

**13 APRIL 2013**

## **FUNDING CUTS WILL HURT AUSTRALIA'S REGIONAL UNIVERSITIES AND STUDENTS**

The Regional Universities Network (RUN) is shocked by the extent of the funding cuts to Australian universities and changes to university student support announced by Minister for Tertiary Education, Skills, Science and Research Craig Emerson today, April 13.

RUN Chair Professor David Battersby said that the cuts were a significant setback for regional universities and their students.

"The reduction of \$900 million to university funding over 2014 and 2015 will significantly erode the ability of regional universities to take full advantage of the student demand-driven system, grow our student numbers, and contribute to lifting higher education participation and attainment in regional Australia," Professor Battersby said.

"The funding for each student will be reduced at a time when the university system is already under funding pressure. Regional universities, in particular, will feel the impact because the economies of scale under which we operate tend to be much more susceptible to reductions in government funding.

"Regional students will also be disadvantaged by the announced reductions in government funding and support. In particular, the conversion of student start-up scholarships into a loan will impact on regional students, many of whom have to relocate for university education. Their debt burden may now become unmanageable.

"There is no doubt that these funding cuts will hurt regional Australian communities. Regional universities enable the best use of regional human capital and resources and contribute to educational opportunities, economic prospects and community capabilities for the 30 per cent of Australians who live in non-metropolitan areas. They have close relationships with their communities, and drive economic, social and cultural development in regional Australia.

"Increasing the debt burden on regional students and cutting government funding to regional universities over the next two years will undoubtedly have an impact on university participation rates in regional Australia.

"Regional Australia lags behind capital cities in educational attainment – 12 per cent of adults in regional communities have a degree compared with 27 per cent of adults in capital cities and 32 per cent of regional Australians aspire to higher education compared to 62 per cent in capital cities. "All parts of the education system should be strongly supported by Government as they all contribute to human capital and national productivity. The cuts will impact on the growth of higher education in regional Australia. They significantly erode the Government's legacy in higher education funding and reform," Professor Battersby said.

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