

30 January 2026

The Regional Universities Network (RUN) welcomes the opportunity to contribute to the formation of the Commonwealth Government's 2026/27 Budget.

This submission reflects the positions of RUN institutions, and in doing so, also aims to represent the views of those students and communities which RUN universities serve; the 9.9 million Australians who live outside of metropolitan centres in regional, rural and remote locations.

RUN believes that all Australians, regardless of background or geography, should have access to an equitable standard of university opportunities, tertiary facilities and research services.

Australia's regions have experienced high growth in recent years, with nearly four in ten Australians now living outside our capital cities. Despite the increasing demand amongst regional economies for highly skilled workforces and research services, regional Australians remain far less likely to obtain a university qualification, or drive national research and innovation priorities, compared to metropolitan Australians.

Our regions host many high-performing, world class universities. The graduates of RUN universities consistently record higher rates of employment and starting salaries, and higher rates of employer satisfaction, than the sector average. Despite this, the Australian Universities Accord found that the higher cost of regional education delivery, and the diseconomies of scale inherent in providing university services to regional Australians, were major factors in the widening skills divide between metropolitan and regional communities .

This pre-budget submission outlines a series of practical measures designed to strengthen the university services that regional Australians rely upon, while delivering nation-building dividends to all Australians.

RUN's university members are:

- Charles Sturt University,
- CQUniversity Australia,
- Federation University Australia,
- Southern Cross University,
- University of New England, and
- University of Southern Queensland.

Priority 1 - Investing in Australia's University System

The Australian Universities Accord set out a blueprint for a robust and aligned higher education system. The equity-driven objectives of the Accord, and the recommendations that accompanied it, will ensure a more balanced and sustainable higher education system that benefits all Australians into the future, regardless of background or location. As such, RUN is highly supportive of the establishment of an Australian Tertiary Education Commission (ATEC) to guide the sector towards meeting the outcomes of the Accord.

The ATEC was recommended to be an independent and expert body that will deliver stewardship of the tertiary education sector, with a broad range of responsibilities. If designed and implemented effectively, the ATEC will unlock the fuller skills potential of all Australians, in particular regional Australians and those who have historically been underrepresented in tertiary attainment. RUN acknowledges that ultimately, much of the ATEC's potential to impact positively on the tertiary opportunities afforded to all Australians will stem from the expertise it hosts, the resources it holds,

and the independence it is granted to perform its functions effectively. RUN advocates for an ATEC that can begin its important work with:

1. An increased number of Commissioners (beyond the 2.5 currently proposed) to expand the expertise available to the ATEC. Additional commissioners should hold considerable expertise and experience in matters pertaining to regional Australia, research and research training, and/or equity participation matters.
2. The resources and flexibility the ATEC requires to (amongst other complex functions) effectively implement the Accord's recommendations, while negotiating bespoke compacts with individual institutions aligned to social mission and geographic footprint. This includes the function of selecting its own highly specialised expertise, as opposed to receiving staff that the Department of Education confers upon it.
3. The legislative independence to provide robust, unprompted advice to Government and to support the evidence-based decision-making and planning required of a world class higher education system. The ATEC must be able to look at issues for consideration beyond those which are contemplated or requested by the Minister alone, in a frank, fearless and apolitical manner.

RUN believes that an independent ATEC that holds the expertise and resources it requires to perform its duties effectively would be one of the most impactful and intergenerational investments the Government can make during this budget cycle.

RUN recommends: That the ATEC be appropriately funded to enable it to be the independent and expert body as outlined in the Australian Universities Accord.

Priority 2 - Investing in Regional Australia's Education Assets

The Australian Universities Accord found that the distinct social missions of regional universities – typically characterised by their geographically dispersed campus networks in lower-density student markets – leaves regional providers with considerably less capacity to build or improve their physical infrastructure. Specifically, the review found that the specific infrastructure needs of regional universities must be addressed, citing:

"Without adequate investment in new, maintained and replacement infrastructure, there will likely be an exacerbation of the existing financial pressures felt by regional universities as well as further erosion of student load in regional areas. To support overall system growth and greater participation of regional and remote students, the specific infrastructure needs of regional universities have to be addressed.... The Review has also heard of critical infrastructure needs that warrant consideration of direct and more urgent funding, including significant maintenance backlogs affecting regional universities and their ability to deliver and attract students, staff and research funding." ~ Australian Universities Accord Final Report, page 268.

No dedicated infrastructure funding pool has been available for over a decade, resulting in an accumulation of urgent, unmet infrastructure priorities for the universities relied upon by regional Australians. RUN proposes the establishment of a dedicated Regional Education Infrastructure Fund (REIF), a resource designed to meet the immediate backlog of infrastructure needs faced by regional higher education providers, enabling them to maintain an equitable standard of access to key tertiary infrastructure as that enjoyed by metropolitan Australians into the future. The REIF is also intended to accommodate the forecast growth in students, particularly those from underrepresented backgrounds: regional universities continue to undertake the nation's heavy lifting in terms of meeting the 2050 equity attainment targets of the Australian Universities Accord.

The proposed REIF would be structured to meet three critical aspects of university infrastructure recognised as being in greatest need by regional communities today:

1. **Education Infrastructure** *including clinical teaching laboratories, workshops, disability access upgrades, library and learning spaces, maintenance and refurbishment of existing facilities, sporting and recreational amenities, student accommodation etc.*
2. **Digital Infrastructure** *including enhanced support capabilities for online students, heightened cyber security provisions, updated systems and learning platforms, new hardware/software, digital disability and accessibility provisions, computer labs etc.*
3. **Research infrastructure** *including the research infrastructure and facilities required to maintain and expand the research capabilities and research-trained workforces available to regional Australian industries, economies and communities.*

The eligibility of the REIF would be limited to regionally-headquartered Australian Universities.

RUN recommends: A commitment to undertake an independent, post-budget review into the infrastructure needs of regional universities, to inform the size, scope and duration of a competitive, temporary REIF process.

Priority 3 - Investing in Regional Research & Innovation Capabilities

Australia's research and innovation landscape sees a disproportionate share of its capability becoming increasingly concentrated within a small handful of large metropolitan universities. Additionally, Australia's research funding and research-trained workforces are gravitating towards large urban centres. In an increasingly competitive and volatile global environment, this growing concentration of research talent and infrastructure represents a vulnerability in the diversity, accessibility, and culture of Australia's research ecosystem.

RUN universities host many highly successful and collaborative research clusters that are recognised as performing at, above, or well above world standard in many research areas vital to Australia's national interest. Regional university research efforts and their subsequent impacts are typically targeted and highly applied to the unique social, industrial, and cultural needs of their respective regions. Just as there is wholesale support for the benefits of national degree attainment rates to be more equitably shared amongst regional Australians, there too must be an equal focus on a more equitable distribution of Australia's research capabilities and research-trained workforces towards regional Australia.

Designed to complement the research infrastructure component of Priority 1 – Investing in Regional Australia's Education Assets, RUN proposes the establishment of dedicated regional research scheme funded as part of the Commonwealth's research investments. This may include, for instance, a funding round (or rounds) of existing research grants processes set aside for regional universities, or additional dedicated research grant schemes undertaken by regional universities to enable a growth in regional research and innovation.

RUN recommends: Establishing a dedicated new research funding stream, or a dedicated funding round of an existing research program, for the exclusive purpose of building the research capabilities, outputs and research-trained workforces hosted by regional Australia.

Priority 4 - Globalising Regional Campuses

In an increasingly globalised world, Australia's continued prosperity depends on a citizenship who are informed and engaged members of the global community. Our regions connect Australia to the world by driving two-thirds of all national export wealth. Despite this, regional Australian university campuses lack the same degree of global experiences, opportunities and perspective as that typically enjoyed by Metropolitan university campuses. Similarly, regional workforces lack the same access to skilled international graduates as that enjoyed by metropolitan Australia.

Regional Australia's university campuses host just a small fraction of all international students studying in Australia each year, while nine out of every ten Australian students studying abroad on a New Colombo Plan (NCP) scholarship in 2024 came from a metropolitan university. This disparity poses significant vulnerabilities in regional Australia's ability to effectively engage with global opportunities from a position of real-world experience.

RUN proposes a Regional International Mobility Scheme: a four-year pilot program designed to support four important objectives linked to the global connectivity of regional university campuses via higher education exchange:

1. *Restorative New Overseas Student Commencement (NOSC) growth towards regional universities.*

RUN supports the Government's intention to redistribute the current concentrations of international students more equitably towards regional campuses via a managed system of allocation. RUN also welcomed the favourable NOSC allocations that some regional universities were provided for 2026. Despite this, it remains the case that of the four Australian universities whose international enrolments in 2026 remain below pre-pandemic levels, all four are based in regional Australia. RUN universities experienced the greatest downturn in international enrolments since the pandemic, and the slowest post-COVID recovery, of all universities. While the sector has seen growth in NOSCs of 28 per cent from 2019 – 2026, RUN universities have seen a 30 per cent decline during the same period. If the Government genuinely wants to see a greater geographic dispersal of international student cohorts, alongside a more equitable distribution of the social and economic benefits of international education, then it must continue to provide favourable, restorative NOSC allocations towards regional universities.

2. *Supporting international students to study at the regional campuses of regional universities.*

Regional universities experience additional barriers to the successful recruitment and settlement of international students to regional communities, and similarly, international students experience unique challenges while attempting to live, study and work outside of Australia's largest cities. International students often rely upon, for instance, robust nighttime economies, public transport linkages, international airport linkages, and diaspora migrant communities – found more readily in major capital cities - to support their successful study journeys. Since the discontinuation of the Destination Australia program, there has been no funded mechanism to assist regional universities in their efforts to support international students towards regional study. This component of the Regional International Mobility Scheme addresses the specific difficulties faced by the recruitment of international students to regional communities, and the challenges faced by international students living, working and studying outside of our largest capital cities. It is envisaged that the four-year pilot would make scholarships available to support the attraction, settlement and success of international students at regional university campuses, with an eligibility focus upon areas of study representing the highest regional workforce need.

3. *Promoting regional Australia as a world-class destination for higher education and research.* This component of the Regional International Mobility Scheme aims to promote the world class study and research opportunities at our regional universities, while diversifying Australia's international student cohorts away from our largest capital cities. The development of promotional campaign

collateral, designed to showcase the benefits of studying at regional locations to prospective international students, is supported by recommendation 22(b) from the Australian Universities Accord Final Report;

“...support the growth of international education in regional and remote areas, encouraging providers to communicate the benefits of studying and living in regional and remote Australia.” ~ Australian Universities Accord Final Report .

The promotional campaign would target prospective students within our Asia-Pacific region, particularly aligned to areas of study identified as being amongst the highest workforce need within the economies of regional Australian communities. The development of high-quality digital collateral promoting the benefits of studying and living in regional Australia would include adverts, case studies, student testimonials, and other digital campaign material. This would be made available to regional providers, their offshore partners, and university stakeholders to assist with the recruitment of international students to regional areas, and the promotion of aforementioned scholarships.

4. ***Providing short-term offshore study opportunities for regional Australian students.*** This component of the Regional International Mobility Scheme aims to develop the global skills and perspectives, the language training, and the international networks of regional graduate workforces. There is a strong case for a more nuanced overseas mobility program designed exclusively for regional student cohorts, given the failure of the current NCP to effectively engage students from regional Australia. The students of regional universities were awarded just 7.7% of all NCP funding allocations in 2024, due largely to the NCP eligibility criteria being skewed towards the profiles of metropolitan student cohorts (for instance, age thresholds that favour the younger student cohorts found in cities, and longer minimum mobility durations and language preferences that discriminate against regional students who are more likely to come from a lower socio-economic background, and more likely to have had fewer opportunities to study foreign languages). It is envisaged that a regionally targeted mobility program would facilitate the allocation of targeted scholarships, with criteria designed to better match the distinct needs and profiles of students studying at regional universities.

RUN recommends: A commitment to pilot an appropriately resourced, four-year Regional International Mobility Scheme.

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