

Australian **Universities Accord**

2024–25 MYEFO Summary



The Department of Education acknowledges the Traditional Owners of the lands and waters on which Australians live, work and study, and pays respects to their Elders, past and present. Australia’s First Nations peoples are the custodians of the world’s oldest continuous cultures of learning and the passing down of knowledge. The Department of Education also acknowledges the determination of First Nations leaders over generations to ensure that higher education is accessible to First Nations people, reflects knowledges and law, and supports research led by First Nations people about their community, land and culture.



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## Minister’s Foreword

The Australian Universities Accord is the biggest and broadest review of the higher education sector in 15 years. It is a blueprint for reform over the next decade and beyond.

As part of our response to the Accord, the Government has set a national target of 80 per cent of the workforce having a tertiary qualification by 2050.

To hit this target, we need more people from disadvantaged communities, from the regions and from Indigenous backgrounds to get a tertiary qualification, and the Accord sets out the reforms needed to help us get there.

The Accord is bigger than one budget. And one government.

It needs to be staged out and that is what we are doing.

In the Budget this year we bit off a big chunk and responded to 29 of the 47 recommendations in full or in part.

This year we have passed legislation which:

* Fixes the indexation of HELP debt
* Introduces prac payments for teaching, nursing, midwifery and social work students
* Massively expands FEE-FREE University Ready Courses
* Establishes an independent National Student Ombudsman
* Guarantees the Australian Research Council’s independence

This document details the next steps we are taking to implement the Accord as part of the Mid-Year Economic and Fiscal Outlook (MYEFO) 2024–25.

It covers the establishment of the Australian Tertiary Education Commission to implement reform over the longer-term.

It also covers significant reforms to how our universities are funded, including through a new Managed Growth Funding system and Needs-based Funding to ensure more students can access, participate and succeed in higher education.

These structural reforms represent an additional $2.5 billion investment in higher education over the next 10 years.

Finally, this summary also covers the next steps the Government will take to make our higher education system better and fairer, including wiping 20 per cent of all existing student debt and making the HELP repayment system fairer.

The Hon Jason Clare MP

Minister For Education

## Educating Australians for our future skills needs

The Australian Universities Accord (the Accord) was clear that many more Australians need tertiary qualifications if Australia is to meet its future skills and employment needs. Consistent with this, the Government has set an ambitious target of lifting tertiary education attainment to 80 per cent of working age people by 2050.

**Through 47 recommendations, the Accord sets out an ambitious plan to transform higher education over the next decade and beyond.**

Meeting this target will require us to train more Australians for local jobs, through both higher education and vocational education and training. And we can only do this if we build a system that helps more people from underrepresented backgrounds enter study and succeed.

The Higher Education Loan Program (HELP) has contributed to the increase in the proportion of commencing domestic students from low socio-economic status (SES) backgrounds (see Figure 1). Since its introduction, and along with other policies such as the previous demand driven funding system, the proportion of commencing domestic university students from a low SES background has increased from 13.5% in 1989 to 18.7% in 2017. However, the introduction of funding caps in 2018 and Job-Ready Graduates from 2021 coincided with demand from low SES students falling. While there has been an improvement in 2023, more work needs to be done to reach population parity and to achieve the goals set out by the Universities Accord.

Figure 1: Proportion of commencing university students from a low SES background as a share of all commencing students (%), 1989-2023

A graph showing the proportion of commencing university students from a low SES background as a share of all commencing students (%). This data goes from 1989-2023.

The proportion of low SES students starts approximately at 13.5% in 1989 and trends upwards until it reaches nearly 19% in 2016 and stays there until 2019.

The proportion of low SES students falls below 18% in 2020 and continues to fall for the next 2 years. The proportion of low SES students in 2023 has increased from 2022, but it is still below 2020 levels.

*Source: Department of Education, Higher Education Student Statistical Collection-Low SES (postcode) measure.*

**To help achieve the attainment target, the Australian Government has already taken steps to improve the tertiary education sector, including implementing the Priority Actions of the Accord Interim Report (released July 2023) and responding in the 2024–25 Budget to 29 of the 47 recommendations in the Accord Final Report.**

The 2024–25 MYEFO delivers the next steps in reshaping the tertiary and higher education system to deliver for students and the nation and now brings the total number of Accord recommendations being delivered in full or in part up to 31. This includes further cost of living relief and structural reform needed to deliver the large, skilled and productive workforce the economy requires for a future made in Australia.

### Australian Universities Accord reform to date

Through the new 2024–25 MYEFO measures, 2024–25 Budget initiatives, last year’s MYEFO measures responding to the interim report and other actions and announcements since the Accord was provided to Government, the Government is delivering a range of reforms to support students, deliver the skills Australia needs for the future, and strengthen the tertiary education sector.

##### Improving access to university for people in the suburbs and regions

* Providing demand driven **Needs-based Funding** to ensure students from underrepresented backgrounds get the academic and wrap-around supports they need to succeed at university
* Implementing a new **Managed Growth Funding system** for Commonwealth supported places (CSPs) including effectively demand driven funding for students from under-represented backgrounds to meet our future skill and employment needs and increase opportunity for students from under-represented backgrounds
* **Quadrupling the Higher Education Disability Support Fund** for more programs and services that empower students with disability
* Supporting First Nations students to go to university by **extending demand driven funding to all First Nations students** studying bachelor-level courses at university
* Doubling the number of University Study Hubs across the country, including **20 more new Regional University Study Hubs** and, for the first time ever, up to **14 new Suburban University Study Hubs**
* Providing additional Commonwealth Grant Scheme (CGS) funding to **increase the number of students studying FEE-FREE Uni Ready courses** by 2030 by 40 per cent
* Removing the **50 per cent pass rule** that disproportionately impacted students from underrepresented or educationally disadvantaged cohorts
* **Changing early university offers for at-school students** so early offers for university commencements in 2025 and 2026 can now only be made from September in the year prior to entry. The Department of Education is undertaking further work on the broader admissions process, including early offers, and will identify an ongoing approach in time for 2027 commencements.

##### Cost of living relief

* Delivering a one-off **20 per cent reduction on all existing student loan debts** which will take pressure off more than 3 million Australians who have a student loan
* Making the **student loan repayment system fairer for more than 1 million Australians each year** by changing the repayment system and increasing the amount people can earn before they are required to start repaying their loan. The minimum repayment threshold will change from $54,435 in 2024–25 to $67,000 in 2025–26
* Reducing indexation by more than **$3 billion for around 3 million people** making the HELP system simpler and fairer by improving how indexation is calculated so HELP debts do not grow faster than wages. The HELP indexation rate will be capped at the lower of Consumer Price Index (CPI) or Wage Price Index (WPI)
* Delivering a **Commonwealth Prac Payment (CPP)** (benchmarked to the Austudy single rate, as at 1 January 2025) for teaching, nursing and midwifery, and social work students undertaking mandatory placements, providing cost of living relief and combating placement poverty
* Changing the **eligibility of the Tertiary Access Payment (TAP)** to help more students with the costs of moving from regional and remote areas
* Increasing the maximum rates of **Commonwealth Rent Assistance (CRA) by 10 per cent**, building on the Government’s 15 per cent increase to CRA maximum rates in the last Budget, to help reduce rental stress for income support recipients and those receiving family payments.
* From 1 January 2025**, Austudy payments** for students 25 and over without children will increase by $24.30 to $663.30 every two weeks. Single students with children will get an increase of $30.60 to $836.60 per fortnight, and partnered students with children will get an increase of $26.30 to $718.10.

##### Student and staff support, wellbeing and safety

* Establishing a **National Student Ombudsman** to provide an effective, trauma-informed complaints mechanism for higher education students to use when they are not satisfied by their higher education provider’s response
* Implementing a **National Higher Education Code to Prevent and Respond to Gender-based Violence** to set best practice standards that all higher education providers must meet in preventing and responding to gender-based violence in their communities
* Setting up **Respect at Uni: Study into Antisemitism, Islamophobia, racism and the experience of First Nations people** to examine the prevalence and impact of racism in universities
* Mandating that a minimum of **40 per cent of the Student Services and Amenities Fee revenue** received by higher education providers must be directed to student-led organisations
* Requiring all higher education providers approved under the *Higher Education Support Act 2003* to have a **Support for Students Policy** from 1 January 2024. This ensures academic and non‑academic supports are available to students and students are aware of these supports
* In collaboration with states and territories, delivering a series of actions to **strengthen university governance and improve university compliance** with existing workplace relations requirements.

##### Skills and research reform to boost productivity

* Establishing a new **Australian Tertiary Education Commission (ATEC)** to advise on and implement tertiary education reform, drive growth through equity and ensure our national skills needs are met
* Providing 80 additional medical CSPs per year for 6 new rural medical programs and $24.6 million for **Charles Darwin University** to establish and operate a new medical school, and an additional 20 additional CSPs per year for **James Cook University**
* Providing $27.7 million to **improve tertiary harmonisation**, including by supporting better student pathways between Vocational Education and Training (VET) and higher education, improving regulatory approaches for dual sector providers (including TAFEs) and enhancing tertiary data to provide better insights into how students interact with and move through the tertiary education system
* Undertaking a **strategic examination of Australia’s research and development** **system** to strengthen its alignment with Australia’s priorities and improve innovation and research and development outcomes, with the Terms of Reference and Panel members announced on 2 December 2024
* Appointing a new **independent Australian Research Council (ARC) Board** and ensuring that the Board, not the Minister, is responsible for the approval of most research grants within the National Competitive Grants Program
* Introducing the new National Science and Research Priorities which now includes **Elevating Aboriginal and Torres Strait Islander knowledge systems** as one of the five national priorities
* Introducing legislation to establish **Free TAFE as an enduring feature of the national VET system**, supporting 100,000 Free TAFE places every year from 2027. This builds on the Fee-Free TAFE Agreement with states and territories to deliver 500,000 Fee-Free TAFE places from 2023 to 2026. From 1 January 2023 to 30 June 2024, Fee-Free TAFE has supported over 508,800 enrolments nationally.

### Economic Impact

**The reforms to the higher education system will have far reaching benefits for the national economy as well as individuals.**

If the Accord targets are achieved, the Department of Education has estimated that additional income of $240 billion (2023 dollars) would be added to the economy over the period to 2050 across the workforce.

To an individual, a tertiary education is a valuable investment that has the potential to help a person increase their earning capacity. Estimates produced for the Accord review found for an employed person with a highest level of education at year 11 or below, their median income would grow by $10,000 (2021 dollars) if that individual achieved a certificate III or IV, and by around $30,000 if they achieved a bachelor degree.

Delivering on the Accord’s ambition is anticipated to also lead to fiscal benefits, driven in part through reduced social security costs. The Department of Social Services estimates that, for individuals aged 25–34, increasing their educational attainment from year 12 to a diploma qualification lowers their projected lifetime social security costs by an average of $4,000 (2021-22 dollars), and from year 12 to a higher education qualification by an average of $12,000 (2021-22 dollars).

## 2024–25 MYEFO Summary

In the 2024–25 MYEFO, the Government is delivering on key elements of the Accord.

### Structural reforms to the higher education sector

The Accord Final Report was clear that significantly increasing participation in tertiary education was a matter of urgency. Australia is not meeting its current skills needs and will not meet them in the future unless we produce more higher education and VET graduates.

The strong labour market means the higher education system is currently experiencing low demand from students to study. In setting the 80 per cent tertiary attainment target, the Government has committed to boosting the number of people with a tertiary qualification over the long term.

Achieving this attainment target and realising its economic benefits can only be done through significant structural reform to the way the tertiary system is managed; how the tertiary system works together across real and artificial barriers; and in particular, how the higher education system is funded to support growth through equity.

In the 2024–25 MYEFO, the Government has announced the details of the structural reforms that are central to setting the tertiary education system up for the future, including an ATEC, a Managed Growth Funding system, and Needs-based Funding. These reforms are all about meeting our ambitious tertiary attainment target, including by supporting more students from disadvantaged backgrounds to enter university and succeed in study.

In the 2024–25 MYEFO, the Government has committed an additional $2.5 billion over the medium term to Managed Growth and a new approach to equity funding, which includes effectively demand driven funding for students from under-represented backgrounds, support for outreach and aspiration building, and demand-driven Needs-based Funding. This is anticipated to increase the number of fully funded places at university by around 80,000 in 2035, compared to current settings. The Government has also committed $54 million over the medium term to establish the ATEC.

These reforms complement and are designed to reinforce the significant transformation to VET delivered by the Australian Government’s new National Skills Agreement which commenced on 1 January 2024. The National Skills Agreement supports governments to work collaboratively and purposefully towards agreed national priorities, while preserving flexibility for states and territories to align local skills supply with demand. Through the National Skills Agreement the Australian Government is partnering with states and territories to support Australians who are facing foundation skills challenges to access the quality training they need to participate in further education and training, employment, and the broader community.

**The Accord Final Report was clear that significantly increasing participation in tertiary education was a matter of urgency.**

Over the next decade, 9 out of 10 new jobs will require post-secondary qualifications. And almost half will come through VET pathways. This underlines our country’s reliance on universities and the VET sector. Our national prosperity relies on the success of both.

The design of the reforms announced in the 2024–25 MYEFO has been informed by deep engagement with the higher education sector and stakeholders, including:

* Expert advice from the Accord Implementation Advisory Committee (IAC; see Appendix A)
* Consultation sessions with peak bodies from the university, VET, business and industry sectors
* Regular engagement with stakeholder groups that are the focus of the equity reforms at the centre of the Accord, including regional and remote perspectives, representatives of First Nations people and Coalition of Peaks, and people with disability and disability stakeholders
* Roundtables with Vice-Chancellors or senior leaders from all 38 public universities
* Feedback from more than 85 different organisations on 3 public consultation papers released between June and July 2024.

### Australian Tertiary Education Commission (ATEC)

**The ATEC will provide independent advice to Government on higher education pricing matters, sector performance and tertiary harmonisation. It will also implement enhanced mission-based compacts, new Managed Growth Funding and Needs-based Funding.**

The ATEC will focus on making sure universities do their part to deliver on the Government’s commitment to lift tertiary education attainment to 80 per cent of working aged people by 2050 and raising equity participation and attainment. It will make sure that there are enough places at universities to allow more people to be able to access the opportunities that a higher education can deliver.

The ATEC will work with the sector and across governments to promote tertiary harmonisation efforts to drive better pathways for students between the VET and higher education sectors. It will also foster partnerships with First Nations people and organisations to embed First Nations perspectives in its advice.

The ATEC will commence from 1 July 2025, and be fully operational by 1 January 2026, subject to the passage of legislation.

##### Leadership

The ATEC will be led by three expert Commissioners, who will be appointed through a transparent merit-based process as independent statutory officeholders and supported by the ATEC’s Executive Director and staff. These Commissioners will bring a diversity of experience, including in tertiary education, a history of delivering good public outcomes, a deep understanding of First Nations issues, understanding of the broader needs of the economy, and a strong commitment to consultation and engagement to the ATEC. At least one Commissioner will have substantial experience in vocational education.

The Commissioners’ advice and decisions will be underpinned by collaborative and purposeful engagement across a range of stakeholders. Commissioners will operate as a collective to make decisions, with the intention being that Commissioners should aim to reach consensus wherever possible. This design reflects public feedback for the ATEC to be led by people with a broad and deep understanding of what Australia needs its tertiary education sector to deliver.

The ATEC will have a dedicated First Nations Commissioner. The First Nations Commissioner will focus on First Nations peoples’ success, participation and attainment in higher education, and will ensure the centrality of this work across the ATEC’s remit.

The ATEC’s independence from Government and the sector will be achieved through clearly legislated objectives and functions, conflict of interest provisions, and reporting lines to Ministers. Commissioners will provide objective and impartial advice directly to Government and will consider equity outcomes in all operations.

##### Functions

Led by Commissioners and skilled and capable staff, the ATEC will work in new, collaborative ways with the sector and States and Territories, including being responsive to local and regional needs while driving national objectives. The ATEC’s advice and decision-making will be backed by independence, deep engagement with the sector, and a robust evidence-base.

The ATEC’s initial focus will be on implementing landmark reforms to higher education. This focus includes working across the tertiary education sector on breaking down barriers between higher education and VET, determining allocations for the new Managed Growth Funding system, implementing Needs-Based Funding as part of the core funding model, and negotiating enhanced mission-based compacts with providers that will support a diverse sector. Mission-based compacts will include consideration of a provider’s mission, purpose and strategy, their domestic and international student profile, their performance objectives and their change priorities.

The ATEC’s determinations and advice to Government will drive and sustain a strong, dynamic and efficient tertiary education system to meet Australia’s needs. Importantly, the ATEC will build on the quality and cohesion of the tertiary education system to encourage diversity and student choice, through equitable opportunity for all Australians to access and participate in tertiary education programs.

The ATEC will also promote and plan for a diverse higher education sector by monitoring and providing advice on the size, shape and diversity of Australia’s higher education sector, including priorities for growth and the establishment of new providers to meet student demand and skills needs.

Negotiating enhanced mission-based compacts will be a key mechanism the ATEC uses for sustained and meaningful engagement with the sector. Mission-based compacts will align the sector’s contributions with national priorities, having a sharper focus on data and transparency, deep engagement in research and will enable universities to demonstrate their attainment of both national and institutional goals.

The ATEC will also focus on understanding the costs of teaching and learning and advise Government on higher education pricing matters.

### Demand-driven Needs-based Funding

**Demand-driven Needs-based Funding will ensure all students get the academic and wrap-around supports they need to succeed at university.**

In the years to come, as more students enter higher education, the system will need to better support students—many of whom are expected to come from historically underrepresented backgrounds—to succeed and complete their degrees.

Demand-driven Needs-based Funding will give more funding to publicly-funded higher education providers to help more students from low SES backgrounds, First Nations students, and students studying at regional campuses graduate. Right now, many of these students are missing out on the benefits of a higher education. They are less likely to go to university and have lower success rates when they do.[[1]](#footnote-2) Needs-based Funding contributions will be directed to those students most in need of additional support, but the wrap-around services providers deliver will be open to all students in need of support. Unlike current equity funding arrangements, Needs-based Funding will be demand-driven meaning funding for wrap-around supports will grow with each additional student, instead of having to stretch existing supports and services across more students. The Needs-based Funding model will take into account a student’s location of study, level of academic preparedness, and study load.

As more students enter the higher education system in the coming years, demand-driven Needs-based Funding will help level the playing field through evidence based wrap-around supports such as direct financial supports including for scholarships and bursaries and services such as mentoring, peer learning, orientation and first-year transition programs, as well as inclusive course design and training for staff to support more students to achieve a qualification. Funding will be directed to equity interventions and support activities that are proven to deliver positive outcomes but still give providers flexibility to respond to local circumstances and foster innovation. Enhanced transparency will be a key part of helping providers to remain accountable for delivering equity outcomes.

Demand-driven Needs-based Funding will deliver more funding to providers who operate in regional and remote areas to meet the additional costs associated with regional delivery. For example, while current funding arrangements through the Regional Loading Program allocate eligible providers their share of that year’s available funding, demand-driven Needs-based Funding means every provider’s funding will grow to match demand. With demand-driven Needs-based Funding supporting regional and remote campuses to stay in business, benefits will flow straight to their communities, and to students and prospective students.

Demand-driven Needs-based Funding will start from 1 January 2026, supporting around 140,000 students from low SES backgrounds and First Nations students in its first year.[[2]](#footnote-3) Regional contributions will support the continued sustainability of regional campuses, benefitting an estimated 150,000 students.[[3]](#footnote-4)

##### Quadrupling the Higher Education Disability Support Fund

Current funding for universities to support students with disability in higher education is too low. To immediately address this, the Government will quadruple the Higher Education Disability Support Fund – increasing funding by approximately $40 million per year with this boost indexed to keep pace with inflation. This will help universities to deliver more programs and services that empower students with disability to access, participate and succeed in higher education.

The Department of Education will strengthen the reporting requirements to improve accountability, recognise good practice and drive positive changes in supports for students with disability, ensuring universities meet their obligations under the *Disability Discrimination Act 1992* and the Disability Standards for Education 2005. The Department of Education continues to work with students with disability, advocacy groups, and the sector to improve data on students with disability in higher education.

##### Funding for outreach initiatives

Outreach and aspiration-building will need to be supercharged to nurture confidence and encourage participation in order to build demand for tertiary study and grow the student pipeline. This requires significant investment in effective outreach initiatives in local communities and schools, and a focus on life-long learning pathways from childhood through to secondary education, into tertiary education and on to employment.

In addition to Needs-based Funding, the Government will continue to deliver funding to universities to support outreach and aspiration activities. A new outreach fund will provide ongoing funding of approximately $44 million per year (indexed) from 2026 to ensure more people from underrepresented backgrounds have the opportunity to go to university.

This new approach to equity funding will support more students from underrepresented backgrounds to complete their degrees, preparing more Australians for the jobs of the future.

### Managed Growth Funding

**The Government will increase opportunity for students and create a more diverse and flexible system of higher education.**

The new funding system will deliver more opportunities for students to study in higher education, particularly for students from underrepresented backgrounds. The new system will deliver this growth in a managed way that reflects national needs, the interests of students, and institutional and local circumstances. It is expected that the new system will deliver around 80,000 fully funded CSPs compared to current settings in 2035. Funding will ensure that every student from an underrepresented background who wishes to pursue a higher education, and who meets university entry requirements, can receive a government subsidised place at university.

This new Managed Growth Funding system will be introduced through a staged implementation approach, with a transition year in 2026 and full commencement from 1 January 2027, with details and implementation arrangements to be developed through further consultation with the sector.

From 1 January 2026, the transition to the Managed Growth Funding system will begin by adjusting university funding to better align with enrolments across the sector. A new transition loading will ensure that CGS funding and Needs-based Funding received by universities for 2026 is not lower than the amount of government funding received in 2025 (in nominal terms). A $50 million Structural Adjustment Fund will be available from 1 July 2026 should any university experience unforeseen financial difficulties in their transition to the new system and can demonstrate exceptional circumstances that would require additional Government support.

From 1 January 2027, the Government will set a whole-of-system pool of CSPs – the Total Allocation Pool. Within the Total Allocation Pool, the ATEC will have the responsibility to allocate a Domestic Student Profile – an overall cap on enrolments based on places, instead of a funding cap – to each publicly funded university and other eligible non-university providers, through enhanced mission-based compact negotiations. These profiles will include a base level of enrolments and an allocation for growth.

The new Managed Growth Funding System will provide universities with greater certainty about the number of CSPs that are fully funded, and will allow universities to better meet student demand, maintain sustainable growth and more closely link higher education funding to achieving outcomes. It will also allow for effectively demand driven CSPs for students from under-represented backgrounds.

As the system steward, the ATEC will have a role in providing advice to Government on the size of the Total Allocation Pool when there are insufficient places to satisfy demand from eligible students from under-represented backgrounds looking to enrol in a non-medical bachelor level courses at a publicly funded university. As part of this advice, the ATEC would consider factors such as demand from students from under-represented backgrounds, institutional performance against equity indicators, institutional sustainability and market dynamics.

In response to feedback from the sector which highlighted the challenges universities face in planning for a precise number of enrolments, universities will be allocated an over-enrolment buffer. If an institution enrols over its allocated places, it will continue to receive student contribution amounts for a small proportion of additional students. All students will continue to pay their student contributions, which eligible students will be able to defer through a HELP loan.

To ensure financial sustainability of universities and Australia’ higher education sector more broadly, the Government will provide a temporary funding floor guarantee of 97.5 per cent of their previous year’s funding for publicly funded universities to the end of 2031. For example, if there is a significant drop in enrolments at a university in one year, it will receive 97.5 per cent of the funding it received the year before, ensuring its financial sustainability and improving employment security in the sector.

To increase diversity of providers in the system and provide the opportunity for TAFEs and other high quality not-for-profit specialist providers to expand their higher education offerings, an additional $25 million will also be invested over the forward estimates to provide 365 additional commencing CSPs each year in critical skill areas from 1 January 2026. Once fully implemented, this would mean around 1,000 additional places each year.

## Reform highlights to-date

The Australian Government has already taken steps to improve the tertiary education sector, including implementing the Priority Actions of the Accord Interim Report (released July 2023) and responding in the 2024–25 Budget to the recommendations in the Accord Final Report.

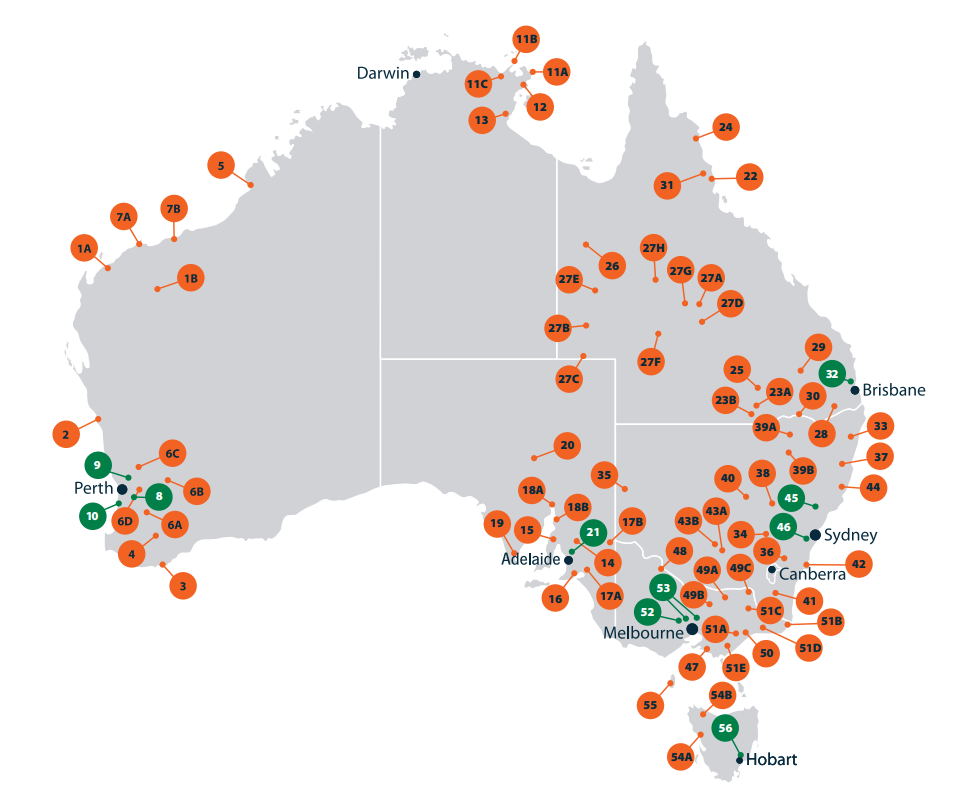
### Doubling the number of University Study Hubs across the country

On 18 July 2023, the Minister for Education announced $66.9 million in funding to establish up to 20 new Regional University Study Hubs (RUSH) and up to 14 new Suburban University Study Hubs (SUSH). These innovative spaces help students in regional and remote and outer metropolitan and peri-urban areas of Australia access campus-style study spaces without having to leave their community.

Funding to support the first 10 new RUSHs was announced in March 2024, and 10 new SUSHs in November 2024. Additionally, up to 10 more RUSHs and up to 4 new SUSHs are expected to be announced in early 2025.

**There are now 56 University Study Hubs funded by the Australian Government, expanding access by Australians from regional and suburban areas to a university education.**

##### Regional and Suburban University Study Hubs

*The map is not to scale. Dot points indicate the relative location of hubs. Hub names are subject to change.*

###### Western Australia

**Regional University Study Hubs**

1. Ashburton University Study Hub (new):  
   **A**-‑Onslow **B**-Tom Price
2. Geraldton Universities Centre
3. Great Southern Universities Centre
4. Katanning Study Hub (new)\*
5. Kimberly Universities Centre
6. Lumen Wheatbelt Regional University Study Hubs: **A-‑**Narrogin **B-**‑Merridin **C-‑**Wongan Hills **D-‑**York
7. Pilbara Universities Centre: **A-**Karratha **B-**Port Hedland

**Suburban University Study Hubs**

1. Armadale University Study Hub\*
2. Ellenbrook Study Hub\*
3. Mandurah Universities Centre\*

###### Northern Territory

**Regional University Study Hubs**

1. Arnhem Land Progress Aboriginal Corporation: **A-**‑Nhulunbuy **B-**‑Galiwin’ku **C-**‑Ramingining
2. Garrthalala Bush University Study Hub (new)
3. Wuyagiba Regional Study Hub

###### South Australia

**Regional University Study Hubs**

1. Barossa Regional University Campus
2. Copper Coast University Centre
3. Fleurieu Study Hub (new)
4. Murray River Study Hub: **A-**‑Murraylands **B-**‑Riverland
5. Uni Hub Spencer Gulf: **A-**Port Augusta **B-**Port Pirie
6. Uni Hub Spencer Gulf Port Lincoln
7. Uni Hub Spencer Gulf Roxby Downs Outreach

**Suburban University Study Hub**

1. Uni Hub Playford, Elizabeth\*

###### Queensland

**Regional University Study Hubs**

1. Cassowary Coast University Centre (new)
2. Country Universities Centre Balonne: **A-**‑St George **B-**‑Dirranbandi
3. Country Universities Centre Cape York
4. Country Universities Centre Maranoa
5. Country Universities Centre Mount Isa
6. Country Universities Centre RAPAD Central West Queensland (new)\*: **A-**‑Barcaldine **B-**‑Bedourie **C-**‑Birdsville **D-**‑Blackall **E-**‑Boulia **F-**‑Jundah **G-**‑Longreach **H-**‑Winton
7. Country Universities Centre Southern Downs (new)\*
8. Country Universities Centre Western Downs (new)\*
9. Goondiwindi Regional University Centre
10. Tablelands University Centre

**Suburban University Study Hub**

1. Strathpine University Centre\*

###### New South Wales

**Regional University Study Hubs**

1. Country Universities Centre Clarence Valley
2. Country Universities Centre Cowra Region (new)
3. Country Universities Centre Far West
4. Country Universities Centre Goulburn
5. Country Universities Centre Macleay Valley
6. Country Universities Centre Mudgee Region (new)
7. Country Universities Centre North West: **A-**Moree **B-**Narrabri
8. Country Universities Centre Parkes
9. Country Universities Centre Snowy Monaro
10. Country Universities Centre Southern Shoalhaven
11. Country Universities Centre Western Riverina: **A-**Griffith **B-**Leeton
12. Taree Universities Campus

**Suburban University Study Hubs**

1. Community Study Hub, Kurri Kurri\*
2. Suburban University Study Hub Macquarie Fields\*

###### Victoria

**Regional University Study Hubs**

1. Country Universities Centre Bass Coast
2. Country Universities Centre Mallee
3. Country Universities Centre Oven Murray: **A-**Wangaratta **B-**Mansfield **C-**Corryong
4. Gippsland East Study Hub
5. Gippsland East Study Hub Outreach (new): **A-**Heyfield **B-**Mallacoota **C-**Omeo **D-**Orbost **E-**Yarram

**Suburban University Study Hubs**

1. Melton Suburban University Study Hub\*
2. Northern Suburbs Study Hub\*: **A-**Broadmeadows **B-**Epping

###### Tasmania

**Regional University Study Hubs**

1. Study Hub West Coast: **A-**Circular Head **B-**Zeehan
2. Study King Island (new)\*

**Suburban University Study Hubs**

1. Southeast University Study Hub, Sorell\*

\*Opening soon

### Making HELP indexation fairer

In the May 2024 Budget, the Government announced changes to HELP indexation so that it will be based on the lower of Consumer Price Index (CPI) or Wage Price Index (WPI), with retrospective effect from 1 June 2023. Legislation to implement this change was passed by the Parliament on 26 November 2024.

This change applies to all HELP, VET Student Loan and Australian Apprenticeship Support Loan and other student loan accounts that existed on 1 June last year. This addresses the 2023 CPI indexation rate of 7.1%, reducing it to 3.2% cent under the WPI, and reduces the 2024 indexation rate from 4.7% to 4%. This change will also prevent growth in debt from outpacing wages in the future.

Individuals have received a reduction in their HELP debt reflecting the lower indexation rates (an indexation credit). The Australian Taxation Office (ATO) commenced processing indexation credits in December 2024, which people can view by logging onto their ATO account through myGov.

### Supporting students undertaking mandatory placements through the Commonwealth Prac Payment (CPP)

The Government will provide $427.4 million over four years from 2024–25 for a CPP (benchmarked to the single Austudy rate) to teaching, nursing and midwifery, and social work students in higher education, and for eligible students in VET, to support the completion of their qualifications.

From 1 July 2025, eligible students will be able to access a payment of $331.65 per week when they are on a mandatory placement, which will provide important cost of living relief and help combat placement poverty.

This is the first time the Government has provided financial support for mandatory placements. The Government is starting with students studying nursing, midwifery, teaching, and social work as recommended by the Australian Universities Accord.

### Expanding FEE-FREE Uni Ready courses

The Government will provide $350.3 million over 4 years from 2024–25 commencing on 1 January 2025, to fully fund FEE-FREE Uni Ready courses and provide more students with an enabling pathway into higher education, with focus on students from underrepresented backgrounds. Universities will also be supported to improve the quality and consistency of FEE-FREE Uni Ready courses.

### Urgent action to address gender-based violence

The Government is taking urgent action to address gender-based violence under the *Action Plan Addressing Gender-based Violence in Higher Education*, released in February 2024, by providing $19.4 million over 2 years from 2024–25 to establish a National Student Ombudsman, and providing $18.7 million over 4 years from 2024–25 to introduce a National Higher Education Code to Prevent and Respond to Gender-based Violence (‘National Code’).

The National Code will establish a new set of best practice standards that all higher education providers must meet in preventing and responding to gender-based violence in their communities, including in accommodation that is owned and/or operated by the higher education provider. It will apply to all higher education providers registered with the Tertiary Education Quality and Standards Agency (TEQSA).

On 28 November 2024, legislation to establish a new National Student Ombudsman passed the Australian Parliament. The National Student Ombudsman will be a new and ongoing statutory function of the Commonwealth Ombudsman. The National Student Ombudsman will provide an effective, trauma-informed complaints mechanism for higher education students to use when they are not satisfied by their higher education provider’s response.

The National Student Ombudsman will start operating on 1 February 2025.

### Establishing a higher education racism study and improving social cohesion

The Australian Government is taking a multifaceted approach to addressing racism at Australian universities.

The Race Discrimination Commissioner, Giridharan Sivaraman, supported by the Australian Human Rights Commission (AHRC), has commenced the *Respect at Uni: Study into Antisemitism, Islamophobia, racism and the experience of First Nations people*, which is examining the prevalence and impact of racism in universities, including those with dual-sector operations.

The study is consulting with university students and student representatives, key stakeholder groups and higher education providers. The Commissioner has established an Advisory Group of respected leaders from the Jewish community, Muslim community, First Nations Australians and CALD communities to provide advice on methodology and better practice approaches.

As the national higher education regulator, TEQSA is collaborating across government and the higher education sector to support providers to improve responses to tensions on university campuses. TEQSA has commenced a series of roundtables with universities, government and student representatives to jointly identify and address systemic barriers for providers in meeting legislative obligations. Following this consultation, TEQSA will issue a new statement of regulatory expectations and best practice guidance to further strengthen regulatory conformity by universities.

The appointment of Special Envoys to Combat Antisemitism, Combat Islamophobia, and for Social Cohesion are a further critical step in the Government’s efforts to ensure all Australians feel safe and included.

### Strengthening university governance and improving workplace relations compliance

Education Ministers have agreed to establish an Expert Council on University Governance to provide advice against 10 priorities for reform. This will improve transparency, accountability, engagement, and representation on university governing bodies and will ensure rigorous and transparent process for developing remuneration policies and settings for senior university staff. The Expert Council will provide recommendations to Education Ministers in mid-2025.

TEQSA will issue new guidance and reporting requirements to ensure providers have governance and management processes in place to meet enterprise agreements and industrial obligations.

An independent expert has been engaged to support the National Tertiary Education Union (NTEU), Universities Australia (UA) and the Australian Higher Education Industrial Association (AHEIA) in identification and resolution of priority issues to ensure universities are exemplary employers.

The Department of Education will also improve university staff data collection on casual and fixed term arrangements.

## Next steps

The Government has been working to make the HELP and student loan repayment system better and fairer. The reforms respond to concerns expressed by current and former students about their amount of student debt and provide financial relief at a time when many Australians are doing it tough.

### 20 per cent reduction in Student loan debt

**Applying a one-off 20 per cent reduction on all student loan debts will take pressure off more than 3 million Australians who have a student loan debt.**

The Government will apply a one-off 20 per cent reduction on all student loan debts to take pressure off more than 3 million Australians. An individual with the average HELP balance of $27,600 will see $5,520 removed from their outstanding HELP loan. Nearly 90 per cent of the value of this reduction in debt is expected to flow to people whose incomes are less than $90,000 in today’s terms. Subject to legislation, this will apply to outstanding loan amounts as at 1 June 2025, before indexation is applied.

The ATO will automatically apply the reduction on outstanding debt amounts at 1 June 2025, before the regular annual indexation is applied.

**This measure builds on the Government’s 2024–25 Budget initiative to cap the HELP indexation rate as well as reducing the indexation applied in 2023 and 2024, which reduced student debt by $3 billion.**

**Combined, these reforms will abolish about $20 billion in student debt for more than 3 million Australians and will reduce the average HELP debt by up to $6,700.**

This will apply to all HELP debts and other income contingent loan schemes including VET Student Loans (VSL), VET FEE-HELP, Student Financial Supplement Scheme (SFSS), Australian Apprenticeship Support Loans (AASL, formerly Trade Support Loans), Student Start-up Loan (SSL), and ABSTUDY Student Start-up Loan (ABSTUDY SSL).

### Making HELP and student loan repayments fairer

**Around one million Australians will benefit from the changes to make the HELP and student loan repayment system fairer.**

In addition to the 20 per cent reduction of HELP debt, the Government is changing the repayment system to make it fairer.

The Government will increase the amount people can earn before they are required to start repaying their loan. The minimum repayment threshold will change from $54,435 in 2024–25 to $67,000 in 2025–26.

This change will also introduce a system where HELP repayments are calculated only on the income above the new $67,000 threshold rather than repayments being based on total annual income.

This new repayment system means that people will make smaller compulsory student loan repayments and only repay once their income reaches a level where they can afford to do so.

The change responds to a recommendation in the Accord Final Report that HELP repayment arrangements should be reformed to make them simpler and fairer.

Subject to the passage of legislation, this will take effect from 1 July 2025.

### Expanding eligibility for the Tertiary Access Payment (TAP)

##### Supporting more students from the regions

The TAP is a one-off payment of up to $5,000 to help students with the cost of moving from regional or remote areas for tertiary study.

To enable more students to access this payment, and in response to feedback from regional stakeholders and the Accord Panel, the Government is removing the TAP eligibility requirement to commence tertiary studies within 12 months of completing Year 12. All other criteria remain in place, including the student being up to 22 years of age at the time of commencement of the course.

Removing the access limit period will ensure more regional students are incentivised to pursue a tertiary education and can benefit from this cost of living support.

## Timeline for implementation

The Government is implementing the foundational features of the new higher education system early, with more complex features phased in over 2026 and 2027 to ensure a managed approach to change.

During the transition period to a new ATEC, the Accord IAC will continue to support engagement between the sector and government to maintain the momentum for enduring reform.

The Government will also continue engagement with the sector, including groups at the centre of our equity reforms, and will work closely with states and territories to implement the reforms.

##### 2025

* January 2025: FEE-FREE Uni Ready starts
* February 2025: National Student Ombudsman starts accepting complaints
* Early 2025: New RUSHs and SUSHs announced
* June 2025: 20 per cent reduction of HELP debt (with effect from 1 June 2025)
* July 2025:
  + Interim ATEC established
  + The minimum repayment threshold for HELP will increase on 1 July 2025 to $67,000 and a new marginal repayment system introduced
  + Commonwealth Prac Payments begin

##### 2026

* January 2026:
  + Permanent ATEC established, subject to passage of legislation
  + New Managed Growth Funding transition year
  + Demand-driven Needs-based Funding starts

##### 2027

* January 2027: Managed Growth Funding full system implemented

## Appendix A: Accord Implementation Advisory Committee (IAC)

**The Accord IAC engages with and represents the views of the tertiary education sector and the wider community. The IAC provides advice on the implementation and legislation related to the Government’s response to the Australian Universities Accord.**

### Members

* Mr Tony Cook PSM (Chair)
* Professor David Lloyd
* The Hon Professor Verity Firth AM
* Professor Stephen Duckett AM
* Professor Tom Calma AO
* Professor Barney Glover AO
* Professor Rufus Black (from January 2025)
* Professor Julia Horne
* Ms Jenny Dodd
* Ms Natalie James, ex-officio
* Mr Ben Rimmer, ex-officio

1. *Higher Education Statistics – Student data – 2023 Section 16 – Equity Performance Data.* [↑](#footnote-ref-2)
2. Based on 2022 student data. [↑](#footnote-ref-3)
3. Students studying at regional campuses estimated by the Department of Education based on 2022 student data. Any students attending more than one regional campus concurrently are counted twice. [↑](#footnote-ref-4)