0	0.0	0.0	0.0	0.0	0.0
University Governance	0.0	0.5	0.0	0.0	0.0	0.5
Total Budget Allocation	0.0	14.4	19.3	33.4	35.4	102.6
Committed	0.0	0.0	0.0	0.0	0.0	0.0
Uncommitted	0.0	14.4	19.3	33.4	35.4	102.6

Note: figures are rounded to one decimal place and as a result totals may not add

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SB23-000360 - HELP indexation and repayments

The *Higher Education Support Act 2003* (HESA) prescribes the indexation on HELP debts, income repayment thresholds, and loan limits. Each has its own Consumer Price Index (CPI)-based formula and date of indexation.

Indexation applied to HELP debts is not interest. Indexation maintains the real value of the debt so that a person repays the same amount, in real terms, regardless of how long they take to repay their loan.

The Accord Panel is looking holistically at access and affordability, including the role of income-contingent loans.

Indexation applied to HELP debt on 1 June 2023 was 7.1 per cent. The indexation rate could not be determined until the March 2023 quarter CPI figure was released on 26 April 2023.

- For an average HELP debt at 30 June 2022 of \$24,771, the indexation on 1 June 2023 was \$1,759.
- Indexation applied on 1 June 2022 was 3.9 per cent, higher than the average rate applied between 2013 and 2022 of 2.0 per cent.

Indexation on HELP repayment thresholds for the 2023–24 income year is 6.6 per cent, and the minimum repayment income is \$51,550 (it was \$48,361 in 2022–23).

If indexation was frozen or removed there would be an increase in taxpayer contributions to service HELP debt across its life. The Minister for Education has asked the department to work with the Australian Tax Office on the timing of pay-as-you-go payments and calculation of indexation. This work is ongoing.

SB23-000361 - Higher Education Support Act Amendment (Response to the Australian Universities Accord Interim Report) Bill 2023

To facilitate Priority Actions 2 and 3 the Higher Education Support Amendment (Response to the Australian Universities Accord Interim Report) Bill 2023 (the Bill) was introduced to Parliament on 3 August 2023.

The Bill seeks to amend the Higher Education Support Act 2003 (HESA) to:

- expand eligibility for supported places in demand driven higher education courses to all First Nations students
- remove the current requirement that students must pass 50 per cent of the units they study to remain eligible for a Commonwealth supported place and FEE-HELP assistance
- require higher education providers to have, and comply with, policies to support students to successfully complete units of study in which they are enrolled.

Between 16 August 2023 and 22 September 2023, the department released a Consultation paper on the Support for students policy, receiving 55 submissions. On 13 October 2023, the department released the draft Higher Education Provider Amendment (Support for Students Policy) Guidelines 2023 on its website.

On 10 August 2023 the Bill was referred to the Education and Employment Legislation Committee with the report tabled on 27 September 2023. The Bill passed on 19 October 2023 with one amendment.

SB23-000362 - Integrity in the International Education Sector

The Rapid Review into the Exploitation of Australia's Visa System (Nixon Review) and the Review of the Migration System (Migration Review) identified serious integrity issues in the international education sector.

Of the 34 Recommendations in the Nixon Review, the Government has agreed to 24 recommendations, noted 8 recommendations and disagreed with 2 recommendations, on the basis that they are in conflict with the Government's interpretation of Australia's international obligations, including the right of individuals to freely choose work.

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A loophole has already been removed that was used to move students who had been in the country less than 6 months to new providers to facilitate work instead of study.

The department will work closely with the Departments of Home Affairs, the Department of Employment and Workplace Relations (DEWR) and the regulators, Tertiary Education Quality and Standards Agency (TEQSA) and Australian Skills Quality Authority (ASQA) on initiatives to increase accountability of education providers and their agents.

The department is delivering initiatives to strengthen integrity in international education in response to the Migration and Nixon Reviews, including:

- amending the fit and proper provider test for international education providers
- encouraging transparency by publishing agent performance information
- prohibiting agent commissions on onshore student transfers between providers, and
- developing whole-of-system risk indicators, to form the basis of a risk monitoring framework that will drive compliance activity by regulators.

We are working towards an implementation date of 1 July 2024 for measures that are not dependent on changes to the Education Services for Overseas Students Act 2000 (ESOS Act).

SB23-000363 - Regional University Study Hubs and Suburban University Study Hubs

Priority Action 1 of the Accord Interim Report is to extend visible, local access to tertiary education by creating further Regional University Study Hubs and to expand the concept to outer suburbs of major cities for the first time.

On 18 July 2023 the Minister for Education announced \$66.9m to double the number of university study hubs, with up to 20 new Regional University Study Hubs and up to 14 new Suburban University Study Hubs.

Up to 20 new Regional University Study Hubs will be delivered across two streams of up to 10 study hubs each.

A competitive application process for stream one opened on 28 September 2023 and closes on 15 December 2023. Eligible community-owned organisations are invited to apply to establish a hub in a regional or remote location. Successful applicants are expected to commence operations from mid-2024.

There are 34 existing Regional University Study Hubs located in all states and the Northern Territory. Data from 2023 show the hubs are supporting more than 3400 students, studying more than 1000 different courses, through more than 200 tertiary education providers. Of these students:

- 1,389 (41 per cent) identified as being first in their family to undertake university
- 369 (11 per cent) identified as Aboriginal and/or Torres Strait Islander
- 1,969 (58 per cent) were over the age of 25.

An independent Scoping Study to support the selection of locations for new Regional Hubs was finalised in December 2021. The report is available on the department's website. The model was updated with the latest data sets in 2023.

The Scoping Study resulted in the development of a Regional Needs Model, which compiles datasets and analyses regional data across economic, demographic, education and industry measures to determine a region's level of need and readiness to establish a Regional University Study Hub.

Suburban Hubs will offer improved access and flexibility, with wrap around support, for tertiary students in outer metropolitan areas of Australia.

Similar to the facilities and support provided by Regional Hubs, Suburban Hubs will provide physical infrastructure such as computer facilities, internet access and study spaces, as well as in-person administrative and academic skills and wellbeing support for students undertaking tertiary study through any Australian institution.

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A Consultation Paper was developed to seek input on the design and implementation of the Suburban Hubs Program. Submissions opened on 3 September 2023 and closed on 2 October 2023. A total of 43 submissions were received, and a small number of organisations have been granted extensions.

SB23-000364 - Research Programs

University research and innovation, industry collaboration and research translation pathways are being boosted through major Australian Government investments such as AEA, the Trailblazer Universities Program, National Industry PhD Program and the ARC Industry Fellowships Program.

Over the next four years (2023–24 to 2026–27), the portfolio will invest around \$16 billion in Research and Development (R&D). This includes:

- \$9.2 billion through research block grants
- \$1.7 billion through the National Collaborative Research Infrastructure Strategy
- \$4.0 billion provided through the Australian Research Council (ARC)
- \$0.9 billion provided to support university research commercialisation through Australia's Economic Accelerator (AEA), Trailblazer Universities Program and National Industry PhD Program.

SB23-000365 - Review of the Australian Research Council Act 2001

On 22 August 2023 the Minister for Education announced the Government response to the ARC Review, agreeing or agreeing in principle, to all 10 recommendations of the review panel.

A key recommendation is the establishment of an ARC Board with the responsibility of appointing the ARC CEO and approval of grants within the National Competitive Grants Program (NCGP). Legislation is being drafted to establish the Board and have it operate from 1 July 2024, subject to passage of the legislation.

To strengthen the integrity of the ARC grant allocation process, the Board would approve research grants following recommendations by the College of Experts. The Minister for Education will retain authority to approve nationally significant program investments, such as Centres of Excellence.

ARC grant guidelines will be set by the Minister for Education and be disallowable legislative instruments, subject to the scrutiny of Parliament.

The Minister for Education will also have the power to direct the ARC not to fund, or to recover funds from, research grants where a national security risk is identified.

The Minister for Education requested, and the ARC has commissioned, work that does not require legislative changes – supporting fellowships and academic careers (recommendation 3), advancing Indigenous Australians (recommendation 4), management and consultation (recommendation 8), and simplifying and streamlining best practice for the NCGP (recommendation 9iii).

SB23-000366 - Startup Year

Startup Year supports students' participation in accelerator programs at higher education providers to encourage innovation and support the startup community, including social innovation and community-based entrepreneurship.

Startup Year aims to support participation by those underrepresented in the startup ecosystem, including First Nations Australians, people with disability and women, along with startups solving regional and rural issues.

On 22 June 2023 the *Education Legislation Amendment (Startup Year and Other Measures) Act 2023* passed Parliament establishing STARTUP-HELP loans for people to defer course fees.

Startup Year will be rolled out through a pilot, commencing in February 2024, with an aim to encourage diversity in providers and course offerings. This will test program design, student demand and providers' arrangements to successfully deliver the program prior to full implementation.

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So far as reasonably practicable, at least 25% of people selected for receipt of STARTUP-HELP assistance will be enrolled at a regional university.

Eligible providers were invited to bid for an allocation of STARTUP-HELP places between 14 and 27 August 2023. 12 universities were selected to progress to the course design phase.

SB23-000367 - Strengthening Governance including campus safety

Priority Action 5 from the Australian Universities Accord Interim Report recommended the Australian Government immediately commence engagement with the states and territories to strengthen university governance.

The working group of Commonwealth, state and territory officials with responsibility for higher education is developing an action plan based on 3 core themes:

- as an urgent priority, ensuring student and staff safety through the prevention of sexual assault, harassment and discrimination, including on university campuses and in student residential settings
- positioning universities as exemplary employers through strengthened responses to workplace rights
- ensuring contemporary and responsive governance of university councils.

Education Ministers agreed to hold a special-purpose Education Ministers Meeting in November to consider the Working Group's advice.

On 9 August 2023, the Hon Jason Clare MP, Minister for Education appointed the CEO of Our Watch, Ms Patty Kinnersly, as an Expert Adviser to the Working Group to provide advice on safety in university communities.

Ms Kinnersly is supported by a Gender-Based Violence Stakeholder Reference Group, comprised of subject matter experts, student leaders and victim-survivor advocates.

Consultation with the sector and relevant stakeholders is being undertaken to inform progress on supporting universities to be exemplary employers and on governance of university councils.

SB23-000368 - TCSI Student Loan Remediation

In late 2022 the department identified a small proportion of seriously delayed higher education student loans had not transferred to the ATO due to missing information. These loans are linked to study undertaken between 2004 and 2022, with most from between 2020 to 2022.

As at mid-August 2023 this issue affected approximately 13,748 individuals from 104 higher education institutions with loans valued at \$74 million in total.

The delayed loans would normally be subject to the immediate application of prior year indexation, some for multiple years. The Government has decided that affected loans will have indexation waived for 2023 and any prior years. This will ensure that affected individuals are not unfairly financially disadvantaged.

The department has worked with higher education providers since early 2023 to resolve the delay, including 416 support meetings and additional working level engagement.

- Most data issues can only be resolved by higher education providers in partnership with students.

The department has directly engaged affected individuals to offer support and ensure any concerns are resolved before the transfer of delayed loans to the ATO.

Resolved delayed student loans linked to approximately 9,055 affected individuals have been successfully transferred to the ATO since 30 August 2023.

The department has written to all affected individuals after the transfer of their delayed student loans to ensure they understand all support options available to them.

Issue: 20,000 extra university places
PBS Pg No. 13, 16
Contact: Ben Rimmer
Ph: s 22
Deputy Secretary

Key Points

- The Australian Government is providing up to \$485.5 million over 2022–23 to 2025–26 (\$587 million to the end of 2027) to deliver a one-off boost of 20,000 commencing Commonwealth Supported Places (CSPs).
- These CSPs are for commencement in 2023 and 2024 **only**, to increase opportunities for students from underrepresented groups to access a higher education, and meet national skills needs. Funding for these places will terminate by the end of 2027.
- Places can be delivered for approved sub-bachelor and bachelor level courses. Providers are not able to use these CSPs for postgraduate courses.
- Of a total 51 providers eligible to apply for these CSPs, the department received applications from 42 providers, requesting a total of 37,606 EFTSL, equivalent to \$1,296 million in funding from 2023 to 2028.
- In total, 42 providers will receive \$587 million from 2023 to 2028 to deliver 20,038 places commencing in 2023 and 2024 (breakdown by institution and state are at [Attachment A](#)). This includes:
 - Table A Universities have been allocated 19,329 additional places amounting to \$566 million from 2023 to 2028
 - University Colleges have been allocated 170 additional places amounting to \$7 million from 2023 to 2028
 - Table B Universities (including Avondale) have been allocated 340 additional places amounting to \$6 million from 2023 to 2028
 - eligible non-university higher education providers have been allocated 199 additional places amounting to \$8 million from 2023 to 2028.
- The fields of education which received the highest levels of funding were Education and Nursing, which received \$160 million (28%) and \$128 million (22%) respectively (further data on disciplines funded and the skills list used in assessment is at [Attachment B](#)).
- Each provider's final funding amount will be subject to actual utilisation of their allocation.

- On 24 August 2022 Professor Andrew Norton published an article on his blog titled *'The legal and bureaucratic problems of the government's 20,000 additional student places policy'* which commented on the legal and implementation challenges associated with the measure.
 - Professor Norton noted that Section 30-10 of the *Higher Education Support Act 2003* (HESA) does not give the Minister the power to allocate student places to Table A institutions except in the case of designation. Only medicine is currently designated. For all other higher education courses, the unit of allocation is dollars with section 30-10(1) specifically noting that the Minister does not allocate places to Table A providers in respect of higher education courses.
 - However, section 30-25(2) of HESA allows for university funding agreements to specify conditions to which grant amounts made to universities are subject. This is the manner in which funding for the 20,000 places has been allocated, with additional advances for each recipient separately listed in their funding agreement for use to deliver a specified number of places against named courses.
 - While Professor Norton noted that this usage of section 30-25(2) is lawful, he argued that it is not in line with the intentions of changes made to HESA by the Job-ready Graduates (JRG) legislation to provide more flexibility in relation to the usage of funding.
 - Professor Norton also noted that the implementation of this measure required changes to the *Commonwealth Grant Scheme Guidelines 2020*. These necessary changes had been considered and drafted by the department prior to the publication of Mr Norton's article and were signed off by Minister Clare on 6 December 2022.
- As the department advised at the hearing in February, development of the scheme was subject to legal advice. As per the department's response, the Commonwealth does not release legal advice. *Refer to tabled question on notice SQ23-000084.*
- The department will monitor universities and providers' ongoing enrolment data around the utilisation of these places. This will include additional provider reporting as part of standard estimates processes to ensure places are being utilised for the targeted groups and skills.
- Verified data on enrolments in these places from 2023 will not be available until 2024, though interim data on allocation usage is being collected from participating providers.

Stakeholder Response

- On 20 December 2022 Group of Eight Chief Executive, Vicki Thomson, wrote to then Deputy Secretary of the HERI Group, Tony Cook, asking for greater flexibility to move allocated places between Funding Clusters and that the measure be extended beyond 2023 and 2024 commencements.
 - Places under this measure were allocated to courses in areas of skills need to providers who were most readily able to demonstrate capacity to deliver and support students from underrepresented backgrounds.
 - Specific concerns were raised about the allocation of CSPs to Funding Cluster 1 courses that had not been requested by providers. The department has worked with universities to ensure that these places can be delivered against courses which meet skills need requirements.

Media

- ***Charles Sturt University (CSU) – “V-C: give regional universities first dibs on extra equity places” Times Higher Education – 14 September 2022***

Vice-Chancellor Professor Renée Leon commented that the decision to allocate the new places to socially disadvantaged students could inadvertently weaken regional institutions due to “unrestrained competition”. Professor Leon said that places should be preferentially allocated to regional universities with strong equity track records.

The assessment process included criteria that rated providers with strong equity track records more favourably. CSU was allocated \$27.2 million over 2023–2027 under this measure, which was the 9th largest allocation under the measure.

Other documentation / Attachments

- [Attachment A](#) – Allocation of places by provider and jurisdiction
- [Attachment B](#) – Allocations by discipline and skills assessment information.

Date Last Cleared	17 October 2023
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BACKGROUND

- At a previous Senate Estimates hearing Senator Sarah Henderson raised concerns about the legality of the 20,000 places measure following Professor Norton's article. The department provided assurances that all relevant instruments had been drafted by lawyers and were consistent with HESA. Senator Henderson then asked that the department take on notice to provide all correspondence and legal advice that it had received in relation to the measure.
 - Following consultation with the Attorney-General's Department and the HERI legal team, the department responded to Senator Henderson in April 2023 noting that it is the long-standing practice of successive Australian governments not to disclose privileged legal advice, including constitutional advice, in order to preserve the public interest in maintaining legal professional privilege (SQ23-000084 refers).
- At previous Senate Estimate hearings there was some confusion over the number of places provided under the measure based on a media release which listed out 13,389 places allocated to high priority disciplines (questions on notice: SQ22-000224 and SQ22-000315 refer). These 13,389 places represent a summation of the places allocated to the top 5 priority areas as listed in the Minister's media release published on 23 October 2022 as per the below:
 - Education – 4,036 places
 - Nursing – 2,600 places
 - Information technology – 2,275 places
 - Health professions (including pharmacy and health science) – 2,740 places
 - Engineering – 1,738 places
- In total, 20,038 places were allocated under the measure with another 6,649 places having been allocated to other areas of skills shortage in addition to the above.
- A complete breakdown of allocated places by provider and state has been provided in response to a question on notice from Senator Henderson at the previous estimates hearings (SQ23-000080 refers).
- Additional details as to the methodology used to allocate places across courses and providers was also included in the answer to SQ22-000315.

		Requested places	Allocation (places)	Allocation \$	Share of allocation (\$)
Provider					
ACT	The Australian National University	238	237	3,545,772	0.6%
	University of Canberra	295	108	2,822,026	0.5%
	Total ACT	533	345	6,367,798	1.1%
Other	Torrens University	950	148	5,423,290	0.9%
	Australian Catholic University	749	715	23,361,557	4.0%
	Total other	1,699	863	28,784,847	4.9%
NSW	Charles Sturt University	2,250	1,084	27,229,961	4.6%
	Southern Cross University	1,129	932	26,820,859	4.6%
	The University of Newcastle	2,473	967	28,713,618	4.9%
	University of Wollongong	1,410	936	29,265,179	5.0%
	University of New South Wales	1,500	733	24,597,139	4.2%
	Western Sydney University	1,604	755	24,494,237	4.2%
	Macquarie University	750	488	11,296,993	1.9%
	University of Technology Sydney	480	480	16,439,823	2.8%
	The University of Sydney	537	195	5,421,060	0.9%
	Alphacrucis College	425	170	7,026,524	1.2%
	Avondale University	200	64	219,468	0.0%
	The University of New England	63	63	1,622,559	0.3%
	Total NSW	12,821	6,867	203,147,419	34.6%
NT	Charles Darwin University	3,899	831	29,322,516	5.0%
	Total NT	3,899	831	29,322,516	5.0%
Qld	Queensland University of Technology	1,204	780	27,362,463	4.7%
	The University of Queensland	700	379	8,381,113	1.4%
	CQUniversity	365	364	7,194,713	1.2%
	James Cook University	1,000	123	3,987,230	0.7%
	University of the Sunshine Coast	415	120	4,088,098	0.7%
	University of Southern Queensland	113	113	2,474,020	0.4%
	Total Qld	3,797	1,879	53,487,637	9.1%
SA	The University of Adelaide	890	890	28,272,254	4.8%
	University of South Australia	600	600	16,245,120	2.8%
	Flinders University	155	155	3,665,067	0.6%
	Total SA	1,645	1,645	48,182,441	8.2%
Tas	University of Tasmania	1,450	292	5,493,442	0.9%
	Total Tas	1,450	292	5,493,442	0.9%

Vic	Monash University	1,130	934	26,665,353	4.5%
	Victoria University	1,660	890	28,143,082	4.8%
	RMIT University	1,124	740	18,043,407	3.1%
	Deakin University	800	652	19,761,386	3.4%
	Swinburne University of Technology	495	464	13,071,587	2.2%
	The University of Melbourne	840	276	5,885,391	1.0%
	MCD University of Divinity	200	128	354,982	0.1%
	Eastern College Australia	150	92	3,785,465	0.6%
	Holmesglen Institute of TAFE	100	64	3,239,414	0.6%
	Melbourne Polytechnic	270	43	1,209,215	0.2%
	Total Vic	6,769	4,283	120,159,282	20.5%
WA	Curtin University	2,280	1,023	29,041,721	4.9%
	Edith Cowan University	1,000	840	28,917,817	4.9%
	University of Notre Dame Australia	980	613	24,061,274	4.1%
	The University of Western Australia	488	319	4,085,093	0.7%
	Murdoch University	245	237	5,867,796	1.0%
	Total WA	4,993	3,033	91,973,702	15.7%
Total	37,606	20,038	586,919,083	100%	

Eligible providers that did not apply

Federation University Australia
 Griffith University
 La Trobe University
 Bond University
 Christian Heritage College
 Tabor Adelaide
 National Institute of Dramatic Arts
 Moore Theological College
 Australian Film, Television and Radio School

Allocated Places	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	Other	Total
Education	1,351	870	213	76	1,126	-	195	15	190	4,036
Nursing	1,084	376	216	60	366	54	198	10	236	2,600
Engineering	747	243	316	227	85	49	52	20	-	1,738
Information Technology	827	556	210	428	78	-	11	40	126	2,275
Health	525	652	206	430	510	79	181	46	110	2,740
Other Funding Cluster 3	55	42	32	34	20	-	14	6	-	203
Other Funding Cluster 2	100	169	21	80	11	-	69	-	-	450
Funding Cluster 1	2,177	1,376	665	311	836	110	111	208	202	5,996
Total	6,867	4,283	1,879	1,645	3,033	292	831	345	863	20,038

		Places to be delivered			Associated Funding 2023—2027
		2023	2024	Total	
PRIORITY BACHELOR	Education	1,800	1,800	3,600	\$ 148,395,288
	Nursing	1,200	1,200	2,401	\$ 121,369,985
	Engineering	494	488	982	\$ 49,666,318
	IT	850	831	1,681	\$ 69,278,133
	Health	880	867	1,747	\$ 71,993,371
	Other Cluster 2	150	195	345	\$ 14,263,725
	Other Cluster 3	45	62	107	\$ 5,428,864
	Total priority bachelor	5,419	5,443	10,862	
PRIORITY SUB-BACHELOR	Education	193	244	436	\$ 11,261,752
	Nursing	47	152	199	\$ 6,368,446
	Engineering	295	461	756	\$ 23,989,444
	IT	300	294	594	\$ 15,283,653
	Health	500	493	993	\$ 25,531,478
	Other Cluster 2	42	63	105	\$ 2,715,253
	Other Cluster 3	34	62	96	\$ 3,052,348
	Total priority sub-bach	1,411	1,769	3,180	
Total priority places		6,830	7,212	14,042	
Cluster 1 places any FOE	Bachelor	2,170	2,149	4,320	\$ 14,751,048
	Sub-bach	856	820	1,676	\$ 3,569,979
Total places		9,856	10,181	20,038	\$ 586,919,083

Attachment B

National priority areas*Allocation of CSPs*

CSP allocation processes took into account the ability of identified courses to meet the Government's commitment to address skills shortages labour force needs. Priority was given to courses addressing current National Labour Market shortages areas, have a strong level of expected future demand, and account for the largest levels of expected growth in employment opportunity.

Areas identified in election commitment

The Government's election commitment identified the following areas of national priority to help fix areas of skill shortages and to fill future skills needs:

- Nursing
- Engineering
- Health and aged care
- Teaching (including early childhood teachers)
- Disability care
- Digital and cybersecurity
- Advanced manufacturing
- Clean energy

National Skill Commission (NSC) Skills Priority List 2021¹

The NSC regularly reviews the national skills needs of Australia and produces the Skills Priority List (SPL). The SPL provides a current labour market rating and a future demand rating for occupations.

The future demand rating, ranked as soft, moderate or strong, is a proportional measure that expresses the prospects for an occupation relative to that occupation's size. The SPL provides a crucial piece of labour market analysis on occupations that inform NSC advice on a range of labour market issues.

The below table summarises the SPL and lists occupations facing national shortages, with strong or moderate future demand levels, and where a bachelor degree or higher educational attainment level is required.

Broad Occupation Field	Expected Future Demand	Current National Labour Market Rating
Managers	Moderate/Strong	Shortage
Accountants	Strong	Shortage
Auditors	Strong	Shortage
Engineers	Strong	Shortage
Scientists	Moderate/Strong	Shortage/Regional Shortage
Health Professionals	Moderate/Strong	Shortage/Regional Shortage
Nurses	Moderate	Shortage
ICT Professionals	Strong	Shortage
Psychologists	Strong	Shortage

Table D.1. (below) contains a detailed list of these occupations.

¹ [Skills Priority List | National Skills Commission](#)

Attachment B*NSC Employment Projections to 2026 (29 March 2022)²*

Each year the NSC produces employment projections by industry, occupation and required skill level for the following five years. The following employment projections are based on forecast and projected total employment growth rates published in the 2021–22 Mid-Year Economic and Fiscal Outlook and Labour Force Survey employment data to November 2021.

Occupations listed in the table below represent those skills areas that require a bachelor degree or higher educational attainment level where the NSC has projected employment levels will increase by over 10,000 workers between 2021 and 2026. **Areas with employment levels projected to increase by over 10,000 workers between 2021-2026**

Occupation	Projected employment growth - five years to November 2026 ('000)
Human Resource Managers	19.3
Construction Managers	11.4
ICT Managers	14.4
Other Specialist Managers	11.2
Accountants	17.9
Human Resource Professionals	10.3
Management and Organisation Analysts	28.2
Other Information and Organisation Professionals	13.3
Graphic and Web Designers, and Illustrators	13.9
Early Childhood (Pre-primary School) Teachers	10.6
University Lecturers and Tutors	10.6
Registered Nurses	40.4
Software and Applications Programmers	42.2
Database and Systems Administrators, and ICT Security Specialists	29.1
Solicitors	20.4

² [Projecting employment to 2026 | National Skills Commission](#)

Issue: Accelerator Seed Program - Implementation
PBS Pg No. Pages 58, 59
Contact: Ben Rimmer
 Ph: s 22
 Deputy Secretary, HERI

Key Points

Australia's Economic Accelerator (AEA) Seed

- The AEA Seed is the pilot program for the proof-of-concept grants, known as AEA Ignite.
- The pilot was established and conducted to test and refine processes and procedures for the AEA program proper.
- The AEA Seed offered a total of \$10.172 million in funding through two tranches, in four of the seven National Reconstruction Fund (NRF) priorities.

Tranche One:

- renewables and low emissions technologies
- medical science, including veterinary science.

Tranche Two:

- value-add in agriculture, forestry, and fisheries sectors
- value-add in resources.

- Across Tranches One and Two, a total of \$97.827 million was requested for 362 proposals.

Tranche One

- The funding round opened on Monday 6 February 2023 and closed on Friday 17 March 2023.
- A total of 206 proposals were received by the deadline, requesting a total of \$55.867 million in funding.
- 27 of the 42 eligible universities submitted proposals to Tranche One.
- Regional participation in Tranche One:
 - Universities were classified as regional universities based on the Australian Statistical Geography Standard (ASGS).
 - 6 (3%) of the 206 proposals were submitted by regional universities.
 - All 6 proposals were submitted by male Lead Entrepreneurs.
 - One (4.8%) of 21 grants was awarded to a regional university; or 4.8% of the proposals funded.

- Breakdown by gender for Tranche One:
 - 24% of Lead Entrepreneurs identified as female
 - 76% of Lead Entrepreneurs identified as male.

Tranche Two

- This funding round opened on Monday 27 March 2023 and closed on Friday 5 May 2023.
- A total of 156 proposals were received by the deadline, requesting a total of \$41.960 million in funding.
- 30 of the 42 eligible universities submitted proposals to Tranche Two.
- Regional participation in Tranche Two:
 - Universities were classified as regional universities based on the Australian Statistical Geography Standard (ASGS).
 - 13 (8%) of 156 proposals were submitted by regional universities.
- Breakdown by gender for Tranche Two:
 - 28% of the Lead Entrepreneurs identified as female
 - 72% of the Lead Entrepreneurs identified as male
 - 0.6% of the Lead Entrepreneurs were unspecified.

Tranche One notification of outcomes

- On Monday 1 August 2023, all 206 applicants to AEA Seed Tranche One were notified, under embargo, of the outcomes. 21 proposals were successful:
 - 11 aligned with the renewables and low emission technologies priority area.
 - 10 aligned with the medical science priority area.
- The department emailed the relevant Research Office with the lead applicant copied in.
- There were 3 types of notification ([Attachment A](#)):
 - Successful: included a draft of the Conditions of Grant relevant to the application, with instructions to confirm acceptance by 4pm on Friday 11 August 2023.
 - 4 extensions to this deadline were granted. The extension did not provide unfair advantage to any of the applicants.
 - 117 Unsuccessful for generic reasons.
 - 68 applicants were Unsuccessful: did not adhere to Section 3.1 Grant Amounts of the Guidelines, which state that proposals

seeking more than \$200,000 must identify and cost at least 2 phases of work that break the project into distinct steps.

- Applicants whose proposals were deemed ineligible have been advised that they can seek feedback through the AEA Expert Advisers and apply for future funding rounds of the AEA.
- The department published outcomes of successful Tranche One projects on the AEA Seed website on 17 October 2023.

Tranche Two notification of outcomes

- On Tuesday 24 October 2023, the 24 successful applicants to AEA Seed Tranche two were notified of the outcomes
 - 9 value-add in agriculture, forestry and fisheries sectors
 - 11 value-add in resources
 - 2 renewables and low emission technology
 - 2 medical science.
- The department has provided successful applicants with received their draft Conditions of Grant relevant to the application, with instructions to confirm acceptance by Friday 27 October 2023.
- Unsuccessful applicants were notified on 24 and 25 October 2023. The department provided them with the same advice as unsuccessful applicants received in Tranche One.
- The department published outcomes of successful Tranche Two projects on the AEA Seed website on 17 October 2023.

Stakeholder Response

Stakeholder	Response summary
AEA Seed applicants/Researchers opening of rounds	<p>AEA Seed Tranche One</p> <p>173 emails (eligible lead entrepreneurs/employees of eligible institution) seeking further guidance or clarification pertaining to AEA Seed Tranche One were received and responded to, usually within 24 hrs.</p> <p>AEA Seed Tranche Two</p> <p>No enquiries were recorded for Tranche Two as the department had amended advice on website advising potential applicants to contact their relevant Research Office for support and advice.</p>
Applicants who received notification of outcomes of AEA Seed Tranche One on 1 August	<p>16 applicants have written seeking to appeal the outcome.</p> <p>The AEA Seed Guidelines and FAQ clearly state that there is no appeals process for AEA Seed.</p> <p>Page 18 of the AEA Seed Guidelines do provide information on how to make a complaint.</p>

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Stakeholder	Response summary
Applicants to Tranche Two	<p>9 applicants have written seeking advice on when outcomes for Tranche Two will be provided.</p> <p>On 24 October 2023, the department published the list of 24 successful Tranche Two projects.</p> <p>All 156 applicants to AEA Seed Tranche Two were notified of the outcomes of the funding round.</p>

Media

- ***\$1.6 billion research commercialisation program's false start, InnovationAus, 17 October 2023***

The article states that an administrative process has revealed the first recipients of AEA Seed funding. The article notes that the AEA was announced 18 months ago and that the full program was intended to launch in late 2023. The article also states that an oversubscription of the program forced a delay in the assessment and announcement of grant recipients. The article quotes an Education spokesperson who said that the AEA program is expected to launch in 2024 and that the department is in the process of setting up interim arrangements for the advisory board. ([Attachment B](#))

- ***Brilliant ideas rejected as scheme overwhelmed by demand, Australian Financial Review, 11 August 2023***

The article contended that the AEA Seed program had been overwhelmed by applications and that proposals were unfairly rejected due to lack of capacity and a desire to improve the program's success rates ([Attachment C](#)).

Other documentation / Attachments

[Attachment A](#) – Sample AEA Seed notification letters

[Attachment B](#) – InnovationAus article of 17 October 2023

[Attachment C](#) – AFR article of 11 August 2023

[Attachment D](#) – 2023 AEA Seed Grant Frequently Asked Questions

Date Last Cleared	25 October 2023
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BACKGROUND

What is the Australia's Economic Accelerator (AEA) program?

- The \$1.6 billion AEA program is part of the Government's university research translation and commercialisation.
- The AEA will help transform Australia's research translation and commercialisation ecosystem supporting economic growth, real world innovations and productivity gains.
- The AEA program is a stage-gated competitive grant program designed to bridge the gap between basic research and commercialisation. The program is aligned with the 7 National Reconstruction Fund priorities, including renewables and low emissions technologies.
- The AEA Seed was introduced as a pilot ahead of full program implementation.
- The department published a Frequently Asked Questions guide for applicants ([Attachment D](#)).

How was the assessment process conducted?

- The Research Management System (RMS) was used to manage the application and assessment processes as Australian universities are familiar with the system.
- AEA Seed proposals were assessed against the selection criteria listed under Section 6 of the Guidelines (pages 12 and 13).
- Proposals deemed eligible were assigned and assessed by 2 independent expert advisers. The Australian Research Council's alphanumeric scoring system was utilised, and scores were recorded in the RMS prior to the moderation meetings taking place.
- The criteria were weighted as follows:
 - Project impact: 4%.
 - Capacity, capability, and resources to deliver project: 30%.
 - Commercial opportunity: 10%.
 - Research feasibility: 10%.
 - Engagement with industry and/or commercial partners: 10%.
- The total number of proposals considered for moderation was driven by the quantum of funding available for each priority area.
- For Tranche One and Tranche Two, this quantum was \$2.5 million per priority area.
- Based on the expert advisers scores, a merit list of eligible proposals was created for consideration at moderation meetings.
- A reserve list (up to 5 applications per priority area) was then created and discussed at the moderation meeting, should any of the recommended proposals not proceed or recipients decline the grant.

When were the moderation meetings held?

- Tranche One Renewables and low emissions technologies moderation took place in Canberra on Monday 19 June 2023.
 - 5 assessors, including the AEA Executive Director attended in person.
 - 4 assessors participated online via Teams.
- Tranche One Medical Science moderation took place in Canberra on Tuesday 20 June 2023.
 - 3 assessors, including the AEA Executive Director attended in person.
 - 5 assessors participated online via Teams.
- Tranche Two Value-add in agriculture, forestry and fisheries moderation took place in Canberra on Tuesday 18 July 2023.
 - All 15 AEA Expert Advisers as well as the AEA Executive Director participated in person.
- Tranche Two Value-add in resources moderation took place in Canberra on Wednesday 19 July 2023.
 - All 15 AEA Expert Advisers as well as the AEA Executive Director participated in person.

How was the AEA Executive Director selected?

- In April 2022, Mercer was retained to identify a suitable candidate to perform the role of Senior Priority Manager, also known as the AEA Executive Director.
- Total cost of the consultancy was \$46,200 (GST inclusive). Mercer was asked to identify highly qualified, experienced, and motivated business and technology experts for consideration. Contract number CN3865609 (Austender).
- A talent map identified 17 potential candidates as having the desired mix of knowledge, skills and experience in investment management, commercial and licensing negotiation, intellectual property, and technology transfer, as well as in the establishment of research industry partnerships. Of the 17 candidates, 11 were male and 6 were female.
- 15 candidates accepted the invitation to participate in the socialisation workshops.
- The department held 2 socialisation workshops, chaired by the First Assistant Secretary Research Division, to further assess the candidates' skills and suitability for the role.
 - The first was held in Canberra on Tuesday 5 July 2022, with 7 candidates.
 - The second workshop took place in Melbourne on Tuesday 9 August 2022, with 8 candidates.
- Following these workshops, the department developed a shortlist and reference checks were conducted. The First Assistant Secretary Research Division made the final decision and offer.
- The successful candidate commenced as AEA Executive Director on 1 May 2023.
- The AEA Executive Director is male.

Who are the AEA Expert Advisers?

- On 1 July 2023, a cohort of 15 Expert Advisers commenced, 11 male and 4 female.
- They bring a range of relevant skills and experience in research, research translation and commercialisation, business development and industry partnerships.
- 2 female Expert Advisers have since resigned to pursue other opportunities in the research commercialisation ecosystem.



Australian Government
Department of Education

[Addressee]

[Cc Lead Applicant]

Dear [Insert RO name]

UNDER EMBARGO

Letter of Agreement – [Insert Application Number]

I am writing to confirm that your application for funding through the Department of Education's Australia's Economic Accelerator (AEA) Seed grants program has been successful. As a result of this outcome, I am pleased to be offering [insert full name of grant recipient and ABN], an Australian Government grant through the Department of Education.

This grant is offered under section 41-20 of the *Higher Education Support Act 2003* in respect of the project set out in the Project Management Plan in Schedule 2, as determined under subsection 41-25(2) of the Act that the Grant is made on the Conditions of Grant contained in Schedule 1. Under paragraph 41-30(b) of the Act, the total amount of the Grant in respect of to this Project is \$[insert].

The attached AEA Seed Conditions of Grant detail the agreement with the Commonwealth, as represented by the Department of Education (ABN 12 862 898 150). Please note that consistent with publicly available notifications on the on the AEA Seed website, these Conditions of Grant are not negotiable. Acknowledging the delayed offer of this grant Project Management Plan timelines may be adjusted to reflect revised start, milestone and completion dates as relevant to this project.

Please confirm receipt of this letter, via email to the AEA Seed Director at accelerator@education.gov.au by 4pm, [insert date], you should include the relevant application number, your name and title. Please also update RMS to confirm receipt of this offer. Detailed instructions of [How a Lead Organisation accepts Grant Offers and Grant Agreements](#) can be found on the RGS website. In doing so you acknowledge that this offer will lapse if the signed documentation is not received by 4pm, on the date specified below.

Together this letter and the signed Conditions of Grant form a legally enforceable agreement in relation to the grant. Please forward a signed, by authorised University representative, copy of the Conditions of Grant, inclusive of Project Management Plan to the AEA Seed Director via email to accelerator@education.gov.au by 4pm, [insert date].

Please note, all information regarding AEA Seed outcomes is under STRICT EMBARGO. Under the embargo period, Administering Organisations can share outcomes with the research team and partner organisations (where applicable). However, they must also comply with the strict embargo conditions and must not publicise the information until the embargo has been lifted. This includes posting comments regarding outcomes in public domains such as social media forums, websites, journals or newspapers.

Important information regarding embargo arrangements for AEA Seed outcomes is available on the ARC website: www.arc.gov.au/news-publications/arc-grant-outcomes-under-embargo.

We will notify you when the embargo has been lifted at the time of full announcement of the grant opportunity. At this time, all successful outcome information will be published on the Department of Education website. Once this occurs, applicants may share any outcomes publicly.

If you have any questions about this offer, please contact accelerator@education.gov.au.

Yours sincerely

Dom English
First Assistant Secretary
Research Division

[Date]



Australian Government
Department of Education

[Addressee]

[Cc Lead Applicant]

Dear [Insert RO name]

UNDER EMBARGO

Determination of Outcome - [Insert Application Number]

I regret to inform you that an omission within grant proposal [Insert Application Number] rendered the proposal ineligible and has therefore been unsuccessful in receiving support through the Australia's Economic Accelerator (AEA) Seed grants.

Considering this, and in acknowledgement of the effort taken to develop this proposal, I would like to suggest that you consider the opportunity to resubmit your proposal to forthcoming AEA Ignite Grant rounds. Below is a summary of the omission.

As per AEA Seed Grant Guideline 3.1, 'proposals seeking more than \$200,000 must identify and cost at least two phases of work that break the project into distinct steps' within the submitted grant application, either phases or milestones were not provided, or these were outlined yet not assigned costing within the provided business case or budget outline.

Despite being unsuccessful in securing an AEA Seed grant, I would like to reiterate that the AEA Seed was a pilot for the proof-of-concept element of AEA. I would like to assure you that the AEA teams are adopting learnings from the AEA Seed and revising the documentation and resources to be provided to future applicants to AEA Ignite and AEA Innovate. As a result, a formal budget template will be developed for all proposals seeking more than \$200,000 with phased costings schedules to prevent similar issues in the future.

The AEA Ignite is due to open for proposals seeking to determine proof-of-concept later this year. Please monitor the Department of Education website for updates.

Please note, all information regarding these AEA Seed outcomes is under STRICT EMBARGO. Under the embargo period, Administering Organisations can share outcomes with the research team and partner organisations (where applicable). However, they must also comply with the strict embargo conditions and must not publicise the information until the embargo has been lifted. This includes posting comments regarding outcomes in public domains such as social media forums, websites, journals or newspapers.

Important information regarding embargo arrangements for AEA Seed outcomes is available on the ARC website: www.arc.gov.au/news-publications/arc-grant-outcomes-under-embargo.

We appreciate the careful thought and time you spent in developing your proposal as well as your commitment to the ongoing evolution of the Australian research commercialisation ecosystem.

Yours sincerely

Dom English
First Assistant Secretary
Research Division

[Date]



Australian Government
Department of Education

[Addressee]

[Application Number]

Dear [RO name]

UNDER EMARGO

Determination of Outcome - [Insert Application Number]

I regret to inform you that after thorough consideration, grant proposal, [Insert Application Number] has been unsuccessful in receiving support through the Australia's Economic Accelerator (AEA) Seed grants.

The program was significantly over subscribed, with a large number of high-quality proposals received. The total funding sought through AEA Seed was an elevenfold excess of the available allocation, the selection of successful grant recipients was subject to a particularly stringent and multifaceted process.

Please note, all information regarding AEA Seed outcomes is under STRICT EMBARGO. Under the embargo period, Administering Organisations can share outcomes with the research team and partner organisations (where applicable). However, they must also comply with the strict embargo conditions and must not publicise the information until the embargo has been lifted. This includes posting comments regarding outcomes in public domains such as social media forums, websites, journals or newspapers. Important information regarding embargo arrangements for AEA Seed outcomes is available on the ARC website: www.arc.gov.au/news-publications/arc-grant-outcomes-under-embargo.

I would like to reiterate that the AEA Seed was a pilot of the AEA Ignite grants. The AEA Ignite is due to open for proposals seeking to determine proof-of-concept of research commercialisation later this year. Please monitor the AEA website for updates.

We appreciate the careful thought and time you spent in developing your proposal as well as your commitment to the ongoing evolution of the Australian research commercialisation ecosystem.

Yours sincerely

Dom English
First Assistant Secretary
Research Division

[Date]

Draft email to University Research Office

Cc: Lead Applicant

Dear [Research Office Contact]

Please find attached a letter advising the outcome of your recent proposal for Australia's Economic Accelerator (AEA) Seed funding.

Kind regards

Dom English
First Assistant Secretary
Research Division
Department of Education



Australian Government
Department of Education

[Addressee]

[Application Number]

Dear [RO name]

UNDER EMBARGO
Determination of AEA Seed Outcomes

I am pleased to be writing to inform you of the successful outcomes of the AEA Seed grants relevant to [insert Lead Organisation], this is provided in the table below for clarity.

I can confirm that the AEA Seed, the pilot of Australia's Economic Accelerator (AEA) proof-of-concept grants program, was significantly oversubscribed. I would like to thank you for the high level of engagement expressed by [insert Lead Organisation].

These decisions were made following careful consideration of all applications as they aligned with the nominated priority areas, eligibility as outlined in the AEA Seed guidelines and following assessment and moderation by the AEA Expert Advisers.

Application ID	Project Title	Lead Entrepreneur	Approved Funding
[insert Application ID]	[insert Project Title]	[insert Lead Entrepreneur]	[insert Approved \$]
		Total	[insert Total \$]

Please note, all information regarding AEA Seed outcomes is under STRICT EMBARGO. Under the embargo period, Administering Organisations can share outcomes with the research team and partner organisations (where applicable). However, they must also comply with the strict embargo conditions and must not publicise the information until the embargo has been lifted. This includes posting comments regarding outcomes in public domains such as social media forums, websites, journals or newspapers. Important information regarding embargo arrangements for AEA Seed outcomes is available on the ARC website: www.arc.gov.au/news-publications/arc-grant-outcomes-under-embargo.

We thank you for your patience and look forward to continuing to work together on this initiative in the future.

Yours sincerely

Dom English
First Assistant Secretary
Research Division

[Date]

18/10/2023, 08:03

\$1.6bn research commercialisation program's false start

InnovationAus.com (https://www.innovationaus.com/)



Research (https://www.innovationaus.com/category/research/)

\$1.6bn research commercialisation program's false start

By [Joseph Brookes](https://www.innovationaus.com/authors/joseph-brookes/) (https://www.innovationaus.com/authors/joseph-brookes/) Senior Reporter



17 October 2023

Share (https://www.innovationaus.com/research-commercialisation-programs-false-start%2F8)

The federal government's \$1.6 billion research commercialisation program has stalled again, keeping universities and researchers on hold for the second time. But an administrative process has revealed the first recipients ahead of an official announcement.

Government documents published this month show at least eight universities will share in \$2.5 million in the protracted pilot phase of Australia's Economic Accelerator (AEA) program.

The bipartisan research commercialisation push was announced 18 months ago and legislated by the Albanese government in March. The first announcements of 'seed' grants were planned for May and June, ahead of full program launch later in the year.



False start: The \$1.6bn AEA program has missed both start dates for its \$10 million pilot

But an inundation of 358 applications seeking 10-times the \$10 million on offer in the pilot forced a delay in assessing and announcing the recipients. The Education department in June set a new target (https://www.innovationaus.com/australias-economic-accelerator-stalls/) of quarter three this year and has

18/10/2023, 08:03

\$1.6bn research commercialisation program's false start

pushed the full launch back to 2024.

The revised deadline for the pilot has passed without an announcement of the first or second tranches of seed grants, but determinations made under the Higher Education Support Act have revealed the first recipients.

Researchers from Macquarie University, UNSW, Monash University, RMIT, University of Melbourne, University of Queensland, University of Southern Queensland, University of Adelaide are all set to receive grants, according to the determination.

Exactly which projects are not revealed in the determination, which also does not necessarily represent an exhaustive list and accounts for only a quarter of the \$10 million slated for the seed stages.

The Education department declined to provide a specific reason for the delay but indicated an official announcement will be made shortly.

There also appears to be delays in announcing the advisory board that will guide the program (<https://www.innovationaus.com/minister-mulls-1-6bn-research-commercialisation-leaders/>) and formulate a five-year strategy and investment plan. InnovationAus.com understands the minister received recommendations for the board and its chair as early as June.

"The AEA program is expected to launch in 2024," an Education department spokesperson said.

"The department is in the process of setting up interim arrangements for the AEA Advisory Board."

The AEA was announced by the Morrison government in February last year as the largest component of a \$2 billion response to a review of Australia's research commercialisation system.

It offers \$1.6 billion in stage-gated funding for university research projects with high translation and commercialisation potential that also align with national research priorities.

The AEA is part of a more strategic federal policy approach to Australian innovation, with successful projects seen as the start of a pipeline that continues with the \$393 million Industry Growth Program and \$15 billion National Reconstruction Fund.

An initial \$10 million has been allocated for the pilot phase of the AEA, which began taking applications in February. The pilot is offering competitive seed grants up to \$500,000 for proof of concept research projects over two tranches.

Tranche one seed grants are for either medical science or renewables or low emissions technologies projects. The second tranche is for either value-add in resources or value add in the agriculture, forestry and fisheries sectors.

The full program launches next year. Eventually, larger grants up to \$5 million over two years will also be available under an AEA Innovate stream for "proof of scale" mid-stage commercialisation projects. These projects need to be farther along the Technology Readiness Level scale and with clear commercial potential.

The AEA received bipartisan support when enabling legislation passed Parliament in March (<https://www.innovationaus.com/500m-research-commercialisation-package-sails-through-parliament/>) with the support of the Greens and independents, with only minor amendments.

Do you know more? Contact James Riley via [Email \(mailto:james@innovationaus.com\)](mailto:james@innovationaus.com).

Related: Australia's Economic Accelerator (<https://www.innovationaus.com/tag/australias-economic-accelerator/>) | commercialisation (<https://www.innovationaus.com/tag/commercialisation/>) | research (<https://www.innovationaus.com/tag/research/>)

14/08/2023, 09:10

Brilliant ideas rejected as scheme overwhelmed by demand

[Work & Careers](#)[Education](#)[Research](#)

Brilliant ideas rejected as scheme overwhelmed by demand



Julie Hare *Education editor*

Aug 13, 2023 - 3.28pm

A new \$1.6 billion research program intended to build national capacity in advanced manufacturing for medical sciences, renewables and low emissions technologies has been accused of overlooking brilliant ideas simply because the bureaucracy was overwhelmed with applications [<https://www.afr.com/policy/health-and-education/careers-on-hold-as-researchers-wait-for-grants-20211202-p59ebr>].

The first round of Australia's Economic Accelerator, which is designed to "develop a pipeline from discovery through to commercialisation" has rejected dozens of applications seeking more than \$200,000.



Millions of tonnes of coffee waste could be redirected to compostable plastics, but the idea was rejected by a government commercialisation fund. **Natalie Boog**

14/08/2023, 09:10

Brilliant ideas rejected as scheme overwhelmed by demand

They include one project with proven intellectual property that produces bacteriophages – or viruses that infect and kill bacteria – and are at the forefront of antibiotic resistance in hospital patients.

Microbiologist Jeremy Barr from Monash University says the discovery has already been used successfully in one patient at the Alfred Hospital in Melbourne.

“The patient had a life-threatening infection and had exhausted all antibiotic options. We have a small manufacturing ability here in our laboratories and this grant was to scale up our capacity,” he said.

Dr Barr applied for \$370,000 but was told his application was ineligible because it did not identify and cost at least two phases of the project.

“I was well aware of that requirement and, in my opinion, had three stages that were broken down and fully costed,” he said.

“I know of two other colleagues at Monash who also requested over \$200,000 and received the exact same wording in their rejection letter.”

At Australian National University, chemical engineer Luke Connal is creating compostable plastic made from coffee waste. He, too, applied for just under \$400,000 and he, too, was rejected because his application did not meet the criteria of breaking the application down into at least two fully costed stages.

He disagrees.

“We had two six-month phases with a full business case for the second six months so we could start commercialising the technology,” Professor Connal said.

Both researchers questioned whether the department had simply been overwhelmed and unable to fully assess the applications on their merit.

Seed funding

A spokeswoman said the first tranche had attracted 206 applications from 27 universities asking for a combined total of \$55.8 million.

In an email to applicants and research officers on June 14, Dom English, first assistant secretary for research with the Department of Education, wrote that the first two tranches of seed funding would be capped at around \$10 million, but the

14/08/2023, 09:10

Brilliant ideas rejected as scheme overwhelmed by demand

department had received applications seeking a total of \$97 million – \$55 million for tranche one and \$42 million for the second tranche.

“In light of this we have a tough job in selecting successful projects and have been rigorously applying the eligibility criteria in the assessment process,” Mr English wrote.

A research expert, who remains anonymous but appears on X (Twitter) under the handle @ARC_Tracker, said by rejecting so many high-quality applications [<https://www.afr.com/policy/health-and-education/researchers-furious-over-nit-picking-by-grants-funding-council-20220821-p5bbi3>] it was possible the scheme could claim to have a high success rate.

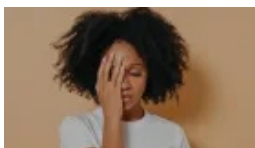
“This scheme was poorly planned. It faced huge oversubscription, they’ve deemed larger requests ineligible, and moved the goalposts during the competition,” he said.

“This means that huge amounts of researchers’ time has been wasted applying to a (possibly) unfair system, where the rules changed mid-stream,” he said.



RELATED
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Julie Hare is the Education editor. She has more than 20 years’ experience as a writer, journalist and editor. *Connect with Julie on [Twitter](#). Email Julie at julie.hare@afrc.com*



Australian Government
Department of Education

Frequently Asked Questions

Australia's Economic Accelerator (AEA) Seed Grants

Who will be eligible to apply for AEA Seed Grants?

Proposals must satisfy the eligibility criteria set out in the *Other Grants Guidelines 2017 (Research)* and the *AEA Seed Program 2023 (AEA Seed) Program Administrative Guidelines*.

Proposals for AEA Seed Grants can be made by Australian universities listed at Tables A and B in the [Higher Education Support Act 2003](#). Universities are encouraged to partner with other institutions including research organisations, industry, and businesses as part of their proposal.

To be eligible as a named participant on an AEA Seed grant, you must meet the criteria for a Lead, Collaborating, or Partner Entrepreneur. A Lead Entrepreneur is required to commit a minimum of 0.5 FTE to the project over its term.

What projects will be eligible for AEA Seed Grants?

AEA Seed Grants will consider projects that are seeking to test research relevance against commercial outcomes.

Priority consideration will be given to projects supporting research commercialisation activities that align with the national interest and address four priority areas including:

- low emissions
- medical technology
- value add-in resources
- value add-in agriculture, forestry and fisheries.

AEA Seed Grants will be run in two tranches with each round open for approximately six weeks with preference given to two of the four national interest priorities described above.

- Preference for the first tranche of AEA Seed Grants will be given to proposals or projects that align with *low emission technologies and renewables* and *medical technology*.
- Preference for the second tranche of AEA Seed Grants will be given to proposals for projects that align with *value add-in resources* and *value add-in agriculture, forestry and fisheries*.

Successful applicants to the AEA Seed Grants will present projects with clearly articulated research translation pathways that address progression through technology readiness levels.

Applicants may be invited to interview with the grants assessors to present their project rationale.

Program guidelines detailing proposal processes, assessment criteria and other information are published on the [department's website](#).

Can I collaborate with other universities?

Yes. Proposals can include more than one university and collaboration is encouraged. Proposals that include multiple universities will need to nominate a Lead Organisation. Australian universities listed at Tables A and B in the [Higher Education Support Act 2003](#) can enter into a grant agreement with the Commonwealth.

I am not an Australian citizen. Can I apply for an AEA Seed grant?

Grants will be awarded to universities rather than individuals. To be eligible as a named participant in an AEA Seed Grant you must fulfil the eligibility requirements of a Lead, Collaborating, or Partner Entrepreneur.

Can I apply for an AEA Seed grant without the support of a commercial partner?

Yes. Your proposal can be submitted for the AEA Seed Grants without the support of a commercial partner. It is important that projects can demonstrate some engagement with industry. Projects with commercial investment partners will be prioritised.

Can I apply for the second tranche of AEA Seed grants if my application is not relating to value add-in resources and value add-in agriculture, forestry and fisheries?

Yes. It is important to note that applications that align with any one of the seven NRF priorities will also be considered for Tranche 2, but preference will be given to those applications that align with value add-in resources and value add-in agriculture, forestry and fisheries.

Can I be eligible for an AEA Ignite Grant if I was unsuccessful in the AEA Seed Grant?

Yes. An applicant can be eligible to apply for an AEA Ignite Grant (proof-of-concept) if they were unsuccessful for the AEA Seed Grant. Additionally, they do not need to apply to AEA Seed to be eligible to apply for the forthcoming AEA Ignite Grants.

Is there a limit on the number of proposals per university?

There is no limit to the number of proposals per university.



Grants

Why are we running the AEA Seed Grants?

The AEA Seed Grants are being undertaken by the Department of Education as a pilot for the AEA program (AEA Ignite and AEA Innovate). It will enable the program to test and refine key processes and decisions and demonstrate the capacity of the program to deliver limited grants and intended outcomes, prior to full implementation of the full AEA program.

How much funding is available?

A total of \$10 million is available for AEA Seed Grants, with a minimum of \$50,000 and a maximum of \$500,000 available for each project.

Funds awarded to a project through the AEA Seed Grants will be deducted from potential AEA Ignite (proof-of-concept) proposals which will be available through the AEA program. For example, if \$200,000 is awarded through AEA Seed Grants, the project can progress to AEA Ignite Grants, at a higher Technology Readiness Level (TRL). As the total funds can't exceed \$500,000 per project, the project would only be eligible for a maximum of \$300,000 through AEA Ignite Grants.

Funds are associated with projects and not the applicant.

All grants funded under the AEA Seed Grants and AEA Ignite Grants will be for a period of up to 12 months from the date the project is awarded funding.

What are the co-investment requirements?

International experience shows that business engagement and partnership is critical to commercialisation success. AEA Seed Grant and AEA Ignite Grant proposals must demonstrate some level of industry engagement, which may or may not include funding or in-kind support. Projects with commercial investment partners will be prioritised. AEA Innovate Grant proposals will be required to demonstrate a formal partnership and committed co-investment from an industry partner.

Do projects need to go through all the different stages of the AEA? Is there a need to complete the AEA Seed or AEA Ignite before progressing to AEA Innovate?

Grants administered through the AEA will be available in multiple stages. Projects do not need to receive AEA Seed or AEA Ignite funding to be eligible for AEA Innovate funding.

Applicants should consider the level of commercial readiness of their project to determine which grant to apply for. AEA Seed and AEA Ignite grants are for proof-of-concept (Technology Readiness Level 3-5) projects. AEA Innovate grants are for proof-of-scale (Technology Readiness Level 5-7) projects.



Projects may progress through the stages based on continued success and achievement of milestones. To incentivise ongoing excellence, AEA funding increases as projects mature towards at-scale commercialisation.

Where funded projects successfully progress along the TRL scale to TRL 3-5, subject to meeting the eligibility criteria, applicants may consider applying for an AEA Innovate grant opportunity to further accelerate projects to TRL 5-7.

AEA Seed grantees will not be eligible for AEA Innovate grants until they have achieved their AEA Seed Grant milestones and progressed to the proof-of-scale (TRL of 5 or above).

What funding opportunities are available for projects that successfully complete the AEA Seed and/or AEA Ignite milestone(s)?

AEA Seed is the pilot scale version of the AEA Ignite. After completing the AEA Seed milestones, applicants will have the opportunity to apply for either AEA Ignite (proof-of-concept) or the AEA Innovate (proof-of-scale) grants and/or the expanded CSIRO's Main Sequence Ventures program. Any funds received during the AEA Seed tranches will count towards total eligible grant funding (max \$500,000) for AEA Ignite grants.

Where can I find more information on the National Reconstruction Fund Priorities which the AEA grant programs align with?

General information on the National Reconstruction Fund (NRF) Priorities and how the fund will operate can be found on the [Department of Industry, Science and Resources' website](#). Examples can also be found on the [department's website](#).

Interpretation of the Program Guidelines

Can you provide further details on eligible organisations that fall under the definition of a Partner Organisation?

A Partner Organisation is an organisation that is providing cash or in-kind to the Lead Organisation with an interest in the research project or its commercial capabilities. For an organisation to be a Partner Organisation, it must meet the criteria specified under Section 4.3 of the Program Guidelines.

It is important to note that the Program Guidelines also detail the types of organisations that *cannot* be a Partner Organisation and therefore are not eligible to participate in an AEA grant, including a controlled entity of any Lead or Collaborating Organisation.



Can an overseas company or institution be nominated as a Partner Organisation or Collaborating Organisation?

An overseas company or institution (which will make cash and/or in-kind contributions) can be nominated as a Partner Organisation if it satisfies the eligibility requirements under Section 4.3 of the Program Guidelines. A Collaborating Organisation cannot be based overseas.

Is it mandatory to nominate a Collaborating Entrepreneur and/or Partner Entrepreneur in the AEA Seed application?

No. Nominating a Collaborating Entrepreneur and/or Partner Entrepreneur for the AEA Seed Grants is an optional requirement and will not lead your application to being excluded at the eligibility inspection stage if you don't nominate one.

It is important to note however that nominating a Lead Entrepreneur is a mandatory requirement to be eligible for the AEA Seed Grants.

If an organisation is listed as a Partner Organisation on a proposal, is it a requirement to have a representative from that organisation listed as a 'Partner Entrepreneur' on the project?

No. A Partner Organisation is an Australian or overseas organisation, other than a Lead or Collaborating Organisation, which satisfies the eligibility requirements under section 4.3 of the Program Guidelines. If an organisation is listed as a Partner organisation, there is no requirement to have a representative from that organisation listed as an 'Partner Entrepreneur'.

Partner Entrepreneurs must meet the eligibility criteria specified under section 4.4 of the Program Guidelines.

Why are the headings on the Business Base Template for AEA Seed Grants on the department's website different to the selection criteria headings under section 6 of the Program Guidelines? Which one do we use in developing a Business Case for AEA Seed Grant?

The selection criteria and the indicated weighting in section 6 of the Program Guidelines will be used by the panel to review the proposals. When developing a business case for the AEA Seed Grant, please use the [guidance](#) on the department's website.

Where can I find a copy of the AEA Seed Grant sample proposal in accordance with Section 7 of the Program Guidelines?

A [sample proposal](#) is available on the department's website, and is also available on the [Research Management System](#).



In regard to demonstrating the two phases for projects requesting \$200,000 or more, are the phases to be separated in timeframe and budget? Can they overlap in terms of timeframe? Are these separations to be incorporated into our proposal within the business case?

Proposals seeking \$200,000 or more must identify and cost at least two phases of work that break the project into distinct steps in accordance with section 3.1 of the AEA Seed Grants 2023 Program Administrative Guidelines (the guidelines). These two phases are to be separated in timeframe and budget and must be carried out within the grant period between three to 12 months from the project's commencement (section 3.2 of guidelines). Further information including budgeting information regarding the two phases should be recorded in your Business Case.

Application process

When will proposals open and close?

The AEA Seed will accept proposals across two rounds which will be open for approximately six weeks each. The first tranche opened on 6 February 2023 and closed on 17 March 2023, and the second tranche opened on 27 March 2023 and will close on 5 May 2023. Further details on the application process are provided in the Program Guidelines.

What Technology Readiness Level (TRL) does my proposal need to be at to apply for AEA Seed and AEA Ignite funding?

Your proposal should be at proof-of-concept TRL 3-5. Projects below TRL 3 may be considered depending on potential to progress to higher TRL and following consideration by the AEA Executive Director and/or the research commercialisation Expert Advisors.

What is the difference between the three AEA grants? How do I know which one to apply for?

AEA Seed – will be open across two tranches, for approximately six weeks per tranche. The first tranche will open in early February 2023. The second tranche will open late-March 2023. Grants of up to \$500,000 per-project for up to one year will be awarded across both tranches.

AEA Ignite – funding will be awarded each year through the AEA Ignite grants (proof-of-concept), with funding of up to \$500,000 available per grant for up to one year. Opening and closing dates has not yet been determined for AEA Ignite grants.

AEA Innovate – funding will be dedicated to proof-of-scale projects and will require at least one industry partner with co-contributions. Applicants will be able to apply for up to \$5 million in funding



for a period of up to two years. Applicants will need to provide a detailed business plan, clearly articulating the commercial potential, and have a TRL of 5 or above.

Both AEA Seed and AEA Ignite are focussed on translating research activity into commercial outcomes including demonstrating *proof-of-concept* to validate research in a laboratory. In comparison, AEA Innovate is focussed more on *proof-of-scale* which tests the usability, functionality and design of a working model and how the idea would work in a real-life scenario and solve problems for the end user.

In deciding which AEA grant to apply for, you must take in to account the level of commercial readiness of your project and the volume of funding you require.

Submitting a proposal

How do I submit my proposal?

Proposals are submitted through the Australian Research Council's [Research Management System \(RMS\)](#). RMS registration is required to gain access to the proposal form and to submit an AEA grant. You will need to apply for an applicant role in the RMS system to be able to submit a proposal.

Is this proposal similar to submitting a grant application to the ARC?

Yes. RMS is managed by the Australian Research Council (ARC). Applicants that have applied for funding with the ARC will be familiar with RMS. The ARC can only provide technical support for the RMS system and will not be able to provide support and information specifically regarding the AEA. All communication relating to the AEA program only and not the RMS system should be directed to the Department of Education at accelerator@education.gov.au.

RMS Support Desk Phone: 02 6287 6789

RMS Support Desk Email: RMSSupport@arc.gov.au

There is also information about RMS on the ARC Website – [Research Management System \(RMS\) Information](#) and on the RGS Website – [General Information about RMS](#)

Do I need to submit the webform pitch before submitting a proposal for AEA Seed grants? Is the pitch compulsory?

No. For AEA Seed grants, applicants may submit proposals directly through the Research Management System (RMS).

Applicants may be invited to interview with the grants assessors to present their project rationale.

For AEA Ignite grant proposals, the pitch process will provide applicants with an opportunity to have a research translation specialist review their proposal **prior to** applying to further develop their proof-of-concept business case.



How many proposals do you anticipate funding out of AE Seed Grant Tranche 1, Tranche 2?

A total of \$10 million is available for AEA Seed Grants, with a minimum of \$50,000 and a maximum of \$500,000 available for each project. We anticipate funding between **50 to 100** AEA Seed Grants.

My AEA Seed Tranche 1 Proposal has multiple Partner Organisations, can I include multiple letters of support in B2 of the application form?

Yes. The page limit of the PDF upload in section B2 of the application form for AEA Seed Tranche 1 has been expanded from two to **ten pages**, allowing you submit multiple letters of support for Partner Organisations.

Data and Privacy Protocol for online applications

How is personal information provided by applicants on an AEA Seed grants application proposal being used and disclosed?

In accordance with section 13.3 of the Program Guidelines, the department is bound by the [Australian Privacy Principles](#) in the [Privacy Act 1988](#) (Privacy Act). Any personal information provided on an AEA Seed grants application form is collected by the department for the purposes of administering the AEA Seed program.

The department may:

- provide personal information contained in the AEA Seed proposal to third parties for the purposes of assessment for potential other funding opportunities
- copy, modify and otherwise deal with information contained in the AEA Seed proposal for the purpose of conducting the funding round
- share the personal information contained in the AEA Seed proposal with other government departments and agencies.

The department takes all reasonable steps to ensure that the personal information it holds is protected against loss, unauthorised access, use, modification or disclosure and other misuse.

How is information relating to a person's indigenous status on an AEA Seed grants application proposal used?

In order to complete an RMS profile, participants must answer a question about their indigenous status. If participants prefer not to answer this question they should choose "unstated". Information about indigenous status is not used to assess applications. However, it will be visible to other users of RMS. It will also be used as part of the department's evaluation of the program as a whole.



Do I need consent from a third party if I have included their personal information in the AEA Seed project summary?

Yes. Applicants should not include third-party personal information in the Project Summary unless the third-party individuals have consented to publication of that information.

What are the privacy impact requirements for Lead Organisations who submit an AEA Seed grants proposal?

Lead Organisations are to ensure that:

- if any personal information in an AEA Seed proposal submitted through RMS has not been provided directly by the individual to which the information relates to (named or unnamed participant), the individuals named in the proposal must have consented to that information being used and disclosed in accordance with the Program Guidelines
- they obtain the consent of researchers to the publication of their names, fields of research and institution provided in an AEA Seed Proposal
- they notify individual researchers (including from Collaborating or Partner Organisations) involved in the AEA Seed proposal, that if their proposal is successful, their name, field of research and institution may be published by the ARC, the department and/or the Minister in accordance with section 11 of Program Guidelines.

Selection process

Who will govern the AEA Seed grants?

The AEA Seed grants will be governed by an Executive Director and a team of research commercialisation Expert Advisors.

The AEA Executive Director is a highly qualified, experienced, and motivated business and technology specialist, who will also work with successful applicants to foster connections and formal collaboration arrangements with industry partners. The research commercialisation Expert Advisors will support the AEA Executive Director by providing technical expertise within the priority areas.

How will successful projects be selected?

Proposals will be assessed against selection criteria by the AEA Executive Director and Expert Advisors. The selection criteria are published in the [Program Guidelines](#). The AEA Executive Director and the research commercialisation Expert Advisors will recommend successful applicants to the Program Delegate. The Department of Education will award funding to successful applicants under [Conditions of Grant](#).



When will I know if my grant proposal is successful or not?

For AEA Seed, a decision is expected to be made within six weeks of the round closing. Successful grants will be published on the Department of Education website.

If my grant proposal is successful, can I start the project in 2024?

In accordance with section 1.3 of the Program Guidelines, if you are successful, we expect you will be able to commence your project upon approval of, and conditions being imposed on, the grant through a Conditions of Grant document (CoG).

AEA Seed is the pilot scale version of the AEA Ignite. This may present a better option for you to consider if your project can only commence next year.

How do I appeal a decision on my proposal?

There is no appeal process for AEA Seed Grants. Decisions made on AEA Seed Grants proposals go through a rigorous assessment. The process also allows applicants who are declined to refine their proposal and resubmit for an AEA Ignite grant if desired.

As the AEA Executive Director will both assess proposals and work with the sector to identify emerging opportunities for the program, how will any conflicts of interest be managed?

The role is appointed by the Department of Education and, as such, the AEA Executive Director will be obligated to comply with the department's probity framework. Conflicts of interest will be managed in accordance with the relevant legislative framework including:

- *Public Service Act 1999*
- *Public Service Regulations 1999*
- *Crimes Act 1914*
- *Criminal Code Act 1995*
- *Public Governance, Performance and Accountability Act 2013*
- Foreign Influence Transparency Scheme Act 2018.

If I am successful in the AEA Seed Grant, do industry partners or Partner Organisations have to be signatories of the funding agreement?

The Department of Education will award funding to successful applicants under Conditions of Grant. This will be an agreement between the Commonwealth, represented by the Department of Education, and the Lead Organisation (including the details of the Lead Organisation and Lead Entrepreneur representative).



Further information

If you have any further questions on the AEA program, please contact the Department of Education at accelerator@education.gov.au.



Issue: Australian Universities Accord
PBS Pg No. 23
Contact: Ben Rimmer
 Ph: s 22
 Deputy Secretary

BUDGET – Australian Universities Accord

Financial year	UCB \$'000				
	2022–23	2023–24	2024–25	2025–26	Total
Budget Allocation	2,100	600	-	-	2,700
Committed	775	237	-	-	1,012
Uncommitted	1,325	363	-	-	1,688

The committed costs reflect amounts paid as at 1 October 2023, and includes amounts accrued but not yet paid. All figures exclude GST. This funding includes remuneration for panel members, consultation costs and work packages.

Key Points

- The Australian Government committed \$2.7 million over 2 years from 2022–23 to deliver the Australian Universities Accord through a 12-month review of Australia’s higher education system, led by a Panel of eminent Australians.
- The review commenced on 16 November 2022, when the Hon Jason Clare MP, Minister for Education, announced at the Bradley Oration the Terms of Reference at [Attachment A](#) and the Panel of eminent Australians (the Panel) to lead the review:
 - Professor Mary O’Kane AC (Chair)
 - The Hon Jenny Macklin AO
 - Ms Shemara Wikramanayake
 - Professor Barney Glover AO
 - Distinguished Professor Larissa Behrendt AO
 - The Hon Fiona Nash
 - Deputy Secretary, Higher Education, Research and International Group, Department of Education (ex-officio).
- The Accord Final Report is due to Government in December 2023.

Subsequent Directions to the Panel

- Following the establishment of the Panel, the Minister for Education wrote to the Panel twice to provide further directions on its deliberations:

- On 15 June 2023, the Minister requested the Panel consider a recommendation from the Review of the *Australian Research Council Act 2001* ([Attachment B](#)).
- On 10 October 2023, the Minister requested the Panel urgently consider making recommendations on the Government's 20,000 additional Commonwealth supported places election commitment ([Attachment C](#)).

Appointment and operation of the Panel

- The Panel was appointed on 14 November 2022 for a fixed term ending 31 December 2023, approved by the Prime Minister in line with the requirements of significant appointments.
- The Chair is remunerated at a rate of ^{s 47F}. Members are remunerated at a rate of ^{s 47F}, except for ^{s 47F} who is remunerated in line with ^{s 47F}.
- Travel expenses are based on Tier 2 rates identified in the Remuneration Tribunal (Official Travel) Determination 2022.

Panel meetings

- As at 1 October 2023, the panel has met **36 times** since their appointment and now meets weekly to prepare for the Final Report, due to the Minister in December.
- Panel meetings are detailed at [Attachment D](#).

Interim Report Release

- The Accord Panel delivered an Interim Report, which was released by the Minister for Education at the National Press Club of Australia on 19 July 2023.
- The Interim Report presents considerations for change for further exploration and testing ahead of the Accord Final Report.
- Accord Interim Report recommended 5 priority actions.
 - Priority Action 1: the development of more University Study Hubs, including, based on regional Hubs, University Study Hubs in metro areas.
 - Priority Action 2: cessation of the 50% pass rule and increased reporting on student progress.
 - Priority Action 3: extending demand driven funding for First Nations peoples in metropolitan areas.

- Priority Action 4: extension of the Higher Education Continuity Guarantee (the Guarantee) into 2024 and 2025, ensuring funding security for universities, with funding resulting from the Guarantee to be used to support delivery of supports for equity students.
- Priority Action 5: engaging with state and territory governments and universities to improve university governance through National Cabinet, particularly in relation to student and staff safety, and being good employers.

Accord Panel Consultation

- The Panel has consulted extensively with stakeholders, through both open and targeted forms of engagement.

Interim report consultation and submissions

- Submissions in response to the Accord Interim Report closed on 1 September 2023.
- The department has received **321 submissions**.
- Submissions are provided to the Accord Panel and published on the Accord website with permission.

Parliamentary consultation

- The Accord Panel offered briefings to interested senators and members of Parliament on 22 June 2023 and again on 8 and 9 August 2023.
- The Panel has also held individual meetings with interested ministers, with the shadow minister, and with other senators and members of Parliament, as well as some state and territory ministers.

Roundtables and stakeholder meetings

- The Chair has met individually with many stakeholders and has held roundtables with targeted stakeholders, including peak bodies from the university, independent and tertiary, and business and industry sectors, student and staff representatives and sector experts.

Cross-Government Consultation

- The department established an Interdepartmental Committee (IDC), with members from 17 Commonwealth agencies. The IDC has met 5 times as of 1 October 2023, and is expected to meet next in December.

Ministerial Reference Group

- The Minister for Education announced a Ministerial Reference Group on 14 December 2022. The reference group is chaired by the Minister and includes representatives of higher education institutions, business, staff representatives, students and other experts.
 - The group acts as a sounding board for the Minister to engage critical stakeholders, share developments and seek advice from the higher education sector and key stakeholders on issues.
 - The group met for the first time on Tuesday, 21 February 2023 (Parliament House, Canberra) and for a second time on Friday, 26 May 2023 (Western Sydney University, Bankstown).
 - The third and final meeting is scheduled to be held on 2 November 2023 (Central Queensland University, Rockhampton).

Work Packages

- The department is undertaking a number of external work packages on a range of topics to inform the deliberations of the Panel and support the development of the Accord Final Report.

Media

- ***Australian Universities Accord Interim Report and immediate actions, Media Release, 19 July 2023***

The Minister announced that the Government will act on the 5 immediate actions identified in the report ahead of the Accord Panel's Final Report.

- ***Professor Andrew Norton, 'The Universities Accord should scrap Job-ready Graduates and create a new multi-rate system for student fees', The Conversation, 1 May 2023***

Discussed university lobby group positions on changes to Job-ready graduates scheme and concludes that a three or four-tier student contribution system would do more to equalise repayment burdens between students than a flat rate student contribution.

- ***'Insight on research an 'epic fail'', The Australian, 20 July 2023***

Science and Technology Australia criticizes the Accord Interim Report for its lack of recommendation to increase research investment.

- ***'Latest university funding plan is a game-changing own goal', Australian Financial Review, 22 August 2023***

Vicki Thomson, chief executive of the Group of Eight universities, states that an international student levy would undermine the sector and lead to an estimated decline of 30,000 students.

2023 - 2024 Supplementary Budget Estimates
SB23-000358

- ***Professor Barney Glover, 'Equity the foundation of Accord's ambition', The Australian, 23 August 2023***

Highlighted previous successful education reforms and discussed how the theme of equity is at the heart of the accord review's recommendations to meet Australia's future skills needs and positive social outcomes.

- ***'O'Kane praises SA university merger', The Australian, 6 September 2023***

Discussed comments made by Mary O'Kane to the SA parliamentary committee inquiring into the merger between University of Adelaide and the University of South Australia.

- ***'Regional unis say no to big merger', The Australian, 13 September 2023***

The article provided an overview of the Regional Universities Network's submission to the Interim Report, which opposes the idea of establishing a national regional university.

Date Last Cleared	23 October 2023
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Review of Australia's Higher Education System

Review terms of reference

Purpose of the review

The Government has committed to establish an Australian Universities Accord to drive lasting reform in Australia's higher education system. The Accord is a review (the review) of Australia's higher education system, led by the Minister for Education with advice from a panel of eminent Australians (the panel).

The panel will make recommendations for Government, the sector and other relevant stakeholders to deliver a higher education system that meets the current and future needs of the nation, and targets to achieve this. The panel will report to the Minister for Education, providing an interim report on priority actions by June 2023, with a final report to be delivered by December 2023.

Key areas for review

1. Meeting Australia's knowledge and skills needs, now and in the future

- Enhance the delivery of quality education that meets the needs of students across all stages of lifelong learning and develops the skills needed now, and in the future. This will include recommendations for new targets and reforms recognising that more than nine in ten new jobs will require post-school qualifications, and fifty per cent of new jobs are expected to require a bachelor's degree or higher.

2. Access and opportunity

- Improve access to higher education, across teaching, learning and research. This will include recommendations for new targets and reforms to support greater access and participation for students from underrepresented backgrounds (including First Nations Australians, those from low socio-economic backgrounds, people with disability, and regional and rural Australians).

3. Investment and affordability

- Explore funding and contribution arrangements that deliver equity, access, quality and longer-term investments to meet priorities in teaching, research, workforce and infrastructure. This will include a review of the Job-ready Graduates Package.

4. Governance, accountability and community

- Enhance regulatory and workplace relations settings to support universities to meet their obligations to both staff and students.
- Explore the contribution that higher education makes to the Australian community, national security, and sovereign capability.

5. The connection between the vocational education and training and higher education systems

- Explore possible opportunities to support greater engagement and alignment between the vocational education and training (VET) and higher education systems. In particular, the panel will have regard to the experience of students in navigating these systems and ensuring a cohesive and connected tertiary education system.

6. Quality and sustainability

- Examine the challenges faced by domestic and international students and staff due to the COVID-19 pandemic and the temporary and permanent impacts on the way the higher education sector works.
- Support a competitive and resilient international education sector, reflecting the important role international students play in our society and economy, and Australia's interest in deepening partnerships abroad.

7. Delivering new knowledge, innovation and capability

- Support a system of university research that delivers for Australia, securing the future of the Australian research pipeline, from basic and translational research to commercialisation. In doing so, the Accord will explore relevant initiatives and other opportunities and to further boost collaboration between universities and industry to drive greater commercial returns.
- The review will synchronise with the ARC review and consider issues raised through that review and other areas of government that impact on the capacity of the higher education system to meet the nation's current and future needs.

Consultation

The panel will engage across all sectors and groups affected by higher education policy. This will include but is not limited to universities, higher education and VET providers, educators and researchers, students, parents, unions, business, state and territory governments and groups who have been underrepresented in higher education. A key aim of the consultation process will be to ensure the voices of First Nations Australians and people from underrepresented groups are heard and reflected in the interim and final report.

Panel membership

Members

Professor Mary O’Kane AC (<i>Chair</i>)	by appointment
The Hon Jenny Macklin (<i>Member</i>)	by appointment
Ms Shemara Wikramanayake (<i>Member</i>)	by appointment
Professor Barney Glover AO (<i>Member</i>)	by appointment
Distinguished Professor Larissa Behrendt AO (<i>Member</i>)	by appointment
The Hon Fiona Nash (<i>Member</i>)	by appointment
Mr Tony Cook PSM (<i>Member</i>)	ex officio (Department of Education)



The Hon Jason Clare MP
Minister for Education

Reference: MS23-000400

Professor Mary O'Kane AC
6 River Street
BIRCHGROVE NSW 2041

By email: s 47F

Dear Professor O'Kane

I am writing to request that the Australian Universities Accord Panel include in its work consideration of a recommendation from the Review of the *Australian Research Council Act 2001* (ARC Review).

As you know, Professor Margaret Sheil AO and panel provided their independent report to me in April, which included 10 recommendations to drive renewed focus for the ARC. The review includes a recommendation concerning the evaluation of excellence and impact of Australian university research. I consider that a response to this recommendation should be considered in the context of the Accord Panel's broader considerations for the higher education sector.

The current Excellence in Research for Australia (ERA) and Engagement and Impact (EI) assessment exercises have played an important contribution in driving the quality of Australian higher education research through regular benchmarking of our universities research performance against world standards. However, the exercises are not without criticism from the sector, including the workload required for the current mode of delivery of the ERA assessment and the need to evolve the assessment process to provide greater insight for policy and funding purposes.

The ARC Review called for the immediate discontinuation of ERA and EI. As these assessments are the only mechanism available to government to monitor Australia's research endeavour and provide the community with confidence that the investments made in research are delivering for Australia, I ask that the Accord Panel work with my department to investigate options for a more efficient and dynamic system of assessment. In undertaking this work, I believe there is opportunity to consider a new approach which:

- a) retains a process of benchmarking institutional performance
- b) tests overall sector performance, and
- c) identifies areas of strength aligned to national need.

I trust the Accord Panel will appreciate the importance of this exercise in supporting Australia's world-class research effort and the high-impact innovation jobs of the future.

Yours sincerely


JASON CLARE

15/4/2023

Parliament House, Canberra ACT 2600



The Hon Jason Clare MP
Minister for Education

Reference: MS23-000895

Professor Mary O’Kane AC
Chair, Australian Universities Accord Panel
Accord Secretariat
Department of Education
GPO Box 9880
CANBERRA ACT 2601

By email: **s 47F**

cc: AustralianUniversitiesAccord@education.gov.au

Dear Professor O’Kane AC

I am writing to request that the Australian Universities Accord Panel (the Panel) urgently consider making recommendations regarding the Government’s 20,000 additional Commonwealth supported places election commitment in the Panel’s final report.

As part of the 2022–23 Budget the Government committed to deliver 20,000 commencing Commonwealth Supported Places (CSPs) in 2023 and 2024. The measure aims to tackle skills shortages and give more students from under-represented backgrounds the chance to go to university.

Recent economic conditions and a strong labour market have led to a significant softening of demand for higher education. As a consequence, many higher education providers that received these additional CSPs have been unable to fill them in 2023. Softening demand for higher education looks likely to persist in 2024.

Increasing higher education attainment remains critical to addressing the nation’s long-term skills needs. It is therefore important that the goals of this measure are still achieved.

Actions to address the issue of unused places from this measure will be affected by Panel recommendations for future funding settings and accessibility for students from under-represented backgrounds. In this context, I request that you consider and advise on options to deliver on the intent of the 20,000 places measure in the Panel’s final report.

I thank you and the Panel for your urgent consideration of this matter.

Yours sincerely,


JASON CLARE
10/12/2023

Parliament House, Canberra ACT 2600

Attachment D – Panel Meetings

Panel Member Attendance Summary as of 1 October 2023

Panel Member	Total Meetings Attended
Professor Mary O’Kane AC	35
Professor Barney Glover AO	35
The Hon Fiona Nash	32
The Hon Jenny Macklin AC	31
Distinguished Professor Larissa Behrendt AO	30
Ms Shemara Wikramanayake	5

Meetings of the Australian Universities Accord Panel to 1 October 2023

No.	Meeting Date	Time	Location	Attendees	Apologies
35	26 September 2023	9:00am-1:00pm	Department of Education, Canberra; virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake
34	19-20 September 2023	Tue 19 Sep 9:00am-3:00pm Wed 8:30am-10:00am	University of Western Sydney; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake
33	12 September 2023	9:00am-3:00pm	Department of Education, Canberra; virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake

Attachment D – Panel Meetings

32	5-6 September 2023	Tue 5 Sep 9:00am-3:00pm Wed 6 Sep 9:00am-3:00pm	University of Western Sydney; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash (5 Sep only) Distinguished Professor Larissa Behrendt AO Ms Shemara Wikramanayake (5 Sep only) Mr Ben Rimmer, Deputy Secretary	The Hon Fiona Nash (6 Sep only) Ms Shemara Wikramanayake (6 Sep only) The Hon Jenny Macklin AC
31	29 August 2023	1:30pm-3:30pm	Department of Education, Canberra; virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Ms Shemara Wikramanayake Mr Ben Rimmer, Deputy Secretary	Nil
30	22 August 2023	11:30am-3:00pm	Department of Education, Melbourne; virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake
29	8 August 2023	9:00am-11:00am	Department of Education, Canberra; virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake
28	25 July 2023	9:00am-12:00pm	Department of Education, Canberra; virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	The Hon Fiona Nash Ms Shemara Wikramanayake

Attachment D – Panel Meetings

27	19 July 2023	10:30am-11:30am	Department of Education, Canberra; virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	The Hon Jenny Macklin AC Ms Shemara Wikramanayake
26	11 July 2023	9:00am-12:00pm	Department of Education, Canberra; virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO	Mr Ben Rimmer, Deputy Secretary Ms Shemara Wikramanayake
25	27 June 2023	10:00am-12:00pm	Department of Education, Canberra; virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Mr Ben Rimmer, Deputy Secretary	Distinguished Professor Larissa Behrendt AO Ms Shemara Wikramanayake
24	20 June 2023	9:00am-12:00pm	Department of Education, Canberra; virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake
23	15 June 2023	10:00am-1:00pm	Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake

Attachment D – Panel Meetings

22	13 June 2023	10:00am-10:30am	Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake
21	9 June 2023	4:00pm-5:30pm	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake
20	6 June 2023	10:00am-1:00pm	Independent Planning Commission, NSW; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO (10-11am, 12-1pm) The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake
19	30 May 2023	10:00am-1:00pm	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake
18	23 May 2023	10:00am-12:30pm	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake The Hon Jenny Macklin

Attachment D – Panel Meetings

17	16 May 2023	9:00am-2:30pm	Department of Education, Canberra; virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake
16	9 May 2023	10:00am-12:30pm	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake The Hon Fiona Nash
15	2 May 2023	9:00am-1:00pm	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake Distinguished Professor Larissa Behrendt AO
14	18 April 2023	9:00am-2:30pm	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Mr Ben Rimmer, Deputy Secretary	Ms Shemara Wikramanayake
13	11 April 2023	10:00am-11:30am	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO	Ms Shemara Wikramanayake The Hon Fiona Nash
12	4 April 2023	9:00am-12:30pm	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO	Ms Shemara Wikramanayake

Attachment D – Panel Meetings

11	28 March 2023	10:00am-12:00pm	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Jenny Macklin AC The Hon Fiona Nash Distinguished Professor Larissa Behrendt AO Mr Tony Cook PSM	Ms Shemara Wikramanayake
10	21 March 2023	9:00am-2:30pm	University of New South Wales (UNSW); Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash Distinguished Professor Larissa Behrendt AO	The Hon Jenny Macklin Ms Shemara Wikramanayake Mr Tony Cook
9	14 March 2023	10:00am-12:00pm	Melbourne Centre for the Study of Higher Education, The University of Melbourne; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO	Ms Shemara Wikramanayake, Mr Tony Cook PSM
8	7 March 2023	9:30am-1:00pm	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Jenny Macklin AC The Hon Fiona Nash Distinguished Professor Larissa Behrendt AO	Ms Shemara Wikramanayake Mr Tony Cook PSM
7	28 February 2023	11:15am-12:15pm	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Jenny Macklin AC The Hon Fiona Nash	Ms Shemara Wikramanayake Distinguished Professor Larissa Behrendt AO Mr Tony Cook PSM
6	21 February 2023	9.00am-12:45pm	Room 1R4, Australian Parliament House, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Jenny Macklin AC The Hon Fiona Nash Distinguished Professor Larissa Behrendt AO Mr Tony Cook PSM	Ms Shemara Wikramanayake

Attachment D – Panel Meetings

5	7 February 2023	9:00am-3:30pm	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Ms Shemara Wikramanayake (part day) Mr Tony Cook PSM	Distinguished Professor Larissa Behrendt AO
4	24 January 2023	9:00am-3:00pm	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Fiona Nash The Hon Jenny Macklin AC Distinguished Professor Larissa Behrendt AO Ms Shemara Wikramanayake (part day) Mr Tony Cook PSM	Nil
3	21 December 2022	9:00am-3:00pm	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Jenny Macklin AC The Hon Fiona Nash Distinguished Professor Larissa Behrendt AO Mr Tony Cook PSM	Ms Shemara Wikramanayake
2	13 December 2022	9:00am-12:00pm	Department of Education, Canberra; Virtual	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Jenny Macklin AC The Hon Fiona Nash Ms Shemara Wikramanayake Mr Tony Cook PSM	Distinguished Professor Larissa Behrendt AO
1	17 November 2022	9:00am-2:30pm	University of Technology, Sydney	Professor Mary O’Kane AC Professor Barney Glover AO The Hon Jenny Macklin AC The Hon Fiona Nash Distinguished Professor Larissa Behrendt AO Mr Tony Cook PSM	Ms Shemara Wikramanayake

2023 - 2024 Supplementary Budget Estimates
SB23-000359

Issue: Australian Universities Accord - implementation of Interim Report
Contact: Ben Rimmer
 Ph: s 22
 Deputy Secretary

Budget – Australian Universities Accord - implementation of Interim Report

Financial year	2022–23 (\$m)	2023–24 (\$m)	2024–25 (\$m)	2025–26 (\$m)	2026–27 (\$m)	Total (\$m)
University Study Hubs - Expand RUCs	0.0	5.2	5.3	13.4	10.6	34.4
University Study Hubs - Suburban University Study Hubs	0.0	6.2	7.8	9.1	9.5	32.5
Demand Driven First Nations Students	0.0	2.1	6.0	10.7	15.2	34.1
50 per cent pass rule	0.0	0.5	0.3	0.2	0.1	1.1
HECG extension	0.0	0.0	0.0	0.0	0.0	0.0
University Governance	0.0	0.5	0.0	0.0	0.0	0.5
Total Budget Allocation	0.0	14.4	19.3	33.4	35.4	102.6
Committed	0.0	0.0	0.0	0.0	0.0	0.0
Uncommitted	0.0	14.4	19.3	33.4	35.4	102.6

Note: figures are rounded to one decimal place and as a result totals may not add

Key Points

- The Australian Universities Accord Review commenced in November 2022, and is due to report at the end of 2023.
- The Australian Universities Accord Review Panel's (Accord Panel's) Interim Report was provided to the Australian Government in June 2023 and was released by the Hon Jason Clare MP, Minister for Education, on 19 July 2023.
- The Interim Report included over 70 considerations for change and 5 priorities for immediate actions, which the Government is implementing ahead of the Accord Panel's Final Report.

50 per cent pass rule

- The Government will abolish the 50 per cent pass rule and in place of this requirement, introduce a requirement for higher education providers to have a Support for Students Policy that they comply with.
- The *Higher Education Support Amendment (Response to the Australian Universities Accord Interim Report) Bill 2023*, which was introduced into Parliament on 3 August 2023, seeks to implement this measure.
- The department has consulted with stakeholders on the Support for Students Policy requirements through a public consultation paper, which closed on 22 September 2023. 55 submissions were received.
- Further information on this measure is set out in [SB23-000361](#).

Demand driven funding for First Nations students

- The Government has committed to ensuring that from 2024, all First Nations peoples are guaranteed a Commonwealth supported place for bachelor level courses (excluding medicine) when accepted into their chosen course of study at a Table A university.
- The *Higher Education Support Amendment (Response to the Australian Universities Accord Interim Report) Bill 2023* seeks to implement this measure.
- Further information on this measure is set out in [SB23-000361](#).

University study hubs

- The Government will double the number of university study hubs by establishing:
 - up to 20 new Regional University Study Hubs
 - up to 14 new Suburban University Study Hubs.
- On 3 September 2023, a consultation paper was released seeking feedback on the design of the new Suburban Hubs. Submissions closed on 2 October 2023. **X** submissions were received.
- On 28 September 2023, a competitive application process opened to select the first 10 Regional University Study Hubs. The round closes on 15 December 2023.
- Further information about these measures is set out in [SB23-000363](#).

Higher Education Continuity Guarantee (HECG) extension

- The HECG is being extended for 2024 and 2025.
- Extending the HECG will ensure funding certainty for universities and avoid disruption to the sector during this time while future funding arrangements are considered as part of the Universities Accord process.
- Universities will be required to invest any remaining funding from their grant each year to support initiatives that improve access and outcomes for underrepresented groups.
- Further information about the measure is set out in [Attachment A](#).

Strengthening university governance

- The Government is leading a fortnightly working group of state and territory government officials to develop an Action Plan containing concrete actions to strengthen university governance to help ensure:
 - universities are safe for students and staff
 - universities are good employers
 - university governing bodies have the right expertise.
- On 9 August 2023, Minister Clare appointed the CEO of Our Watch, Ms Patty Kinnersly, as an Expert Adviser to this Working Group to provide advice on safety in university communities.
- Ms Kinnersly is supported by a Gender-Based Violence Stakeholder Reference Group, comprised of subject matter experts, student leaders and victim-survivor advocates.
- Further information about this measure is set out in [SB23-000367](#).

Stakeholder Response

Stakeholder	Response summary
Associations	National Union of Students – broadly supports the creation of the Accord to design and champion change in tertiary education sector.
Rep Body/ies	Universities Australia – supportive of the five priority actions outlined in the Interim Report, which have been accepted by the Government. Regional Universities Network – supportive of the five priority actions outlined in the Interim Report.
Opposition	Nil.

Greens	The Greens released a statement on 19 July 2023 criticising the Government's response to the Interim Report as a 'missed opportunity'. The statement notes the 11 priorities for action that had previously been outlined by the Greens.
Independents	David Pocock – welcomed Government commitment to abolish 50 per cent pass rule and expand demand driven funding for First Nations students in metropolitan areas.

Media

- ***Australian universities must provide more places for poorer students to meet future labour market demands, report says, The Guardian, 19 July 2023***

The article summarises the five priority actions of the Australian Universities Accord Interim Report.

- ***Government to unis: get governing bodies in order, Australian Financial Review, 19 July 2023***
- The article provides an overview of the five priority actions set out in the Interim Report, including an action to improve university governance.

- ***Expert panel calls for broader access to universities, Canberra Times, 19 July 2023***

The article lists the five initial actions coming out of the Interim Accord Report and areas for further work within the higher education system.

- ***Australian universities report 'squibs a once-in-a-generation chance' on research, science leader says, the Guardian, 19 July 2023***

The article criticises the Interim Report for not including research funding as a priority for immediate action. Quotes Minister as noting the Accord Panel is giving consideration to range of research funding options.

Other documentation / Attachments

[Attachment A](#) – Further information about HECG extension

Date Last Cleared	10 October 2023
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Background

- The Australian Universities Accord Panel, chaired by Professor Mary O’Kane AC, will make recommendations to deliver a higher education system that meets the current and future needs of the nation, and targets to achieve this.
- The Panel’s Interim Report included more than 70 considerations for change to the higher education system, and five priority actions for immediate action. The Final Report is due at the end of the year.

Attachment A – Priority Action 4 – Extending the Higher Education Continuity Guarantee

Key Points

- The Higher Education Continuity Guarantee (HECG) guarantees public universities can retain their full Maximum Basic Grant Amount (MBGA) under the Commonwealth Grant Scheme (CGS) regardless of whether the provider has enrolled students up to its approved MBGA.
 - The MBGA applies to higher education courses, designated higher education courses and medical student loading.
- For 2024 and 2025, providers not enrolled up to their MBGA will be required to allocate any remaining funding to support equity outcomes for underrepresented groups. Such support could include improved academic advice, learning support, mental health services, scholarships and/or enabling services.
 - These equity-related initiatives will be outlined in multi-year equity plans to be developed by providers.
- Mission-based compacts will also be extended by two years, with adjustments to include cross-references to the new equity plans.
- The value of HECG grants to universities will not be known until CGS grants for the relevant year are reconciled. The reconciliation of CGS grants is done in arrears, based on legislation and using verified student enrolment data.
- The methodology for calculating HECG amounts will be outlined in the Higher Education Support (Other Grants) Guidelines 2022. The Guidelines will be amended to reflect the extension of the HECG and to specify the potential uses of such funding.
- The department has recently consulted with providers likely to be under-enrolled in 2024 on the specific kinds of equity support on which HECG funds can be spent. Consultation with providers on the implementation process for this measure will continue **over coming months**.
- Providers will be required to report on the use of their HECG funding. Reporting requirements will be specified in their CGS Funding Agreements. New versions of these agreements will be issued covering 2024 and 2025.

Consultation

- This measure was a recommendation of the Australian Universities Accord Interim Report, which was completed following a large-scale public consultation process.

- The department has undertaken additional targeted consultation on what specific uses HECG funds can be spent on. Consultation involved higher education providers with the highest level of under-enrolment against their MGBA, and with Universities Australia and the Regional Universities Network.
- The department is engaging on an ongoing basis in relation to general processes around MBGAs, funding agreements, mission-based compacts and equity plans for 2024 and 2025. This consultation involves relevant higher education providers, the Australian Network of University Planners, Universities Australia and the National Centre for Student Equity in Higher Education.

Stakeholder Response

Stakeholder	Response summary
Associations	National Union of Students – broadly supports the creation of the Accord to design and champion change in tertiary education sector. No specific comments on extended HECG arrangements.
Rep Body/ies	<p>Universities Australia – welcomes the released of the Accord Interim Report, arguing that the HECG extension is a ‘vital step forward providing the funding certainty that our institutions need...’.</p> <p>Regional Universities Network – argues that key ideas proposed by Accord Interim Report are encouraging for regional communities and welcomes extension of the HECG arrangements for two years.</p> <p>Australian Technology Network – argues that Government funding for university teaching should be increased in line with CPI and additional growth funding, as previously indicated by the Government.</p>
Opposition/Greens/Independents	These parties and independents have not commented specifically on the extended HECG arrangements.

Media

- ***Australian universities must provide more places for poorer students to meet future labour market demands, report says, the Guardian, 19 July 2023***

The article summarises the Australian Universities Accord Interim Report, including the extended HECG arrangements.

- ***Expert panel calls for broader access to universities, Canberra Times, 19 July 2023***

The article lists the five initial actions coming out of the Interim Accord Report, including the extended HECG arrangements. It also lists areas for further work within the higher education system.

- ***Universities Accord: Major changes proposed for Australia's higher education system, Educator Online, 19 July 2023***

The article also summarises the content of the Accord Interim Report, noting that the HECG will be extended for two further years. It also notes a requirement on universities to invest any HECG funding on additional academic and learning support for students from poor and under-represented backgrounds.

Other documentation

- This measure was recommended by the Australian Universities Accord Interim Report. Also note SQ23-000388 from Independent Senator David Pocock, and [SQ23-000552](#) from Australian Greens Senator Mehreen Faruqi.

Issue: HELP indexation and repayments
Contact: Damian Coburn
 Ph: s 22
 Assistant Secretary Funding, Integrity and Students

Key Points

- As part of the Australian Universities Accord process, the Accord Panel is looking more holistically at access and affordability, including the role of income-contingent loans.
- The *Higher Education Support Act 2003* (HESA) prescribes the indexation on HELP debts, income repayment thresholds, and loan limits. Each has its own Consumer Price Index (CPI)-based formula and date of indexation.
- Indexation applied to HELP debt on 1 June 2023 was 7.1 per cent.
- Indexation will not change the amount that individuals repay through compulsory repayments each year as these are a proportion of income based on income thresholds.
- Indexation on HELP repayment thresholds for the 2023–24 income year is 6.6 per cent, and the minimum repayment income is \$51,550 (it was \$48,361 in 2022–23).

Indexation applied to HELP debts

- Indexation applied to HELP debts is not interest. Indexation maintains the real value of the debt so that a person repays the same amount, in real terms, regardless of how long they take to repay their loan.
- Concerns raised about indexation applied to HELP debts have focused on how it will increase the size of HELP debts, particularly in the context of the current cost of living challenges, and increase the time it takes people to repay their HELP debt.
- The rate of indexation (7.1 per cent) applied on 1 June 2023 to HELP debt was not able to be determined until the March 2023 quarter CPI figure was released on 26 April 2023.
 - For an average HELP debt at 30 June 2022 of \$24,771, the indexation on 1 June 2023 was \$1,759.
 - Indexation applied on 1 June 2022 was 3.9 per cent, higher than the average rate applied between 2013 and 2022 of 2.0 per cent.
- Indexation on debt does not impact when and how much a person repays each year [*see repayment section below*].

Repayment of HELP debts

- Under HESA, a person with a HELP debt is required to make a compulsory repayment towards their debt when their income exceeds the minimum repayment income legislated for that financial year. Repayment rates increase the more a person earns.
- Indexation is applied in line with CPI to maintain that the income levels remain the same in real terms.
- Prior to the 2023–24 income year, the indexation rate on HELP repayment thresholds had been consistently below 3 per cent.
- Indexation on HELP repayment thresholds for the 2023–24 income year is 6.6 per cent, and the minimum repayment income is \$51,550 (it was \$48,361 in 2022–23).
- The amount of compulsory repayments has been consistently growing at more than 10 per cent annually since 2016–17, when the amount was \$2.074 billion, to an amount of \$4.782 billion in 2022–23.
- The amount of voluntary repayments has been consistently growing at more than 15 per cent annually since 2018–19, when the amount was \$326 million, to an amount of \$780 million in 2021–22. 2022–23 saw a huge increase in voluntary repayments, up 272 per cent to \$2.9 billion.
- At the end of June 2023, the average time taken to repay HELP debts for those who have fully repaid was 9.6 years.

Source data – www.data.gov.au – HELP Statistics 2022–23.

If asked about alternative arrangements

- Alternate arrangements have been suggested, such as if indexation were frozen or removed.
- Under such a scenario, taxpayers would be required to pay for all of the cost of servicing HELP debt across its life.
 - This would increase the contribution taxpayers make to higher education at a time of significant budget constraint.
 - The department's evidence to the Senate inquiry on the Bill proposed by the Greens to abolish indexation stated: "The department's conservative estimate ... in our submission is that based on long term indexation levels the cash cost of removing indexation over the forward estimates would be in the order of \$2 billion, and \$9 billion for ongoing revenue effects."

- The Hon Jason Clare MP, Minister for Education, has asked the department to work with the Australian Taxation Office (ATO) in regard to the timing of pay-as-you-go payments and the calculation of indexation.

Australian Universities Accord Interim Report

- Released on 19 July 2023, the Interim Report states the HELP system is one of the items being reviewed.
- Some of the suggestions made in the report include looking at potentially substituting indexation from the current CPI to the Wage Price Index or using the lower of CPI and the Government Long-Term Bond Rate.
- The report also states that the Accord Panel is aware of the indexation timing issue – i.e. indexation is applied before income that is withheld has been applied to the debt.
- The Department of Education and the ATO are working together to consider the timing of indexation for HELP Loans.

Media

There were many articles in March and April 2023 covering the current high level of indexation focusing on the impact that high indexation is having on the size of a person's HELP debt and that it will extend the time it will take for higher education graduates to repay their HELP debt.

Recent articles have focussed on the Australian Universities Accord Interim Report and potential changes to indexation.

Recent media

- ***Joanna Panagopoulos, 'No guarantees' around high fees, indexation and poor student experience, The Australian, 21 July 2023***

The article talks about the interim report and its contents after getting some comments from the National Union of Students president that the recent HECS indexation wasn't giving students "bang for your buck". The NUS president was hoping that the talk of reforming HECS indexation needed to be guaranteed and not just considered.

- ***Chantelle Al-Khouri, Education minister open to changes on how indexation applies to HECS-HELP debt, ABC, 2 June 2023***

The article talks about the upcoming interim report and the recently announced 7.1% indexation figure on HECS-HELP debts. The article states that Minister Clare is open to a reform to the system, quoting “If you've got a debt of \$20,000, you pay off about \$2,000 over the course of the next 11 months, then the ATO index is based on the original \$20,000 not the \$18,000 — that strikes me as not right”. It also attributes a quote to Independent MP Tink “The interest is added to their loan before any payments they made in the previous year are deducted — how can this be fair? To me, it makes no sense”. The article also includes the following quote from Senator Faruqi “There's absolutely no doubt that the government can afford to make university and TAFE free and wipe student debt, and they can start with abolishing indexation”.

BACKGROUND

Different approaches to HESA indexation

- The simplest and most common indexation factor is based on movements in CPI to the December quarters in each of the last two years and applied on 1 January annually. This rate is applied to maximum student contribution amounts and HELP loan limits.
- Indexation applied to HELP debts on 1 June each year is based on annual movements in CPI for the March quarters in each of the last two years.
- HELP repayment thresholds are indexed with reference to movements in CPI in the December quarters prior to the financial year and in 2018. The thresholds refer to 2018 as the current threshold table was introduced for the 2019–2020 financial year, and as the amounts are rounded down to the nearest dollar, 2018 provides the base [to prevent bracket creep].
- The process of indexation being applied to HELP debts remains the same as it has since the introduction of the original Higher Education Contribution Scheme in 1989.

Date Last Cleared	10 October 2023
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2023 - 2024 Supplementary Budget Estimates
SB23-000361

Issue: Higher Education Support Act Amendment (Response to the Australian Universities Accord Interim Report) Bill 2023

Contact: Ben Rimmer
Ph: s 22
Deputy Secretary, Higher Education, Research and International

Budget – Higher Education Support Amendment (Response to the Australian Universities Accord Interim Report) Bill 2023

Financial year	2023–24 (\$M)	2024–25 (\$M)	2025–26 (\$M)	2026–27 (\$M)	Total (\$M)
Budget Allocation – removal of the 50 per cent pass rate	0.464	0.261	0.194	0.135	1.053
Budget Allocation – extend the demand driven system for First Nations students	2.1	6.0	10.8	15.2	34.1
Committed	2.564	6.261	10.994	15.335	35.153
Uncommitted	0	0	0	0	0

Key Points

- The Accord Interim Report was released on 19 July 2023, and proposed 5 priority actions, which the Australian Government will act on ahead of the Accord Panel’s Final Report in December 2023.
- To facilitate Priority Actions 2 and 3 the Higher Education Support Amendment (Response to the Australian Universities Accord Interim Report) Bill 2023 (the Bill) was introduced to Parliament on 3 August 2023.
- The Bill passed on 19 October 2023, subject to an amendment that delays the commencement of support for student measures until 1 January 2024.
- The Bill amends the *Higher Education Support Act 2003* (HESA), to:
 - expand eligibility for supported places in demand driven higher education courses to all First Nations students
 - remove the current requirement that students must pass 50 per cent of the units they study to remain eligible for a Commonwealth supported place and FEE-HELP assistance

- require higher education providers to have, and comply with, policies to support students to successfully complete units of study in which they are enrolled.
- On 10 August 2023, the Bill was referred to the Education and Employment Legislation Committee (the Committee), whose report is due to be tabled on 27 September 2023.
- On 6 September 2023 the Bill was passed by the House of Representatives. It passed the Senate on 19 October 2023, subject to an amendment to the Bill for the support for student measures to commence on 1 January 2024. It passed the House of Representatives on the same day.
- The cost of expanding demand driven places is estimated at up to \$34.1 million over the period of 2023–24 to 2026–27.
- Removing the 50 per cent pass rate requirement and the new requirement for providers to have and comply with a Support for students policy is expected to cost \$1.1 million over the same period.

Support for students policy

- Part 2 of the Bill requires higher education providers to have a Support for students policy. The aim of the policy is to:
 - strengthen accountability and reporting requirements for higher education providers to ensure students are properly supported to study and to succeed
 - ensure that higher education providers that fail to meet the new requirements will face compliance action, including possible financial penalties
 - provides for the Minister for Education to make changes to the Higher Education Provider Guidelines (the Guidelines) to implement the proposed Support for students policy requirements.
- On 16 August 2023 the department released a Consultation Paper on the Support for students policy. Submissions were open until 22 September 2023. A total of 56 submissions were received in response to the release of the consultation paper.
- A webinar session with providers was held on 5 October 2023.
- The Hon Jason Clare MP, Minister for Education, released an exposure draft of the proposed changes to the Guidelines on 13 October 2023, prior to debate in the Senate.
- The department is now considering final feedback from the sector received in relation to the exposure draft.

Stakeholder Response

Stakeholder	Response summary
Providers/ Rep Bodies	<p>Part 1 – First Nations Students</p> <p>Stakeholders have expressed broad support for extending demand driven Commonwealth Supported Places to all First Nations Students, including in submissions to the Committee Inquiry. First Nations and student representative organisations encouraged attention to complementary actions including:</p> <ul style="list-style-type: none"> • Increasing First Nations completion of secondary education • Addressing cost of living concerns for First Nations students • Increasing student support to aid participation and success <p>Part 2 – Supporting students to succeed</p> <p>There is broad support for removing the pass-rate requirements, however stakeholders have expressed concerns about the Support for students policy in submissions to the Committee Inquiry:</p> <ul style="list-style-type: none"> • Timing of commencement • The effectiveness of a Support for students policy • Lack of consultation • Increased regulatory burden and potential for duplication • The potential for unintended consequences • Privacy concerns • Concerns regarding severity of penalties • Staffing concerns
Opposition	<p>Part 1 – First Nations Students</p> <p>The Opposition has queried whether the expansion of demand driven funding to all First Nations students is evidence based and supported by stakeholders, asking questions about whether the funding is appropriately costed, required and whether it will achieve the desired results. The Shadow Minister Senator Henderson asked questions that suggested broad concerns about the fairness of the measure, and whether equity groups would benefit from similar measures.</p> <p>Part 2 – Supporting students to succeed</p> <p>The Opposition maintains the intent of the 50 per cent rule is to prevent students incurring large debts, and its removal risks this occurring. The Opposition has criticised this amendment, citing a lack of evidence on the impacts of the pass-rate requirement, in particular, the quality of data on the impact of the 50 per cent pass rate requirement that informed the Interim Report's recommendation.</p> <p>At the Education and Employment Legislation Committee on 1 and 8 September 2023 the Opposition also cited a lack of consultation with the sector on the Support for students policy.</p>

Greens	<p>Part 1 – First Nations Students</p> <p>The Australian Greens Education policy rejects demand-driven and entitlement-based funding for universities on the grounds that ‘such mechanisms undermine standards and integrity and do not further the complex policy objectives of our education system’.</p> <p>During committee hearings, Education spokesperson Senator Mehreen Faruqi considered the need to increase First Nations staff in universities and leadership roles to better support students.</p> <p>Part 2 – Supporting students to succeed</p> <p>At the Education and Employment Legislation Committee on 8 September 2023 Senator Faruqi was supportive of removing the 50 per cent pass rate rule.</p>
Independents	<p>Independents, including Dr Helen Haines MP, Kate Chaney MP, Dr Sophie Scamps MP and Senator David Pocock, have welcomed both measures.</p>

Media

- ***Universities to be fined for dropout degrees, The Australian, 17 August 2023***

The article discussed the new support for students consultation paper in generally supportive terms, and described a “crackdown on dodgy degrees”.

- ***How the feds will force unis to support students, Future Campus, 23 August 2023***

The article discussed the *Support for students policy* consultation paper, and the policy’s use of compliance powers to ensure providers have appropriate supports in place.

- ***New laws to boost disadvantaged uni student rates, Canberra Times, 3 August 2023***

The article noted the introduction of the Bill on 3 August 2023 and quoted the Minister describing the pass-rate requirements as affecting a disproportionate number of students from poor backgrounds. Also notes the new requirement for universities to have “support plans” in place.

- ***'Too unequal': Controversial university fail rule to be scrapped, Sydney Morning Herald, 19 July 2023***

The article noted the Accord Interim Report priority actions, including Priority Action 2, and quoted the Government describing the pass-rate requirements as “punitive” and “unnecessarily harsh”.

- ***Big tertiary targets 'totally unrealistic', Australian Financial Review, 21 August 2023***

The article describes the proposed target (55 per cent of young people to have a university degree by 2035) as industry-focussed rather than student focussed, quoting Mr Andrew Norton who suggested that the Accord may reduce the ability of universities to reject applicants and pressure them to enrol all equity students.

- ***Indigenous students' uni win, The Australian, 19 July 2023***

The article notes that taxpayers will give universities funding to enrol any First Nations people who meet academic entry standards.

Date Last Cleared	24 October 2023
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Issue: Integrity in the International Education Sector
Contact: Ben Rimmer
Ph: s 22
Deputy Secretary, Higher Education, Research & International

Key Points

- The Rapid Review into the Exploitation of Australia's Visa System (Nixon Review) and the Review of the Migration System (Migration Review) identified serious integrity issues in the international education sector.
- The Australian Government has made its concerns clear about education provider practices that help non-genuine students access Australia for the purposes of work not study, and the exploitation of international students.
- A loophole has already been removed that was used to move students who had been in the country less than 6 months to new providers to facilitate work instead of study.
 - In the first half of 2023, there were 17,362 concurrent enrolments (January – June).
 - This was a sharp uptick compared to the same period in 2019 which was 6,237.
 - Students can study courses concurrently once they have passed 6 months with their original provider, or if their provider agrees to their release.

Response to the Nixon and Migration Reviews

- Following the Nixon Review, the Government has responded to the 34 recommendations.
- The Government agreed to 24 recommendations, noted 8 recommendations and disagreed with 2 recommendations, on the basis that they are in conflict with the Government's interpretation of Australia's international obligations, including the right of individuals to freely choose work.
- The department is delivering initiatives to strengthen integrity in international education in response to the Migration and Nixon Reviews, including:
 - amending the fit and proper provider test for international education providers
 - encouraging transparency by publishing agent performance information

- prohibiting agent commissions on onshore student transfers between providers, and
- developing whole-of-system risk indicators, to form the basis of a risk monitoring framework that will drive compliance activity by regulators.
- These initiatives will increase the accountability of education providers and their agents.
- They will complement the Department of Home Affairs' commitment to consider regulating education agents as recommended in the Nixon Review.
- Strong, whole of system data sharing activities and robust risk indicators will enable the regulators to address integrity concerns.
- The department will work closely with the Department of Home Affairs, the Department of Employment and Workplace Relations (DEWR) and the regulators, Tertiary Education Quality and Standards Agency (TEQSA) and Australian Skills Quality Authority (ASQA) on these initiatives.
- Consultations are underway with the sector.
- The initiatives require a mix of legislative and regulatory changes.
 - Implementation is being fast tracked where possible.
- Measures not dependent on changes to the ESOS Act will be implemented by 1 July 2024.
 - Legislative changes will be progressed as quickly as possible, consistent with the Government's legislative priorities.
- This timeframe will allow for:
 - Appropriate consultation with the sector to ensure measures are robust and workable, and
 - Other changes to the regulatory framework, ie regulations and National Code, to be drafted and tested with the sector.

Fit and proper provider test

- The Nixon Review identified questionable business practices between providers and education agents.
- Amendments to the ESOS Act will strengthen the standards required to gain and hold registration on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS).
 - Legislative changes will be progressed as quickly as possible, consistent with the Government's legislative priorities.

- Standards may consider provider history, previous sanction and financial records.
 - These standards will go to the bona fides of the operators.
- This will filter out bad actors and deter collusive business practices and cross ownership between education providers and their agents, which are designed to channel students into exploitation.
- This will address issues identified in the Nixon Review of unscrupulous business practices, and will hold providers to higher standards of transparency and integrity.
- The amendments are specific to international education delivery and will complement measures by the Minister for Skills and Training to lift standards for all registered training organisations, including those providers in the international VET sector.

Transparency of agent performance

- The Nixon Review identified education agents as being involved in visa exploitation and human trafficking.
- Providers will be given access to agent performance data such as student completion rates and visa rejection rates.
 - Current system function only allows for providers to see the performance data of agents they engage, not of all agents.
 - The department is scoping the work required to upgrade systems to provide this data.
- We are working towards an implementation date of 1 July 2024 subject to updates to the regulatory framework.
 - Changes will be progressed as quickly as possible, and consistent with the Government's legislative priorities where required.
- These benchmarks will help providers choose quality education agents as partners and lower their exposure to questionable recruitment behaviours.
- This action will also support the Minister for Home Affairs to explore options for the regulation of education agents.
 - This includes considering expansion of the Office of the Migration Agents Registration Authority (OMARA) remit to include education agents.

Prohibiting commissions

- The Nixon Review identified onshore transfers as a method used by unscrupulous providers and agents to channel students into labour exploitation.

- Providers will be banned from paying agents' commissions for onshore student transfers between providers.
- This will reduce collusion between providers and education agents to push students into cheap courses for provider and agent profit.
- This change is expected to be introduced into the National Code [Standard 7] and will be monitored and enforced by the regulators.
- The change to the Code will address the variety of ways a provider or agent could present what is effectively a commission.
 - The department will work with the sector to address disguising of commissions as other payments, such as marketing fees.

Risk indicators

- The Nixon Review identified the need to increase investigation and field compliance capacity and noted the success of whole of Government compliance activities through Operation INGLENOK.
- To support further compliance activity, the department will lead efforts to develop a whole-of-system approach to identify risk.
 - A Risk Working Group has been established with relevant agencies and education regulators to develop evidence-based risk indicators.
- The indicators will be used to develop a risk monitoring framework to drive targeted compliance actions by regulators.

English language reporting requirements

- The Migration Review found English language skills have a direct relationship to good education and labour market outcomes in Australia.
 - The Migration Strategy 2023 is due to be released before the end of the year.

Joint Standing Committee on Foreign Affairs, Defence and Trade (JSCFADT) Interim Report on International Education

- The Joint Standing Committee on Foreign Affairs, Defence and Trade (JSCFADT) tabled an Interim Report on International Education on 19 October.
- The Government is considering the report and recommendations and how it may inform ongoing work to strengthen integrity and support quality in the sector.

Media

- ***Brought to Australia as a 'student', Henry was made into a slave, Sydney Morning Herald, 23 July 2023***

The article revealed the deliberate misuse of a student visa to traffic a Chinese national. It quotes from the Nixon Review and is critical of the Government for 'withholding' it. The article included a leaked copy of the full Nixon Review.

Date Last Cleared	24 October 2023
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BACKGROUND***Concurrent studies***

- The department wrote to the Minister on 17 August 2023 to highlight the misuse of the concurrent functionality in the Provider Registration and International Student Management System (PRISMS).
- The Minister provided authority to remove this functionality on 21 August 2023 and immediate action was taken to remove this function.
- This was a systems change and did not require legislative amendments.
- The function was removed from PRISMS on 24 August 2023 and announced as part of a joint ministerial press release regarding integrity in the international education sector on 26 August 2023.
 - website and PRISM user announcements were also made 26 August.
 - advance notice was not given to the sector to avoid a 'rush' on use of the facility.
- The change does not affect students who had concurrent enrolments as at 24 August 2023.

Nixon Review

- On 4 October 2023, the Government released the de-classified Nixon review and responded to the Review's 34 recommendations.
- In October and November 2022, the *Trafficked* project led by Nine Media (*60 Minutes*, *The Age*, and *The Sydney Morning Herald*) reported allegations of visa rorts, sex trafficking and foreign worker exploitation. Specific allegations were made against several Registered Migration Agents.
- The Minister for Home Affairs established a review, lead by former Victorian Police Commissioner, Christine Nixon, to address these allegations.
- The full draft Review was leaked by the Sydney Morning Herald on 23 July 2023.

-
- The Minister for Home Affairs is the lead Minister in response to Recommendation 13 – Consideration be given to regulating onshore and offshore education agents used by Australian education providers
 - The Minister for Education will support action on this issue through increasing provider accountability for the agents that they work with; banning agent commissions for onshore transfers and increasing transparency of agent performance.
 - The Minister for Education is the lead Minister for the response to recommendations 16 and 17
 - Recommendation 16 – The Review recommends education regulators develop a broader set of systemic risk indicators for CRICOS-registered education providers.
 - The Minister for Skills and Training and the Minister for Home Affairs are also listed against this Recommendation.
 - Recommendation 17 – The Review recommends education providers' compliance with reporting non-attendance by international students through PRISMS be closely monitored.
 - This will be progressed through the work under Recommendation 16.
 - The Minister for Skills and Training is also listed against this recommendation.

Migration Review

- The independent *Review of the Migration System Final Report 2022* (the Migration Report) was presented to Government on 21 March 2023.
- Minister O'Neil released *A Migration System for a More Prosperous and Secure Australia: Outline of the Government's Migration Strategy* on 27 April 2023.
- The Migration Strategy 2023 is yet to be released.

2023 - 2024 Supplementary Budget Estimates
SB23-000363

Issue:	Regional University Study Hubs and Suburban University Study Hubs
PBS Pg No.	Initiatives announced in response the Australian Universities
PAES Pg No.	Accord Interim Report have not yet been published in budget
MYEFO Pg No.	documents.
Contact:	Ben Rimmer
	Ph: s 22
	Deputy Secretary

BudgetRegional University Study Hubs (2023 commitment)

Financial year	2022-23	2023-24	2024-25	2025-26	2026-27	Total
Budget Allocation	0.0	5.2	5.3	13.4	10.6	34.4
Committed	0.0	0.0	0.0	0.0	0.0	0.0
Uncommitted	0.0	5.2	5.3	13.4	10.6	34.4

Suburban University Study Hubs Program

Financial year	2022-23	2023-24	2024-25	2025-26	2026-27	Total
Budget Allocation	0.0	6.2	7.8	9.1	9.5	32.5
Committed	0.0	0.0	0.0	0.0	0.0	0.0
Uncommitted	0.0	6.2	7.8	9.1	9.5	32.5

Key Points

- Priority Action 1 of the Australian Universities Accord Interim Report (the Report) is to extend visible, local access to tertiary education by creating further Regional University Study Hubs.
- The Accord also proposed establishing a similar concept for suburban/metropolitan locations.
 - The Report noted that proximity and connection to places of learning is a critical barrier to accessing higher education, and this is not restricted to just regional areas.
- On 18 July 2023, in response to this Priority Action, the Hon Jason Clare MP, Minister for Education, announced \$66.9 million to double the number of University Study Hubs, including expanding the concept to the outer suburbs of our major cities for the first time.

- Up to 20 additional Regional University Study Hubs (Regional Hubs) and up to 14 new Suburban University Study Hubs (Suburban Hubs) will be established.

Regional University Study Hubs

- Up to 20 additional Regional Hubs were announced in response to the Accord Interim Report, and will be established across 2 streams:
 - Stream 1 – up to 10 Regional Hubs in 2024
 - Stream 2 – up to 10 Regional Hubs in 2025
- A competitive application process to select up to 10 Regional Hubs in the first stream opened on 28 September 2023 and will close 5:00pm (AEDT) 15 December 2023. Eligible community-owned organisations are invited to apply to establish a Regional Hub in a regional or remote location.
 - Applications will be assessed by a departmental assessment panel, with the new Hubs expected to be operational from mid-2024.

Existing Regional University Study Hubs

- There are 34 existing Regional Hubs located in all states and the Northern Territory.
- In 2023 (most recent data), Regional Hubs are supporting more than 3400 students, studying more than 1000 different courses, through more than 200 tertiary education providers. Of these students:
 - 1,389 (41 per cent) identified as being first in their family to undertake university
 - 369 (11 per cent) identified as Aboriginal and/or Torres Strait Islander
 - 1,969 (58 per cent) were over the age of 25.
- A first-stage formative evaluation of the Regional Hubs program was finalised in July 2021 and found:
 - There is evidence that Regional Hubs have a positive impact on the local economy and employment, including attracting people to the area, retaining locals and helping students obtain local jobs.
 - There is early evidence to suggest Regional Hubs improve student completion and retention, with students undertaking **online study** in regions with a Regional Hub having higher completions than students in regions without a Hub.
- A second-stage evaluation is planned for 2023–24. The department is currently working through arrangements for this evaluation.

Scoping Study to support locations of new Regional Hubs

- An independent Scoping Study to support the selection of locations for new Regional Hubs was finalised in December 2021. The report is available on the department's website.
- The Scoping Study resulted in the development of a Regional Needs Model, which compiles datasets and analyses regional data across economic, demographic, education and industry measures to determine a region's level of need and readiness to establish a Regional Hub.
- The department recently updated the Regional Needs Model with the latest available datasets. This was completed in September 2023, and will be used to inform/support selection of new Regional Hubs.
Note: This will form a part of the assessment process to support the panel, however all information provided by applicants as part of their application will be considered by the panel. The application guide notes applicants can request this updated data from the department.

Suburban University Study Hubs

- Suburban Hubs will offer improved access and flexibility, with wrap around support, for tertiary students in outer metropolitan areas of Australia.
 - There is currently no agreed definition of 'outer metropolitan'. The department will undertake work to further consider high priority locations for Suburban Hubs to be established.
- Suburban Hubs will be established in areas with low levels of university attainment and with limited access to a significant physical university campus.
- Similar to the facilities and support provided by Regional Hubs, Suburban Hubs will provide physical infrastructure such as computer facilities, internet access and study spaces, as well as in-person administrative and academic skills and wellbeing support for students undertaking tertiary study through any Australian institution.
 - Suburban Hubs will build on the existing Regional Hubs program, and will ensure that it meets the specific needs and aspirations of outer metropolitan communities.

Implementation

- The department has engaged with other Commonwealth agencies and state and territory governments regarding the Suburban Hubs program to ensure alignment across government objectives.

2023 - 2024 Supplementary Budget Estimates
SB23-000363

- A Consultation Paper was developed to seek input on the design and implementation of the Suburban Hubs Program. Submissions opened on 3 September 2023 and closed on 2 October 2023. A total of 43 submissions were received, and a small number of organisations have been granted extensions.
- The department is currently undertaking a procurement process to engage a supplier to do analysis and research which will inform the selection of appropriate locations for the new Suburban Hubs. A final report outlining the results of this work is to be provided to the department in December 2023.
- A competitive application process will be held to identify organisations and sites to establish and operate the new Suburban Hubs. Further information on timing for this process will be available in due course.

Stakeholder Response

Stakeholder	Response summary
Rep Bodies	<p>The Regional Universities Network (RUN) is supportive of new University Study Hubs being established, including the concept being adapted for metropolitan Australians.</p> <ul style="list-style-type: none"> • RUN Media Release – 18 July 2023 <p>Universities Australia (UA) is supportive of new University Study Hubs being established, noting the importance of opportunity for all Australians to attend university.</p> <ul style="list-style-type: none"> • UA Media Release – 18 July 2023
Opposition	<p>The opposition is supportive of the Government's commitment to double the number of University Study Hubs, however, is critical of the decision to provide up to 14 Hubs in metropolitan Australia, noting <i>'these centres are designed to enable students to access tertiary education services, not save them a train ride into town.'</i></p> <ul style="list-style-type: none"> • Sarah Henderson Media Release – 19 July 2023

Media

- ***Next step in bringing university to the outer suburbs, the Hon Jason Clare MP, Minister for Education, 3 September 2023***

Minister's Media Release announcing consultation process to inform design and implementation of the new Suburban University Study Hubs Program.
- ***Albanese Government must put students first and hold universities to account, Senator the Hon Sarah Henderson, Shadow Minister for Education, 19 July 2023***

Shadow Minister's Media Release outlining opposition response to the Government's response to the Australian Universities Accord Interim Report.
- ***New Study Hubs to address educational opportunities for regional Australians, Regional Universities Network, 18 July 2023***

RUN Media Release welcoming the government's announcement of new University Study Hubs.
- ***Study Hubs good for students and the economy, Universities Australia, 18 July 2023***

UA Media Release welcoming the government's announcement of new University Study Hubs.
- ***Do you live in a region without a uni? This \$67m boost could help, Australian Financial Review, 18 July 2023***

The article outlines the Minister's announcement regarding the new University Study Hubs.
- ***Improving access to university in the outer suburbs and the regions, the Hon Jason Clare MP, Minister for Education, 18 July 2023***

Minister's Media Release announcing funding to double the number of University Study Hubs.

Date Last Cleared	16 October 2023
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BACKGROUND

Regional University Study Hubs

- Regional Hubs (formerly Regional University Centres) are community-owned facilities in regional and remote locations that provide study spaces, video conferencing, computing facilities and internet access, as well as academic skills and wellbeing support for students studying via distance at any Australian institution.
- The aim of the Regional Hubs is to improve and support diversity, equity of access and participation and to improve student outcomes.
- The Regional University Study Hubs Program is a grants program under the *Higher Education Support (Other Grants) Guidelines 2022*, under section 238-10 of the *Higher Education Support Act 2003*.
- The objectives of the program are to:
 - Meet a demonstrated gap in access and support for higher education in regional, rural or remote Australia.
 - Facilitate students who wish to stay in their community while they complete their course of study.
 - Enhance the experience of students studying in their community.
 - Encourage links between the Centres and other organisations in the area, including other higher education providers, schools, local government, business and industry.
 - Complement, rather than replace, existing and planned university investments and activities in regional areas, such as satellite campuses and study centres.
- Regional Hubs are established in areas defined as 'inner regional', 'outer regional', 'remote' or 'very remote' as per the Australian Statistical Geography Standard Remoteness Classification.
- To date, 3 competitive application processes have been held to select Regional Hubs:
 - Round 1 – held between 30 May and 27 July 2018. 23 applications were received. 16 applications funded at a total cost of \$24,172,298 GST excl. (capital and operational).
 - These Regional Hubs have been re-funded at an additional cost of \$25,403,790 for the period 2022–23 to 2025–26.
 - Round 2 – held between 3 October and 13 December 2019. 13 applications were received. 9 applications initially funded at a total cost of \$9,485,728 GST excl. (capital and operational).
 - These Regional Hubs have been re-funded at an additional cost of \$11,365,025 for the period 2023–24 to 2026–27.
 - In connection with Round 2 and an election commitment, CUC Ovens-Murray in Wangaratta was awarded \$2,533,300 in funding (capital and operational) over 4 years to 2023–24. (Funding delayed due to readiness)
 - Round 3 – held between 28 February and 25 March 2022. 18 applications were received. 8 applications were funded at a total cost of \$9,304,756 GST excl. (capital and operational).

Issue: Research Programs
PBS/PAES 59
Contact: Ben Rimmer
Ph: s 22
Deputy Secretary

Key Points

Research context

- Over the next four years (2023–24 to 2026–27), the Department of Education portfolio will invest around \$16 billion in Research and Development (R&D). This includes:
 - \$9.2 billion through research block grants
 - \$1.7 billion through the National Collaborative Research Infrastructure Strategy
 - \$4.0 billion provided through the Australian Research Council (ARC)
 - \$0.9 billion provided to support university research commercialisation through Australia’s Economic Accelerator (AEA), Trailblazer Universities Program and National Industry PhD Program.

Continued investment in research

- University research and innovation, industry collaboration and research translation pathways are being boosted through major Australian Government investments such as AEA, the Trailblazer Universities Program, National Industry PhD Program and the ARC Industry Fellowships Program.
- In addition, the Australian Universities Accord (the Accord) will drive lasting and transformative reform in Australia’s higher education system.
- The Accord will have a key focus on delivering new knowledge, innovation and capability within the Australian university research sector.
- The Accord process aims to improve the system of university research in Australia, securing the future of the Australian research pipeline from basic and translational research to commercialisation that meets the current and future needs of the nation.

Research grants savings

- \$36.9 million over 5 years from 2022–23 (and \$2.0 million per year ongoing) was approved as a saving in the 2023–24 Budget from legacy grant schemes—the Strategic University Reform Fund (SURF) and Regional Research Collaboration (RRC) Program—to optimise the Tertiary Collection of Student Information System to improve data quality, analytic support and the security of tertiary student records.
- The SURF and RRC Programs are initiatives from the previous Government providing support for research activity that focuses on building regional capacity and local connections to innovation needs.
- SURF has served its purpose well and all current projects funded under them will continue through to completion.
- RRC will continue to support investment in regional universities to lift the research capacity of the regions.
- Also announced in the 2023–24 Budget was a saving of \$3.0 million over five years from 2022–23 (and \$0.7 million per year ongoing) by ceasing funding for Quality Initiatives, which is duplicative of other programs in the Education portfolio and has not been utilised since 2021.

Media

- Nil

Date Last Cleared	10 October 2023
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BACKGROUND

SURF and RRC Program

- The SURF and RRC Programs are legacy initiatives from the previous Government providing support for research activity that focuses on building regional capacity and local connections to innovation needs.
- New programs such as the AEA, the Trailblazer Universities Program, National Industry PhD Program and the ARC Industry Fellowships Program align to current Government priorities.
- These supersede smaller discrete Government programs such as SURF and the RRC Program.
- AEA, in particular, provides pathways for smaller and more timely research translation grants that will enable regional and less research-intensive universities to be more competitive than in the standard research grant pathways.

Strategic University Reform Fund

- The \$41.5 million SURF initiative encouraged universities to undertake novel reform in areas of Government priority and enable universities to develop targeted and innovative solutions that are focused on local communities.
- SURF is a non-ongoing program and is expected to terminate on 30 June 2024.
- \$19.0 million of uncommitted SURF funds were approved as savings in the 2023–24 Budget.
- As such, no future rounds will occur.
- There are currently 10 projects funded through the SURF pilot and Round 1 processes, and these will continue through to completion.

Regional Research Collaboration Program

- The \$87.3 million ongoing RRC Program funds research collaboration between regional universities, industry and other higher education providers to help address the challenges associated with undertaking research in regional institutions.
- The aim is to strengthen research capacity, creating more opportunities for Australians in regional areas to pursue post-graduate qualifications and open more opportunities to develop local industry.
- \$17.9 million of uncommitted RRC Program funds over the forward estimates to 2026–27 have been approved as a savings in the 2023–24 Budget.
- There are currently 11 projects funded under RRC Program Rounds 1 and 2, and these will continue through to completion.

Quality Initiatives Program

- No initiatives are currently contracted under Quality Initiatives.
- The last funded project was the Australian Mathematical Sciences Institute Securing Australia's Mathematical Workforce, which was \$2.5 million over 5 years from 2016, and concluded in 2021.

Australia's Economic Accelerator

2023 - 2024 Supplementary Budget Estimates
SB23-000364

- The Government is investing \$1.6 billion to accelerate reform in the higher education sector for the translation and commercialisation of university research through a new stage-gated funding program – AEA.
- The AEA will support translation and commercialisation activities aligned with priorities under the National Reconstruction Fund.
- The AEA will develop a pipeline from discovery through to commercialisation, ensuring Australia reaps the benefits of investment in research within the university sector.

Trailblazer Universities Program

- The Government is providing \$370.3 million over four years from 2022–23 to 2025–26 under the Trailblazer Universities Program to build new research capabilities, drive commercialisation outcomes and invest in new industry engagement opportunities.
- Trailblazer Universities will become leaders in research commercialisation, with dedicated investment in strategic priority areas.
- These areas are currently based on the National Manufacturing Priorities—Resources Technology & Critical Minerals Processing; Food & Beverage; Medical Products; Recycling & Clean Energy; Defence; and Space—but could change over time.

Forward estimates impact of savings (GST inclusive)

	2022–23	2023–24	2024–25	2025–26	2026-27	Total
SURF save	\$8,452,000	\$10,526,000	\$0	\$0	\$0	\$18,978,000
Enhance Research Capacity of Regional Universities (RRC Program) save	\$0	\$0	\$7,987,000	\$7,988,000	\$1,943,000	\$17,918,000
Quality Initiatives save	\$540,000	\$570,000	\$605,000	\$626,000	\$641,000	\$2,982,000

Forward estimates of key research programs mentioned above (GST inclusive)

	2022–23	2023–24	2024–25	2025–26	2026-27	Total
RRC Program residual	\$20,309,000	\$18,925,000	\$13,813,000	\$14,063,000	\$20,193,000	\$87,303,000
Australia’s Economic Accelerator	\$10,172,000	\$99,536,000	\$163,247,000	\$161,649,000	\$212,089,000	\$646,693,000
Trailblazer Universities Program	\$76,100,000	\$78,718,000	\$83,723,000	\$86,792,000	\$0	\$325,333,000
National Priorities and Industry Linkage Fund	\$237,686,000	\$251,088,000	\$265,854,000	\$275,126,000	\$282,686,000	\$1,312,440,000
National Industry PhD Program (Increase Workforce Mobility)	\$3,119,000	\$6,033,000	\$10,555,000	\$16,723,000	\$24,451,000	\$60,881,000
ARC Industry Fellowships Program	\$0	\$21,219,000	\$43,390,000	\$67,946,000	\$90,978,000	\$223,533,000

Issue: **Review of the Australian Research Council Act 2001 (ARC Review)**
Contact: **Ben Rimmer**
Ph: [s 22](#)
Deputy Secretary, Higher Education, Research and International

Key Points

- On 22 August 2023, the Hon Jason Clare MP, Minister for Education, announced the Australian Government response to the ARC Review (see [Attachment A](#)).
- The Government has agreed, or agreed in principle, to all 10 recommendations of the ARC Review led by Professor Margaret Sheil AO.
- A key recommendation of the Review is the establishment of an ARC Board with the responsibility of appointing the ARC Chief Executive Officer and approval of grants within the National Competitive Grants Program (NCGP). Legislation is being drafted to establish the Board and have it operate from 1 July 2024, subject to passage of the legislation.
- A further recommendation is to strengthen the integrity of the ARC grant allocation process, with the Board approving research grants following recommendations by the College of Experts.
- The Minister will retain authority to approve nationally significant program investments, such as Centres of Excellence.
- ARC grant guidelines will be set by the Minister for Education and be disallowable legislative instruments, subject to the scrutiny of Parliament.
- The Minister for Education will also have the power to direct the ARC not to fund, or to recover funds from, research grants where a national security risk is identified.
- The Minister for Education requested, and the ARC has commissioned, work that does not require legislative changes – supporting fellowships and academic careers (recommendation 3), advancing Indigenous Australians (recommendation 4), management and consultation (recommendation 8), and simplifying and streamlining best practice for the NCGP (recommendation 9iii).
- The Minister for Education also requested the Australian Universities Accord panel consider measuring impact and engagement in university research (recommendation 10).

- The Government is well underway with its work to deliver a stronger ARC through reformed governance and accountability arrangements and updated enabling legislation.
- The department will consult across government and with key stakeholders, including higher education research peak bodies and representative groups, in the drafting of amendments to the legislation.
- The Government is confident the reforms will ensure the ARC is set up to meet current and future needs and maintain the trust and confidence of the research sector.

Stakeholder Response

Stakeholder	Response summary
Associations and peak bodies	<p>Australian Academy of Science (AAS) applauded the Minister's announcement of acceptance of all 10 recommendations of the ARC Review. Academy President Professor Chennupati Jagadish stated that "the reforms will create a far more robust and research-oriented system".</p> <p>Australian Technology Network of Universities (ATN) welcomed the Government's adoption of the ARC Review Recommendations. ATN supports the Minister's request for the Accord panel to consider the recommendation on measuring impact and engagement in university research, and looks forward to working with the ARC to advance support for Indigenous Australian academics.</p> <p>Regional Universities Network (RUN) welcomed the Government's announcement that all 10 recommendations of the ARC Review have been accepted. RUN recognises that these reforms are the first step in addressing the maldistribution of national research funding, activity, and infrastructure between metropolitan and regional Australia, and essential to ensuring that Australia continues to be at the forefront of global research.</p> <p>Universities Australia (UA) welcomed the Government's response to the ARC Review and highlighted their support for the recommendations, including the establishment of an ARC Board and changes to the ministerial discretion power on grants.</p>
Government departments	<p>Australian Research Council commented that the Government response confirms the ARC's role in underpinning and shaping the national research landscape. There is significant work by the ARC already underway to address the recommendations that do not require legislative change, as well as consultation with Indigenous researchers regarding the establishment of an ARC Indigenous Forum.</p>

Media

- Australian research grant reform gain political support, Times Higher Education, 24 August 2023***
This article stated that while the removal of opportunities for political ‘meddling’ has drawn widespread approval, research advocates want more funding.
- ‘No political plaything’: Labor to end research grant veto, Australian Financial Review, 22 August 2023***
This article reported an overview of the Government Response, with particular focus on the change in ministerial discretion power on grants.
- Jason Clare puts an end to political meddling in the Australian Research Council, The Australian, 22 August 2023***
This article reported that universities and science groups have welcomed a Commonwealth Government decision to appoint a board to run the Australian Research Council and its decision-making at arms-length from the Minister.
- Response to Australian Research Council Review, Media Release the Hon Jason Clare MP, Minister for Education, 22 August 2023***
The Minister released the Australian Government response to the ARC Review and thanked the Panel (see [Attachment B](#)).
The Minister commented on the key future reforms to the ARC.

Attachments

- [Attachment A](#) – Australian Government response to *Trusting Australia’s Ability: Review of the Australian Research Council Act 2001*
- [Attachment B](#) – Minister Media Release

Date Last Cleared	17 October 2023
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BACKGROUND

ARC Review

- On 30 August 2022, the Hon Jason Clare MP, Minister for Education announced an independent ARC Review and appointed Professor Margaret Sheil AO (Panel Chair), Professor Susan Dodds and Professor Mark Hutchinson to manage the review process.
- The ARC Review considered the role and purpose of the ARC within the university research system so it can meet current and future needs, how the ARC's legislation can be refined to provide clarity on its objectives and processes, and whether the scope of the current legislation was sufficient to support an effective and efficient university research system.
- It was the first comprehensive review of the ARC since it was established in 2001 as an independent statutory agency.
- The ARC Review Panel released a consultation paper on 9 November 2022 and invited public submissions, which closed on 14 December 2022.
- A total of 223 submissions were received from stakeholders in response to the consultation paper. The Review Panel also held targeted consultations with a range of stakeholders through meetings and focus groups.
- On 20 April 2023, the department published the Final Report: *Trusting Australia's Ability: Review of the Australian Research Council Act 2001*.
- The Final Report provided 10 recommendations that go to the need for governance reform, clarification of purpose and improvements to administration to ensure expert decision-making drives research funding allocations with integrity and transparency, in line with leading international best practice.

Ministerial intervention on research grants

- 4 Ministers on 6 occasions have intervened on ARC research grant approval decisions – Ministers Nelson (2005, 2006), Birmingham (2017, 2018), Tehan (2020) and Acting Minister Robert (2021).
- Apart from the interventions of Minister Tehan, which were for national security concerns, the recommended funding proposals were rejected on the grounds of poor value for money.
- In his speech at the Australian Financial Review Higher Education Summit (22 August 2023), the Hon Jason Clare MP stated that this:

“... upend(ed) the independent peer review process. Interference and delay makes it harder for universities to recruit and retain staff, and it damages our international reputation. That's not good for our universities, and it's not good for business either who want to work with our universities. I promised last year to end that”.
- Subject to the passage of legislation, an ARC Board will be established with responsibility for the approval of grants within the National Competitive Grants Program. To further strengthen the integrity of the ARC grant allocation process, grant guidelines set by the Minister will be a disallowable legislative instrument, subject to the scrutiny of Parliament.
- The Minister for Education will retain the power to direct the ARC not to fund or to recover funds from research grants where a national security risk is identified.

Senate Standing Committee on Education and Employment Inquiry

- A review of the *Australian Research Council Act 2001* (ARC Act) was a recommendation of the Senate Standing Committee on Education and Employment Inquiry into the Australian Research Council Amendment (Ensuring Research Independence) Bill 2018 (March 2022).
- The Bill sought to amend the ARC Act to remove Ministerial discretion from research grants administered by the ARC by legislating that the Minister must approve a research proposal and associated expenditure if that proposal was recommended for approval by the ARC CEO.
- The Committee recognised it had been 20 years since the ARC Act was examined in detail and accepted that a broad review of the ARC was necessary. They recommended an independent review of the ARC including its governance and research funding processes, with a view to maximising the impact of public investment in university research.



Australian Government

Australian Government response to:

*Trusting Australia's Ability: Review of the Australian Research
Council Act 2001*

AUGUST 2023

Message from the Hon Jason Clare MP, Minister for Education

Australia is home to some of the most brilliant researchers and the most cutting-edge research in the world.

And the Australian Research Council (ARC) plays a fundamental role in supporting, shaping and sustaining that research.

The work of the ARC is vital, but it needs reform to ensure it is set up for the future.

That's why in August 2022, I appointed Professor Margaret Sheil AO (Panel Chair), Professor Susan Dodds and Professor Mark Hutchinson to oversee an independent review of the *Australian Research Council Act 2001*.

This was the first comprehensive review of the ARC and its enabling legislation since its inception in 2001.

I asked the panel to consider the role and purpose of the ARC within the university research system so it can meet current and future needs, how the ARC's legislation can be refined to provide clarity on its objectives and processes, and whether the scope of the current legislation was sufficient to support an effective and efficient university research system.

On 20 April 2023, the panel's final report – *Trusting Australia's Ability: Review of the Australian Research Council Act 2001* – was publicly released, and included ten recommendations which aim to:

- provide greater clarity of the contemporary role and purpose of the ARC through its enabling legislation
- advance support for Indigenous Australian academics through better consultation and additional fellowships
- strengthen governance by establishing an ARC Board
- reduce legislative burden and increase accounting flexibility through the ARC Endowment Account
- reform the evaluation of research excellence and impact.

The Government has agreed or agreed in principle to all the panel's recommendations.

I thank Professor Sheil, Professor Dodds and Professor Hutchinson for overseeing this important review, and all stakeholders who gave their time to contribute.

The Hon Jason Clare MP
Minister for Education

Review of the Australian Research Council Act 2001

Overview

On 30 August 2022, the Hon Jason Clare MP, Minister for Education, announced the *Review of the Australian Research Council Act 2001* (ARC Review) to consider the role and purpose of the ARC within the university research system so it can meet current and future needs.

The Hon Jason Clare MP appointed an independent three-person panel to oversee the review:

1. Professor Margaret Sheil AO (Panel Chair), Vice-Chancellor and President, Queensland University of Technology
2. Professor Susan Dodds, Senior Deputy Vice-Chancellor and Vice President (Research & Industry Engagement), La Trobe University
3. Professor Mark Hutchinson, Director of the Centre for Nanoscale BioPhotonics, University of Adelaide.

A total of 223 public submissions were received in response to the review consultation paper. Targeted meetings and focus groups were also held with diverse stakeholders across the research ecosystem, including individuals, higher education providers, traditional knowledge owners, research organisations (national and international), industry groups, peak bodies and government.

The Final Report and public submissions to the Review were released on 20 April 2023 (www.education.gov.au/higher-education-reviews-and-consultations/review-australian-research-council-act-2001).

Terms of Reference

The Terms of Reference asked the panel to consider:

1. whether the role and purpose of the ARC as set out in the legislation remains relevant, including consideration of the contribution the ARC can make to identifying reforms to its programs to actively shape the research landscape in Australia and better align with comparable research agencies
2. the ARC governance model and management functions and structures to ensure they are contemporary, fit for purpose, and meet the needs of stakeholders
3. opportunities to improve the legislation to better facilitate globally competitive research and partnerships, reduce unnecessary administrative and legislative burden and increase agility
4. how the legislation could be revised to reflect the breadth of functions of the ARC and its evolution, including the measurement of the impact and excellence of Australian research and advise on contemporary best practice for modernising and leveraging these measures.

Government response to the ARC Review recommendations

Recommendation and summary	Full recommendation description	Government response and next steps
<p>1. Purpose of the National Competitive Grants Program</p> <p>Clarifying the purpose of the ARC to give a legislative basis for funding basic, strategic basic and applied research via the NCGP, to fund research that may have a positive impact on Indigenous Knowledge systems and Peoples.</p>	<p>We recommend the ARC Act be amended to give a stronger legislative basis for the purpose of the Australian Research Council (ARC) and clearer scope for the National Competitive Grants Program (NCGP) by specifying that:</p> <ul style="list-style-type: none"> (i) the ARC provides funding through NCGP to support research in Australian universities and their partners (ii) the NCGP supports pure basic, strategic basic and applied research, but not experimental development (iii) the supports collaborative research that expands Indigenous knowledge systems and provides economic, commercial, environmental, social and/or cultural benefits for Australia (iv) the NCGP supports research in all academic disciplines except clinical health and medical and dental research (v) the NCGP supports universities to attract and retain academic researchers in response to changing needs and priorities. 	<p>Agreed.</p> <p>Amendments to the ARC Act will be introduced to clarify the purpose of the ARC and scope for the NCGP in funding basic, strategic basic and applied research.</p>

Recommendation and summary	Full recommendation description	Government response and next steps
<p>2. The National Research Landscape</p> <p>Giving a legislative basis and clarity to the role of the ARC in underpinning and shaping the national research landscape over and above the impact of the administration of the NCGP.</p>	<p>We recommend that the ARC Act be amended to provide a legislative basis for those functions through which the ARC actively shapes the research landscape over and above the impact from the NCGP.</p> <p>These include:</p> <ul style="list-style-type: none"> • evaluation of the excellence, quality, and impact of research in Australian Universities • evaluation of the depth and capability of researchers in Australian universities, within and across disciplines • promoting and upholding research integrity • promoting ethical conduct of research • promoting accessibility of publications and research data • promoting excellence, equity, and diversity in Australian universities • supporting significant, long term research collaborations • partnering with other Government agencies that use ARC systems and processes to deliver peer-reviewed and other research grant programs. 	<p>Agreed.</p> <p>Amendments to the ARC Act will be introduced to clarify the role of the ARC in underpinning and shaping the national research landscape over and above the impact of the NCGP, including in relation to research integrity.</p>
<p>3. Fellowships and Academic Careers</p> <p>Giving further clarity and insight to the role and impact of the ARC in relationship to academic careers.</p>	<p>We recommend that:</p> <ol style="list-style-type: none"> (i) the ARC Act be amended to include within the scope that the ARC assists Australian universities to attract and retain talented academics (ii) the ARC reviews and consults on the purpose and effectiveness Fellowships at different stages of academics' career including clarifying the different responsibilities of the ARC and universities (iii) notwithstanding (ii), the ARC give priority to reviewing the support and assessment criteria for early career fellowships prior to any further rounds (iv) the ARC review and simplifies the criteria used to assess research opportunities in respect to academic careers. 	<p>Agreed.</p> <p>The Minister for Education has requested the ARC commission this work.</p>

Recommendation and summary	Full recommendation description	Government response and next steps
<p>4. Advancing Indigenous Australians</p> <p>Advancing the support for Indigenous Australian academics through better consultation and additional fellowships. Separately the Panel heard the need to facilitate the engagement of Indigenous Community organisations as partners with universities in ARC Linkage programs.</p>	<p>We recommend that:</p> <ul style="list-style-type: none"> (i) the ARC establishes a Designated Committee for engagement and consultation with Indigenous Australian academics and their research partners (ii) that the ARC develops as a high priority within the NCGP Discovery Fellowships for Aboriginal and Torres Strait Islander academics across the full career spectrum (iii) the ARC enhances opportunities within the NCGP for Indigenous Australian community organisations to participate in ARC Linkage Programs (iv) the ARC introduces two named Fellowships for leading Indigenous Researchers in the ARC Australian Laureate Fellow Scheme, modelled on and adapted from the Georgina Sweet and Kathleen Fitzpatrick Laureate Fellowships. 	<p>Agreed.</p> <p>The Minister for Education has requested the ARC commission this work.</p>

Recommendation and summary	Full recommendation description	Government response and next steps
<p>5. Alignment with comparable Research Agencies</p> <p>Aligning administration of the NCGP to comparable research agencies within Australia and internationally and in accordance with Commonwealth Guidelines for Grant Administration.</p>	<p>We recommend that the ARC Endowment Account be utilised to administer the NCGP with the following provisions:</p> <ul style="list-style-type: none"> (i) a legislated purpose directs the Account to be used to make grants supporting basic, strategic basic and applied research across all areas of activity in Australian universities excluding clinical health, medicine, and dentistry (ii) that grants comply with Guidelines and total funding recommended by the Chief Executive Officer (CEO) and approved by the Minister in compliance with the provisions and requirements of the Commonwealth Grant Rules and Guidelines 2017 (iii) grants recommended by the CEO may be approved by the Board when: <ul style="list-style-type: none"> • the requirements under (i) and (ii) have been met • the recommendations have been informed by appropriate expert and peer review • the recommendations demonstrate the potential outcomes of the proposed research to the Australian community which may include enhanced research capability and advancement an academic discipline to the benefit of the Australian community (iv) the obligations of the ARC (i.e. Board and CEO) in relation to national security and NCGP are transparent; and that provision is made over and above these so the Minister may direct the CEO to not fund or to recover funds from grants made under the NCGP if the Minister were to become aware of national security concerns in relation to the grant or proposal. In the event of such a direction, the Minister must notify Parliament, stating the reasons for the direction; and/or report to the Parliamentary Joint Committee on Intelligence and Security or its successor where the security concern precludes the Minister reporting the detail of such a direction to Parliament. 	<p>Agreed.</p> <p>Amendments to the ARC Act will be introduced to enable the ARC Endowment Account to be utilised to administer the NCGP, noting that requirements will be put in place to ensure that funds in the ARC Endowment Account be expended in the designated year of appropriation and purpose.</p>

Recommendation and summary	Full recommendation description	Government response and next steps
<p>6. ARC Board</p> <p>Strengthening the governance by establishing an ARC Board with responsibilities for appointment of the ARC CEO, the College of Experts and approvals of individual grants awarded under the NCGP in addition to supporting other functions of the Agency.</p>	<p>We recommend that:</p> <ul style="list-style-type: none"> (i) the ARC Act be amended to enable the establishment of an Australian Research Council (ARC) Board with the following functions: <ul style="list-style-type: none"> • to appoint a Chief Executive Officer (CEO) • to provide advice to the CEO and the Minister on priorities, policies and strategies • to approve the appointment of the College of Experts • to establish and appoint members to other such committees as it deems beneficial for the effective functioning of the ARC • to approve recommendations for funding within the National Competitive Grants Program • to undertake any other functions as requested by the Minister (ii) the Board be appointed by the Minister and comprise: <ul style="list-style-type: none"> • a Chair, who is a prominent Australian, held in high regard by the universities and their partners in the research community • up to six other members with a combination of skills, experience, and perspectives relevant to the functions of the ARC across the spectrum of ARC disciplines, Aboriginal and Torres Strait Islander leadership, research administration and evaluation, and university industry partners (iii) the ARC CEO and Secretary of the Department (or delegate) would attend Board meetings to ensure coordination and communication with appropriate separation of advice to and from the Board and to the Minister. 	<p>Agreed.</p> <p>Amendments to the ARC Act will be introduced to enable the establishment and operation of an ARC Board as the accountable authority for the ARC.</p>

Recommendation and summary	Full recommendation description	Government response and next steps
<p>7. Appointment of the Chief Executive Officer</p> <p>Recommending new arrangements for the appointment and conditions of the CEO.</p>	<p>We recommend that:</p> <ul style="list-style-type: none"> (i) the ARC legislation be amended to reflect that the ARC Chief Executive Officer (CEO) be appointed by the Board after consultation with the Minister in accordance with other Government requirements for the appointment of statutory office holders (ii) the Board must have regard to the research experience and standing in a relevant academic discipline in addition to a record in management when making such an appointment (iii) the CEO's terms of the appointment be aligned to the CSIRO CEO. 	<p>Agreed.</p> <p>Amendments to the ARC Act will be introduced to devolve the appointment process for the ARC Chief Executive Officer (CEO) to the ARC Board, in consultation with the Minister for Education and with Cabinet oversight, consistent with the requirement to comply with the Government policy for the merit appointment of statutory office holders.</p>
<p>8. Management and Consultation</p> <p>Encouraging the CEO and other academic expertise within the ARC to consult more directly with stakeholders, especially in relation to the impact of changes to grant guidelines.</p>	<p>We recommend that:</p> <ul style="list-style-type: none"> (i) the ARC CEO work and the Secretary of the Department of Education review arrangements to achieve a balance of the senior academic expertise required by the ARC, <i>vis-a-vis</i> the Senior Executive Service (SES) appointments within the constraints of the ARC Departmental funding (ii) the ARC CEO and Academic Executive Directors be expected to engage in broad and direct consultation with the academic and research community; university research administrators; other government departments; and key stakeholders, when evaluating and adapting grant programs to ensure the original purpose remains relevant and that any changes are made with full consideration of the consequences. 	<p>Agreed.</p> <p>The Minister for Education has requested the ARC commission this work.</p>

Recommendation and summary	Full recommendation description	Government response and next steps
<p>9. Reduction of Legislative and Administrative Burden</p> <p>Reducing the legislative burden by simplifying the appropriation and indexation of funding, and adopting more streamlined, processes including two-stage application processes where possible.</p>	<p>We recommend that:</p> <ul style="list-style-type: none"> (i) the Special Appropriation for the National Competitive Grants Program (NCGP) within the ARC Act be replaced with a provision for annual appropriation into the Australian Research Council (ARC) Research Endowment Account including an agreed formula for indexation of new grants and those that extend over multiple years (ii) the ARC Act be simplified to remove the provisions from legislation that relate to the split between Discovery and Linkage and that the commitment to funding pure basic, strategic basic and applied research be incorporated into the purposes of the NCGP Program in the ARC Act (iii) guidelines for the NCGP be simplified and streamlined to reflect international best practice with consideration of reducing the administrative burden on academic and research organisations through, for example, a two-step application process for rapid initial assessment of expressions of interest and eligibility criteria. 	<p>Agreed.</p> <p>Amendments to the ARC Act will be introduced to replace the current Special Appropriation arrangements with a more durable arrangement for managing the allocation of Administered funding, including an agreed formula for indexation.</p> <p>In addition, provisions to split funding commitments between ARC Discovery and Linkage Programs within NCGP will be removed.</p> <p>Recommendation 9(iii) The Minister for Education has requested the ARC commission this work.</p>

Recommendation and summary	Full recommendation description	Government response and next steps
<p>10. Evaluation of Excellence and Impact</p> <p>Acknowledging that the ERA and Engagement and Impact (EI) initiatives have played a valuable and important role in raising the quality and relevance of research in Australian universities. These considerations have reaffirmed the important role the ARC should continue to play in evaluating excellence, impact and research capability within Australian universities but recognise those resources could be more effectively redeployed and utilised to guide the current and future design of the NCGP and the identification of future research priorities.</p>	<p>We recommend that:</p> <ul style="list-style-type: none"> (i) the role of the ARC in relation to evaluation of excellence, impact and research capability within Australian universities be re-affirmed by inclusion in the ARC Act (ii) the Excellence in Research for Australia (ERA) and Engagement and Impact (EI) exercises be discontinued (iii) the resourcing for evaluations be maintained so the ARC retains and internally recognised expert evaluation capability (iv) the ARC collaborates with TEQSA to develop assessment processes that enable TEQSA to draw on the expertise of the ARC to make decisions on the extent to which current and future higher education providers meet research provider standards (v) the ARC develops a framework for regular evaluation and reporting on the outcomes of the NCGP program over a timeframe that allows the full impact of research funding to be assessed and the public benefit explained (vi) the ARC develops a program to evaluate current and future research capabilities within Australian universities, giving priority in the first instance to the capability of Aboriginal and Torres Strait Islander researchers and research that impacts on Indigenous Australian communities. <p>We <u>do not recommend</u> that ERA and EI be replaced by a metrics-based exercise because of the evidence that such metrics can be biased or inherently flawed in the absence of expert review and interpretation.</p>	<p>Agreed in principle.</p> <p>The Government agrees that evaluation of excellence, impact and research capability within Australian universities needs reform. The Government will not continue ERA and EI in their current form.</p> <p>Research remains a key element of all Australian universities, and reform of the performance measurement and management of university research is critical to ensure that the future contribution of universities is driven effectively.</p> <p>As such, the Minister for Education has requested the Australian Universities Accord Panel consider the recommendation on measuring impact and engagement in university research.</p> <p>Recommendations on a new model are to be provided to the Minister for Education for consideration alongside the Universities Accord Panel’s Final Report, due in December 2023.</p>



MINISTERS' MEDIA CENTRE

Ministers of the Education Portfolio

Media Release

22 August 2023

Response to Australian Research Council Review

The Hon Jason Clare MP
Minister for Education

The Albanese Government has agreed, or agreed in principle, to all 10 recommendations of the Review of the Australian Research Council Act 2001 (ARC Review).

The independent review, led by Professor Margaret Sheil AO (panel chair), Professor Susan Dodds and Professor Mark Hutchinson, was the first comprehensive review of the ARC since its inception in 2001.

The review was initiated to ensure the ARC can meet the current and future needs of Australia's research sector and to strengthen its governance arrangements.

In response to the review, the Government will improve the governance of the ARC, and strengthen the integrity of decision-making processes.

The key recommendation is the establishment of an ARC Board.

The Board will be responsible for the appointment of the CEO and the approval of grants within the National Competitive Grants Program.

The Minister for Education will be responsible for:

- The appointment of the Board, in consultation with the Minister for Industry and Science,
- For setting grant guidelines including key areas of national priority to be progressed through the ARC,
- For setting expectations and key performance measures, and
- The approval of nationally significant program investments such as Centres of Excellence.

The Government's response to the ARC Review can be found [here](https://www.education.gov.au/higher-education-reviews-and-consultations/review-australian-research-council-act-2001) (<https://www.education.gov.au/higher-education-reviews-and-consultations/review-australian-research-council-act-2001>).

Quotes attributable to Minister for Education Jason Clare:

“Australia is home to brilliant researchers and some of the most cutting-edge research in the world, and the Australian Research Council plays a key role in supporting, shaping and sustaining that research.

“But the legislation that underpins the ARC is old and needs updating, and we need to strengthen its governance arrangements.

“Over the last few years, the ARC has been bedevilled by political interference and Ministerial delays.

“That has made it harder for universities to recruit and retain staff, and it has damaged our international reputation.

“That’s not good for our universities. It’s not good for businesses either who work with our universities.

“I promised last year to end that and that’s what we are doing.

“These reforms will ensure the ARC is set up to meet current and future needs and maintain the trust and confidence of the research sector.

“I thank Professor Sheil, Professor Dodds and Professor Hutchinson for their work in conducting the review, and all stakeholders who contributed.”

[ENDS]

Issue: **Startup Year**
PBS Pg No. Pg 56.
Contact: **Ben Rimmer**
Ph: s 22
Deputy Secretary

Key Points

Program overview

- Startup Year will support students' participation in accelerator programs at Australian higher education providers to encourage innovation and support Australia's startup community, including social innovation and community-based entrepreneurship.
- Startup Year aims to support participation by those underrepresented in the startup ecosystem, including First Nations Australians, people with disability and women, along with startups solving regional and rural issues.

Progress to date

- The *Education Legislation Amendment (Startup Year and Other Measures) Act 2023* was passed by Parliament on 22 June 2023, establishing a new income contingent loan under the Higher Education Loan Program (HELP) to allow students to defer their course fees – STARTUP-HELP.
- The initiative also extends eligibility for student payments (such as Youth Allowance, Austudy and ABSTUDY) to students who participate in a Startup Year course, access a STARTUP-HELP loan, and meet other eligibility requirements.
- A Startup Year Working Group comprising representatives from the university and business sectors has been established to monitor the implementation and operation of Startup Year.

Pilot

- Startup Year will be rolled out through a pilot, commencing in February 2024, with an aim to encourage diversity in providers and course offerings. It will support the development of emerging programs from regional universities ahead of the full rollout of the scheme. So far as reasonably practicable, at least 25% of people selected for receipt of STARTUP-HELP assistance will be enrolled at a regional university.
- The pilot will test program design, student demand and providers' arrangements to successfully deliver the program prior to full implementation.

- Eligible higher education providers were invited to bid for an allocation of STARTUP-HELP places through an expression of interest process which opened on 14 August 2023 and closed on 27 August 2023.
- Twelve universities have been selected by the Department of Education from the expression of interest process to progress to the course design phase:
 - Charles Sturt University
 - Curtin University
 - Deakin University
 - Flinders University
 - La Trobe University
 - Queensland University of Technology
 - RMIT University
 - Swinburne University of Technology
 - The University of New South Wales
 - The University of Queensland
 - University of New England
 - Western Sydney University.
- Of the selected universities, 2 are defined as regional universities for the purposes of STARTUP-HELP assistance:
 - Charles Sturt University
 - University of New England.
- The selected universities from the expression of interest will participate in a design phase with the Startup Year Working Group to ensure course proposals hit the mark prior to implementation.
- Once allocated STARTUP-HELP places, the successful universities will select students who meet the eligibility criteria to participate in Startup Year.
- The Department of Education expects to make the decision on the allocation of places for the pilot in November 2023.

Key facts and figures

Number of loans	Up to 2,000 per year
Maximum course fee	\$11,800 for 1 EFTSL course in 2023 (indexed annually)
Course length requirements	One semester to one academic year
EFTSL requirements	0.5 to 1.0
Eligibility for STARTUP-HELP	<ul style="list-style-type: none"> • Final year undergraduate

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SB23-000366

	<ul style="list-style-type: none"> • current postgraduate • recent graduate (the student was awarded no more than 36 months before the person commenced the accelerator program course, a qualification at level 7, 8, 9 or 10 of the Australian Qualifications Framework)
Maximum number of STARTUP-HELP loans	2 in lifetime
Legislation	<ul style="list-style-type: none"> • The <i>Education Legislation Amendment (Startup Year and Other Measures) Act 2023</i> was passed by Parliament on 22 June 2023. • It amends the <i>Higher Education Support Act 2003</i> (HESA) to create STARTUP-HELP.

Stakeholder Response

Stakeholder	
Rep Bodies	University peak bodies, such as Universities Australia, the Group of Eight, Australian Technology Network of Universities and the Regional Universities Network are supporting the implementation of Startup Year through participation in the Startup Year Working Group.
Opposition	Throughout the legislation process, the Opposition were critical of the loan mechanism and the design of the program. 3 amendments were agreed prior to the passing of the bill in the Senate – relating to Intellectual Property, access for regional students and reversal of STARTUP-HELP loan debt in certain circumstances.
Greens	Throughout the legislation process, the Greens were critical of Startup Year increasing student debts and the impact of cost of living pressures on Australian students.

- There has been extensive consultation throughout the development and implementation of the Startup Year initiative. Feedback includes:
 - Support for the initiative’s ability to increase accessibility to accelerator programs for students.
 - Uncertainty about the value proposition when current accelerators are often fee-free and concern about student debt levels.
 - However, current accelerator programs typically have a shorter duration and target older cohorts. By providing STARTUP-HELP assistance, the government is creating another model for universities to offer accelerators and deliver entrepreneurial skills for students.
 - Even for those providers already offering quality accelerator experiences the new scheme challenges them to innovate and do more, and to increase their impact by supporting more students.
 - Providing an income contingent loan allows students to defer the costs of courses, ensuring that course fees do not present a barrier to participation.

Media

- ***\$14.6 million Startup Year loan scheme now open to student entrepreneurs, SmartCompany Plus, 24 August 2023***
This article provided detail on the Australian Government’s ‘Startup Year’ loan scheme and expressions of interest process and criteria.
- ***Australian Financial Review Higher Education Summit, Sarah Henderson, 22 August 2023***
Senator Sarah Henderson outlined concerns with Startup Year, including charging student entrepreneurs full fees for accelerator courses, the authenticity of the student support and lack of prioritisation of student wellbeing.

Date Last Cleared	17 October 2023
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2023 - 2024 Supplementary Budget Estimates
SB23-000367

Issue: **Strengthening Governance including campus safety**

Contact: **Ben Rimmer**
Ph: s 22
Deputy Secretary

Budget – Strengthening University Governance

Financial year	2022–23	2023–24	2024–25	2025–26	2026–27	Total
Budget Allocation	0.0	0.5	0.0	0.0	0.0	0.5
Committed	0.0	0.0	0.0	0.0	0.0	0.0
Uncommitted	0.0	0.5	0.0	0.0	0.0	0.5

Key Points

- Priority Action 5 from the Australian Universities Accord Interim Report recommended the Australian Government immediately commence engagement with the states and territories to strengthen university governance.
- The Minister for Education requested his colleagues to join him and establish a Working Group of Commonwealth and state and territory officials with responsibility for higher education to lead the development of an Action Plan, based around 3 core themes:
 - as an urgent priority, ensuring student and staff safety through the prevention of sexual assault, harassment and discrimination, including on university campuses and in student residential settings
 - positioning universities as exemplary employers through strengthened responses to workplace rights
 - ensuring contemporary and responsive governance of university councils.
- The Working Group meets fortnightly and has met 6 times since commencing on 16 August.
- Education Ministers agreed to hold a special-purpose Education Ministers Meeting in November to consider the Working Group's advice.
- Funding provided for this measure is to support the procurement of specialist research and advice to support the Working Group.

Ensuring student and staff safety

- Stakeholder engagement and submissions to the Accord Interim Report highlighted that urgent action is needed to strengthen universities and residential accommodation providers' responses to student and staff safety. This is a key focus of the Working Group.
- On 9 August 2023, the Hon Jason Clare MP, Minister for Education appointed the CEO of Our Watch, Ms Patty Kinnersly, as an Expert Adviser to the Working Group to provide advice on safety in university communities.
- Ms Kinnersly is supported by a Gender-Based Violence Stakeholder Reference Group, comprised of subject matter experts, student leaders and victim-survivor advocates. Members of the Stakeholder Reference Group are at [Attachment A](#).
- The Reference Group meets fortnightly and has met 4 times since its commencement on 7 September.
 - Ms Kinnersly and members of the Department of Education are also consulting with other stakeholders who are not members of the Reference Group.
 - A list of major engagements led by the department and Ms Kinnersly across the 3 core themes is at [Attachment B](#).

Universities as good employers and university councils

- Consultation with the sector and relevant stakeholders is being undertaken to inform progress on these streams of work.

Directions of the Action Plan

- Various stakeholder feedback is informing the development and directions of the Action Plan.
- Potential actions could involve changes to legislative and regulatory mechanisms, some of which would need to be led by state and territory Governments. This may consider (but is not limited to):
 - Ensuring appropriate, sustained and ongoing accountability to prevent gender-based violence and sexual misconduct.
 - For example, strengthening complaints and critical incident response mechanisms for students and staff, and transparent reporting by institutions.
 - Strengthening accountabilities for governing bodies in line with Commonwealth, state and territory laws, for example as part of the implementation of the 'positive duty' obligations under the *Sex Discrimination Act* and compliance with the *Fair Work Act*

- o Changes to university Acts to ensure transparency in council appointment processes and mix of skills, experiences and public good accountabilities.

Stakeholder Response

Stakeholder	Response summary
Universities Australia	Universities Australia welcomed the appointment of Ms Patty Kinnersly as Expert Adviser to the Working Group and committed to working with Ms Kinnersly and government to address campus safety.
Opposition (Shadow Minister for Education)	Shadow Minister for Education, Senator the Sarah Henderson, welcomed the Government's appointment of Patty Kinnersly as its sexual violence and prevention expert to advise the Working Group.
Fair Agenda, End Rape on Campus	In a joint statement, the 2 organisations welcomed the announcement that student and staff safety was an immediate priority for reform.

Media

- ***Landmark inquiry recommends immediate creation of taskforce to hold universities to account on sexual violence, ABC News, 15 September 2023***

The article addresses the report from the Senate Committee Inquiry on consent laws in Australia, including responses from stakeholders.

Senators and stakeholders commented the November 2023 timeframe for the Working Group's delivery of an Action Plan is too far away.

Universities Australia welcomed the report and noted that further work is required to address student and staff safety concerns.

Other documentation / Attachments

- [Attachment A](#) – List of members in Stakeholder Reference Group
- [Attachment B](#) – Major engagements between department and Ms Kinnersly
- [Attachment C](#) – Recommendations from the Legal and Constitutional Affairs References Committee Inquiry into current consent laws in Australia
 - o On 14 September, the Committee released its report into current and proposed sexual consent laws in Australia.

- The report made 4 recommendations that relate to student safety in university settings, including student accommodation.
- The Attorney-General's Department is leading coordination of the response to the Committee's report.

Date Last Cleared	17 October 2023
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Background

Role of TEQSA

- Student wellbeing and safety is an important element of the Higher Education Standards Framework, which the Tertiary Education Quality and Standards Agency (TEQSA) assesses and monitors university compliance against.
- TEQSA and the Department of Education have been working with the sector to implement recommendations 11 and 12 from the Respect@Work report, which relate to tertiary education.
- Online resources developed by Australian Human Rights Commission to assist in preventing and responding to workplace sexual harassment are being used, along with materials developed by TEQSA, to support the higher education sector address workplace sexual harassment.
- The Minister for Education wrote to higher education providers in February 2023 encouraging them to use the new Respect@Work resources and to seek support from TEQSA in implementation.

Stakeholder Reference Group members

Name	Organisation/Title
s 47F	

Observers:

- s 47F Behaviour Change and Response, Department of Social Services
- s 22 Director, Australian Human Rights Commission

As at: 20/09/2023

Universities Accord Priority Action 5 – Strengthening University Governance

Timeline of stakeholder consultations

Date	Stakeholder
9 August	End Rape on Campus, Fair Agenda, s 47F (Dept)
16 August	<i>Working Group – Meeting 1</i>
21 August	s 47F (Patty)
21 August	s 47F (Patty)
24 August	STOP campaign (Dept)
25 August	National Union of Students (Patty)
28 August	s 47F End Rape on Campus, Fair Agenda, s 47F (Dept)
30 August	Universities Australia (Patty)
30 August	<i>Working Group – Meeting 2</i>
4 September	<i>Accord Student Roundtable – NUS, Fair Agenda, CAPA, EROC attended</i>
5 September	Fair Agenda (Patty & Dept)
5 September	End Rape on Campus (Patty & Dept)
5 September	s 47F (Patty)
6 September	s 47F (Dept)
6 September	s 47F (Dept)
7 September	STOP campaign (Patty & Dept)
7 September	National Tertiary Education Union (Patty & Dept)
7 September	Commonwealth Department of Social Services (Dept)
7 September	Australia's National Research Organisation for Women's Safety (Dept)
7 September	Asia-Pacific Student Services Accommodation Association (Dept)
7 September	<i>Gender-based violence stakeholder reference group – Meeting 1</i>
12 September	Commonwealth Office for Women (Dept)
13 September	<i>Working Group – Meeting 3</i>
13 September	National Tertiary Education Union (Dept)
14 September	STOP campaign (Dept)
14 September	s 47F s 47F (Patty & Dept)
15 September	Office of the eSafety Commissioner (Dept)
19 September	University Chancellors Council (Dept)
19 September	University Colleges Australia (Patty & Dept)
19 September	s 47F s 47F (Dept)
20 September	University Colleges Australia (Dept)
20 September	s 47F (Patty)
20 September	Fair Agenda (Patty)
20 September	End Rape on Campus (Patty)
21 September	<i>Gender-based violence stakeholder reference group – Meeting 2</i>
25 September	Asia-Pacific Student Services Accommodation Association (Patty & Dept)
25 September	Fair Work Ombudsman (Dept)
26 September	Office for Women (Dept)

As at: 20/09/2023

27 September	<i>Working Group – Meeting 4</i>
28 September	University Colleges Australia (Dept)
3 October	<i>Gender-based violence stakeholder reference group – Meeting 3</i>
11 October	<i>Working Group – Meeting 5</i>
16 October	<i>Gender-based violence stakeholder reference group – Meeting 4</i>
18 October	University Chancellors Council Plenary Meeting (Dept)

Meetings being scheduled:

- **s 47F** Patty Kinnersly and Dept
- **s 47F** Patty Kinnersly and Dept
- **s 47F** Patty Kinnersly and Dept
- **s 47F** Patty Kinnersly & Dept
- **s 47F** Patty Kinnersly & Dept
- Engagements with MinterEllison– UA, TEQSA, universities and residential peaks

Continuing engagements at Department officer level.

Recommendation 1

5.7The committee recommends that, in all responses to sexual violence, governments and non-government organisations ensure that the agency of victim-survivors is paramount, actively respected and upheld.

Recommendation 2

5.17The committee recommends that Australian jurisdictions that have recently legislated an affirmative consent model, design and implement a framework for the evaluation of that standard, with outcomes to be reported to the Standing Council of Attorneys-General and the Australian Law Reform Commission, to inform all Australian governments about the impacts of an affirmative consent model in sexual consent laws and to assist the Australian Law Reform Commission in conducting its review process (referred to below).

Recommendation 3

5.18The committee recommends that state and territory evaluations of the impact of affirmative consent models is an annual standing item on the agenda of the Standing Council of Attorneys-General.

Recommendation 4

5.29The committee recommends that the Australian Law Reform Commission includes an affirmative consent standard in any proposal to harmonise Australia's sexual consent laws and taking into account the evidence of the operation of recently adopted affirmative consent laws.

Recommendation 5

5.30The committee recommends that the Commonwealth government responds to recommendations made by the Australian Law Reform Commission, within six months of the Commission presenting its report.

Recommendation 6

5.36The committee recommends that the Commonwealth government provides ongoing funding for research into the prevalence of sexual violence in Australia and the impact of responses to it, including through regular surveys of students (including those living in university residences) and young people.

Recommendation 7

5.43The committee recommends that state and territory governments, in collaboration with relevant stakeholders, develop and deliver materials to provide people who report sexual assaults with appropriate guidance and information, including:

- an explanation of how a complaint will be investigated;
- an explanation of how the criminal justice system operates;
- the purpose of giving evidence-in-chief and cross examination;

the level of detail required for evidential purposes; and
the obligation on the accused's legal representative to challenge evidence.

Recommendation 8

5.45The committee recommends that the Commonwealth government assess the success of pilot projects for specialised and trauma-informed legal services and, if successful, fund an expansion of the provision of such services for the benefit of victim-survivors.

Recommendation 9

5.52The committee recommends that the state and territory governments consider establishing a restorative justice pilot program and a specialist sexual violence court pilot for sexual offending, to explore more sensitive and trauma-informed approaches to sexual violence in the criminal justice system.

Recommendation 10

5.59The committee recommends that the Commonwealth government, through the Police Ministers Council, develops principles to guide ongoing specialist education and training to state and territory law enforcement officers, to ensure culturally appropriate and trauma-informed responses to victim-survivors of sexual assault.

Recommendation 11

5.69The committee recommends that the Attorney-General's Department, in collaboration with the Australian Institute of Judicial Administration and other relevant stakeholders, develops and delivers a National Sexual Violence Bench Book, to assist judicial officers to recognise and respond to sexual violence in a culturally appropriate and trauma-informed manner. This resource should specifically address rape myths and misconceptions.

Recommendation 12

5.73The committee recommends that the Australian Law Reform Commission considers whether model jury directions should be developed as part of any initiative to harmonise Australia's sexual consent laws. This model should include express requirements as to the timing and circumstances in which jury directions must be given.

Recommendation 13

5.85The committee recommends that the Commonwealth government, through the Education Ministers Meeting and in consultation with relevant stakeholders, develops a strategy and delivers funding (in conjunction with the states and territories) for upskilling the education workforce, to achieve the consistent and effective delivery of comprehensive Respectful Relationships Education in Australian schools. This should include consideration of mandatory education in the Initial Teacher Education Curriculum.

Recommendation 14

5.87The committee recommends that the Commonwealth government considers ongoing funding as a National Partnership Payment, to sufficiently resource those elements of Australian Curriculum 9.0 that provide for Respectful Relationships Education, including through a strategic investment in workforce development. Particular consideration should be given to addressing long-standing concerns about under-funding in public schools and the need to additionally resource specialist third-party providers.

Recommendation 15

5.97The committee recommends that Universities Australia conducts a second National Student Safety Survey, with survey results made publicly available no later 2025, and commits to conducting a national student safety survey on an ongoing basis every three years, to provide all stakeholders with up-to-date and accurate information about sexual violence on campus. This survey should encompass students of all ages on campus, including 17-year-old students who are at no less risk of sexual harm by virtue of not yet being 18.

Recommendation 16

5.119The committee recommends that the Commonwealth government implements an independent taskforce with strong powers, to oversight universities' policies and practices to prevent and respond to sexual violence on campus and in residences. The committee recommends that the taskforce provides:

- an effective and accessible complaints process;
- meaningful accountability for both universities and residences if standards are not met; and
- transparency around which institutions are providing appropriate and effective responses and prevention initiatives.

Recommendation 17

5.121The committee recommends that the Commonwealth government commissions an independent review of the Tertiary Education Quality and Standards Agency's response to sexual violence on university campuses.

Issue: TCSI Student Loan Remediation
Budget: Improving the Administration of Student Loans Page 23
Contact: Ben Rimmer
Ph: s 22
Deputy Secretary

Key Points

Student loan remediation

- In late 2022 the department identified a small proportion of seriously delayed higher education student loans had not transferred to the Australian Taxation Office (ATO) due to missing information.
 - These loans are linked to study undertaken between 2004 and 2022, with most from between 2020 to 2022.
- As at mid-August 2023 this issue affected approximately 13,748 individuals from 104 higher education institutions with loans valued at \$74 million in total.
 - The delayed loans would normally be subject to the immediate application of prior year indexation, some for multiple years.
- The Government has decided that affected loans will have indexation waived for 2023 and any prior years.
 - This will ensure that affected individuals are not unfairly financially disadvantaged.
 - This measure was referenced in the 2023 Federal Budget.
- The department has worked with higher education providers since early 2023 to resolve the delay, including 416 support meetings and additional working level engagement.
 - Most of the data issues can only be resolved by higher education providers in partnership with their students.
 - The delay arose from a small range of error types, including missing student Tax File Numbers, problems with student identifiers, and errors linked to the application of the upfront loan discount.
 - Higher education providers, supported by the department, typically achieve high rates of data validity and have worked proactively to resolve the identified issues. This collaboration is ongoing and is focused on the wellbeing of students.
- The department has directly engaged affected individuals to offer support and ensure any concerns are resolved before the transfer of delayed loans to the ATO.

- As at mid-September the department had contacted 12,503 individuals with delayed loan records.
 - Departmental staff have spoken to, or left voice messages for 6,216 of these individuals who were identified as a priority for direct contact, for example, those with high value or old loans.
 - This contact was followed up with written correspondence, all of which offered a dedicated phone line and email for students to use if they had queries.
- This direct contact by the department is in addition to higher education provider engagement with their student cohort during their own data remediation programs.
- Resolved delayed student loans linked to approximately 9,055 affected individuals have been successfully transferred to the ATO since 30 August 2023.
 - The department has written to all affected individuals after the transfer of their delayed student loans to ensure they understand all support options available to them.
- The remaining delayed student loans will be released over the coming months following the completion of remediation action by higher education providers and additional support from the department to affected individuals.
- Additional information for affected individuals is available on the Department of Education website (www.education.gov.au/higher-education/delayed-higher-education-loan-records).

Media

- ***Records glitch will hit thousands with extra HECS debt, Australian Financial Review, 14 August 2023***

The article provided a balanced perspective noting collaboration with higher education providers, departmental outreach to affected individuals and the government decision to waiver indexation.

Date Last Cleared	10 October 2023
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