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THE AUSTRALIAN NATIONAL UNIVERSITY

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Serious negatives in Budget, says Vice Chancellor

In a comment on the Federal Budget to colleagues, the ANU Vice-Chancellor, Professor Ian Young AO, said, "The Federal Budget handed down last night contained some positives and, unfortunately, some serious negatives for the University.

"The Budget included the announcement of a \$3 million endowment to establish a [Tax Studies Institute](#) in the Crawford School of Public Policy.

"It also contained a one-year extension of the Future Fellows program, a two-year extension of funding for the National Collaborative Research Infrastructure Scheme (NCRIS) and additional Commonwealth Supported Places for Diploma students, particularly in Asian languages.

"All these measures are welcome, particularly given the tough Budget.

"The Budget, however, confirmed the efficiency dividend cuts announced by the Minister a few weeks ago. Combined with the cuts announced in October last year, this means ANU faces a reduction in income of \$23 million in 2014 and \$28 million in 2015. The cuts will have a significant impact on the whole sector, but they will hit ANU particularly hard because, as the most research-intensive university in the nation, we cannot simply enrol more undergraduate students – as many larger universities will do – to cover shortfalls.

"We must now begin estimating in detail the impact of these and other changes on our overall budget. In addressing the challenges, our priorities are to our research, to our staff and students and to the academic quality of the institution. ANU continues to perform at the highest level in

research and education and it is essential that this quality is not only preserved but further enhanced. If you weren't able to come along to my discussion forums in April, you can watch the presentations, including the one on our budget, [at my blog site](#).

"Over the coming weeks, the University will consult with staff and students to develop a detailed plan to address the challenges."

Universities Australia says Budget 'insufficient' to off-set cuts

The positive new higher education initiatives announced by the Government in the Budget have been welcomed by the university sector but are insufficient to offset the impact of the \$3.8 billion worth of cuts to higher education expenditure announced by the Government over the past 6 months, according to the peak body representing Australian universities, Universities Australia.

"The Government has reaffirmed that it intends to go ahead with the cuts, making the university sector one of the hardest hit in this budget. These reductions will challenge the ability of universities to maintain the quality of education and research. And by compromising the role that universities play in lifting national productivity and securing long-term economic prosperity, they will also make it more difficult to put the nation's budget back in black," said Universities Australia Chief Executive, Belinda Robinson.

"Every dollar that is lost to university investment represents a reduction in the long-term dividend to the nation" said Ms Robinson.

"Highly skilled graduates to meet future labour market needs, world-class research, advanced technology, new knowledge frontiers, high technology industries and medical breakthroughs are the essential ingredients of successful nations - something that the countries in our region well understand and is the reason why they are investing heavily in their own higher education systems."

Universities Australia, however, acknowledged the positive initiatives announced in the budget including \$186 million to extend the funding of nationally significant research facilities for a further two years and \$135 million to extend by one round the very successful Future Fellowships program to assist in attracting and retaining the rising stars of research.

"These are both important programs, strongly supported by the sector, that will help to sustain Australia's research effort in the short-term and in the absence of a long-term, sustainable research investment strategy having been developed", said Ms Robinson.

New funding of \$84.6 million over four years to support additional postgraduate and diploma places has also been welcomed by the sector.

"This will help to address the Government's expressed desire to lift the standard of teacher education quality as part of the National Plan for School Improvement and will provide additional pathways for those wishing to study at university", Ms Robinson said.

The extra \$346 million in the budget for university places reflects the increases in student enrolments under the demand driven university system introduced by the Federal Government, albeit at a lower level of base funding per student than had previously been budgeted and substantially less than had been recommended by Government-commissioned reviews.

"We are also pleased to see that the Government is committed to further consultation with universities before introducing the recently announced \$2000 cap on tax deductible expenses for self-education.

"If introduced this will have a debilitating impact on productivity improvement by discouraging people from upgrading their skills and qualifications to meet the ever-changing labour market needs both today, and into the future" said Ms Robinson.

Contradiction in funding cuts

In a letter to students and colleagues when Acting Vice-Chancellor, Professor Margaret Harding, says that the Government had announced \$2.3 billion in cuts to higher education, including student support and university funding.

"These are the largest cuts to the sector since the Howard Government cuts of 1996," she said, and went on, "While investing in school education is to be applauded, I don't believe it is good policy to make large cuts to part of the sector to fund the other. The two are interlinked.

"The quality of Australian education and research, and its contribution to economic growth of this nation, requires investment in the entire sector from kindergarten through to PhD. We can't be a clever country without excellent education and research. And a changing global economy means we can't afford not to be the clever country. Short-changing education and research means short-changing on Australia's potential to manage uncertain global times.

"The cuts will likely have a significant impact on the ANU budget, and directly affect many students. There is limited information available at the moment, but we will seek to clarify the changes and make an assessment of the potential impact on ANU in coming days. We do know at this stage:

- Conversion of student start-up scholarship to HECS loan (\$1.2 b)

The measure replaces the Student Start-up Scholarships (SSS) with equivalent income contingent loans for new recipients of student payments undertaking higher education from 1 January 2014. Recipients who receive a SSS prior to 1 January 2014 will continue to be eligible for the SSS until coming off student payments

- Removal of 10 per cent up-front payment HECS discount (\$228.5 m)
 - From 1 January 2014, this measure will: remove the upfront discount of 10 per cent offered to students enrolled in Commonwealth-supported places who pay their student contribution upfront; and remove the voluntary HELP repayment bonus of 5 per cent.
 - This measure will not affect students who choose to fund their university studies through HECS-HELP deferred loan (currently around 84 per cent of total students).
- Efficiency dividend of 2 per cent for 2014 and 1.25 per cent for 2015 (\$900 m)

She assured students that, "we will work with our community to ensure that ANU maintains excellence, particularly in education, in what will be a difficult financial environment for the

whole sector. We are continuing to work through the implications of the wider changes, and we will keep the ANU student associations informed.”

The Budget through Ministers’ eyes

Minister sets out plan to meet ‘surge’

The Minister for Tertiary Education, Skills, Science and Research, Dr Craig Emerson, said on Budget night that the Government “will invest \$1.9 billion in Australian universities over the next four years to meet a surge in demand for places, including around 1,650 extra places per year for sub-bachelor and postgraduate training in teaching, nursing and Asian languages.

“The funding includes an extra \$346 million in today’s Budget just to account for an upward revision in demand for places since October last year.

“Under the demand-driven funding system, the Government provides funding for every domestic student enrolled in a bachelor degree at a public university.

“As a result of extra funding associated with the demand-driven system, 30,000 more young Australians will be able to attend university next year compared with 2013. By 2017 enrolments will be up by 76,000 students from 2013. Already 190,000 more students are going to university compared with the previous government...

“The Government is providing an extra \$84.6 million over the next four years to fund additional diploma-level and masters-level places. The additional masters’ places will assist universities to move their existing one-year or one-and-a-half year postgraduate courses to two years, consistent with the new, more rigorous standards for teacher training courses being accelerated as part of the National Plan for School Improvement. ...

“In the 2013-14 Budget, funding for universities will increase in every year over the forward estimates, despite the modest efficiency dividend being applied in 2014 and 2015.”

He added that funding for university places “has increased from \$3.5 billion in 2007 to \$6.1 billion in 2013, a 75 per cent increase in nominal terms or 50 per cent increase in real terms.”

Minister for Science and Research Senator Don Farrell on research

In a joint statement with the Dr Emerson, the Minister for Science and Research, Senator Don Farrell, said:

“The Government is investing \$321.2 million to support Australian researchers and research facilities to drive innovation and support high-quality jobs growth. Of this, the Government is committing \$135.3 million over five years in the 2013-14 Budget to extend the highly successful *Future Fellowships* scheme to attract and retain the best and brightest mid-career researchers in Australia.

“Since 2009, *Future Fellowships* have supported hundreds of mid-career researchers from Australia and overseas. This new funding will provide 150 more fellowships and builds on the Government’s original \$844.1 million investment.

Future Fellows are currently adding to Australia's cutting-edge research in nanotechnology, biotechnology and photonics.

"National Collaborative Research Infrastructure Strategy (NCRIS) funding, meanwhile, will maintain research infrastructure while allowing a review of previous investments to inform long-term funding decisions.

"Under NCRIS, the Government has committed \$185.9 million over two years from 1 July 2013 to support the continued operation and maintenance of research facilities. Since 2005, the Australian Government has invested more than \$2 billion in research infrastructure to support innovation.

"This includes fabrication infrastructure to support advances in materials design; earth-imaging and geospatial systems of direct benefit to mining; high-end computing infrastructure to address climate change, ocean modelling, earth systems science and national water management issues; and terrestrial observing systems, which support research into food, water, resource and biological security and the impacts of increasing human population."

Senator Farrell continued, "Australia's capabilities as a world leader in scientific research are set to increase, with a \$253.6 million investment, including the National Collaborative Research Infrastructure Strategy, to be made across a number of key research facilities in this year's Federal Budget.

"Research into marine science and nuclear medicine will benefit from direct funding injections, and further investment will be targeted at attracting more international research and development to Australia.

Dr Emerson added, "The Australian Institute of Marine Science, headquartered in Townsville, will receive \$30.9 million. This investment is about protecting marine life and supporting the environmental performance of our marine industries, which are projected to double in value by 2025,"

"Growth in areas like offshore oil and gas, marine-based tourism and port development will benefit regional economies, but we need to do the research to ensure that growth is environmentally sustainable.

"The funding will also support the state-of-the-art National Tropical Sea Simulator facility, due to open later this year, which will position Townsville as a global research hub.

"Another research hub, Sydney's Australian Nuclear Science and Technology Organisation (ANSTO), will receive \$8.1 million to boost the capacity of its OPAL research reactor. The OPAL research reactor, one of the world's safest and most reliable nuclear reactors, supplies neutrons for research into climate change and water resource management. It produces 20 per cent of the world's irradiated silicon and 85 per cent of Australia's nuclear medicines, used to diagnose heart disease and cancer.

"This funding will drive more cutting-edge research both locally and internationally, and builds on the \$432 million the Government has already invested to build OPAL's capacity," Dr Emerson said. "An increase in OPAL's operations also means more material will be provided to our \$168.8 million nuclear medicine manufacturing facility, where production will triple. ...

"The Government is also investing in the safe, long-term management of Australia's legacy nuclear facilities, including the HIFAR reactor, which OPAL replaced in 2007. More than \$28 million will be spent over four years to upgrade facilities and support decommissioning activities that draw on international best practice and meet local community needs.

"There is also provision in the Budget for CSIRO to undertake a \$230 million upgrade of its facilities at Clayton in Victoria and **Black Mountain in the ACT** to attract international research and development. The upgrades to Black Mountain will support excellence in science in the agriculture sector. In Clayton, upgrades will assist the CSIRO to collaborate with Monash University to establish the Factories of the Future Innovation Centre.

"These investments will support CSIRO's leading-edge science activities and help attract the world's best researchers to Australia. Since 2008, the Government has invested more than \$2.1 billion in world-class science facilities across the nation."

Preparing for the Asian Century

The Minister for Tertiary Education, Skills, Science and Research, Dr Craig Emerson, said on Budget night, "The Government is providing an additional \$84.6 million over four years to Australian universities, some of which will give students more opportunity to study an Asian language. This is part of the Government's commitment to increase Asia-relevant skills in the workforce and to better prepare students for success in the Asian Century.

"Through the additional funding, Australian universities will be able to offer more Commonwealth-supported places for students to study a Diploma of Languages. The Government is also providing funding for more places in post-graduate teacher education and health courses. These places will improve students' ability to have access to a Commonwealth-supported place to study an Asian language alongside their degree.

"This initiative is just one of a number of projects in the Budget directed at broadening and deepening Australia's relationship with Asia, as set out in the White Paper on *Australia in the Asian Century*.

"The Government will also fund Australia Week in China in the second half of 2014.

"The \$1.75 million project, similar in concept to the successful *G'day USA* promotional program, will consolidate existing support for Australian exports and campaigns to attract foreign investment. A Bill is also currently before Parliament that will increase the amount of money available for students to borrow under the OS-HELP scheme if they choose to study in Asia.

"Thousands more will have access to more generous and flexible student loans to assist with the costs of their overseas study," Dr Emerson said.

"There will also be a new \$1,000 loan so students can study an Asian language to help them to prepare for their experience," he said.

"Through the *AsiaBound* program, more than 10,000 students will also have access to grants enabling them to take up study in Asia.

"The Government is also set to choose the first successful bids in the Asian Century Business Engagement Plan, under which grants are allocated over four years to business

organisations for projects that assist Australian companies to sell into Asia's growing middle class markets and to participate in regional value chains.

“Finally, to further strengthen relationships with India, the Australian Government will continue to provide \$3.1 million over four years for an Australian Resources, Energy and Tourism Counsellor in New Delhi.

The White Paper on *Australia in the Asian Century* sets an ambitious reform agenda to make the most of the opportunities arising from the dynamism of Asian economies. ...”

Australia commits to Antarctica

In a joint statement with the Dr Emerson, the Minister for Sustainability, Environment, Water, Population and Communities, Tony Burke, said on Budget night:

“Australia's presence in Antarctica has been bolstered by extra funding in this year's Budget to broaden Antarctic climate change research and extend the working life of the research and resupply ship, Aurora Australis.

Dr Emerson said Hobart's Antarctic Climate and Ecosystems Cooperative Research Centre (CRC) would receive \$25 million to continue its world-leading research into Antarctic climate science and the uncertainties that currently limit the global response to climate change.

The funding means the range of work undertaken by the CRC, already Australia's largest centre of Antarctic and Southern Ocean climate change research, will continue to include climate change impacts in Australia and the Pacific.

“The funding in this year's Budget means its research will address key scientific questions, including how Antarctica drives global climate, and how the pace and nature of change will affect the wellbeing and economic interests of Australians,” the ministers’ joint statement said.

The Government funding for the Antarctic Climate and Ecosystems CRC will be provided over five years from 1 July 2014.

Mr Burke said that this year's Budget would also provide \$9.5 million to ensure Australia's continued contribution to broader research and Antarctic operations staged from Tasmania, including the running of four fully-operational Antarctic and sub-Antarctic stations.

"The icebreaker Aurora Australis plays an essential role in resupplying our Antarctic stations and supporting critical Antarctic and Southern Ocean research, and has done since 1989. Now is the time to look to future options. A \$7.9 million allocation in this year's Budget means we can start to explore options for a new icebreaker to replace Aurora Australis, as well as perform the work necessary to ensure the Aurora Australis remains available over the next few years."

The 2012-13 *Mid-Year Economic and Fiscal Outlook* allocated \$1.7 million for the development of a detailed business case for a new Antarctic shipping capability, including essential associated infrastructure and support.

Implementing Gonski

In a joint statement on Budget night, the Prime Minister, Julia Gillard, the Treasurer, Wayne Swan, and the Minister for School Education, Peter Garrett, stated the first budgetary steps to implement the Gonski Report on school education.

They said:

“The Government has made a \$9.8 billion commitment to increase school funding over six years, along with better indexation and reforms to lift student achievement, under the National Plan for School Improvement.

“This commitment, first announced in April ahead of the Prime Minister meeting with Premiers and Chief Ministers, is provided for in the Budget, which delivers long term investment in schools. Negotiations with states and territories continue and the Prime Minister’s offer remains open until 30 June.

“This historic reform to school funding will create better Australian schools for generations to come; ensuring our classrooms, teachers and kids are properly resourced and we can reach our goal of being in the top 5 education systems in the world by 2025.

“Investment will increase year by year throughout the six year period of the agreement. The Government is delivering historic education reform because too many schools and students are being left behind, and our school results have not been improving as much as they could.

“This is the most comprehensive reform of school funding in 40 years. The Gonski Review called for a fundamental overhaul of a school funding system that is leaving too many students behind.

“That’s why we need the National Plan for School Improvement. To ensure every Australian student gets the great education they deserve, no matter where they go to school. The National Plan for School Improvement will focus reforms on quality teaching, quality learning, meeting student need, empowered school leadership, and accountability and transparency.

“The plan will establish a national Schooling Resource Standard which includes a benchmark per student amount and extra money through loadings for students we know need it most.

“Loadings will be available for students from low socioeconomic backgrounds, Indigenous students, students with limited English and students with disability, and reflect school location and size.”

The Plan includes:

- professional standards, annual performance assessments and ongoing training and support for teachers;
- more individual support for students, including through intensive early years intervention in reading;
- more local decision making for school principals, supported by experts; and
- more information than ever before for parents, and stronger partnerships with communities to support higher student achievement.

The ministers' joint statement went on, "By making every school a better school, we will help every young Australian get the best possible education and secure a high-wage, high-skilled job of the future.

"The Government is offering to pay around 65 per cent of the additional investment needed to fund all schools properly and reach our goals – essentially a 2 for 1 offer for all states and territories.

"The Government has also committed to annual growth in school education spending of 4.7 per cent indexation – provided states commit to grow their own school budgets by 3 per cent.

"The Government is negotiating with state and territory governments on the plan, to ensure all schools around Australia can look forward to funding security and increased investment. We know Australia needs these school reforms and principals, teachers, students and the community support this extra funding to get the best possible education outcomes.

"New South Wales has already committed to these historic reforms and is working to implement the Plan from next year. Other Premiers and Chief Ministers must follow the lead of Prime Minister Gillard and Premier Barry O'Farrell. ..."

The next ANUEF Lecture will be held on Tuesday, May 21st at 4 pm. It will be a discussion entitled: "**How should we view the Gonski cuts?**" **For further details see below**

Lack of vision, says Academy of Science

The Australian Academy of Science said the short-sighted 2013 federal science Budget failed to take a visionary approach to securing the nation's future and economic, social and environmental wellbeing.

"While the Academy welcomes short-term investments in researchers and research infrastructure, this Budget unfortunately represents a missed opportunity to support a strategic long-term vision for Australia's future," said Academy President, Professor Suzanne Cory.

"Australia's economy is strong in global terms: now is the time to invest in knowledge-building and innovation, to ensure we are economically competitive and able to meet our health, economic and environmental challenges for decades to come."

The Academy welcomed an additional \$135.3 million over five years for the Australian Research Council's (ARC) Future Fellowships program, and a \$185.9 million two-year commitment to the National Collaborative Research Infrastructure Scheme (NCRIS). Also welcome is the continuation of funding for crucial research bodies including CSIRO, the Cooperative Research Centres, and the National Health and Medical Research Council.

"This support for Australian research is a great start but it is not enough. It is but a small and short-term investment against a background of a total of \$3.3 billion in cuts and deferrals to research and higher education," Professor Cory said.

"While the Academy welcomes the commitment to schools, a world-class education does not end at the age of 18.

“We must invest in tertiary education, and we must invest in research and development over the long term – at least a decade – to create high quality jobs, to attract and retain leading researchers and skilled technicians, and to yield meaningful results.

“In this election year, the Academy calls on both major parties to act boldly and create a strong and strategic vision to secure Australia’s future.”

Ticks and crosses for the 2013 science budget:

- ✓ \$135.3 million over 5 years for ARC Future Fellowships
- ✓ \$185.9 million over 2 years for the NCRIS
- ✓ \$9.8 billion over 6 years for schools
- ✗ \$3.3 billion cuts and deferrals over 4 years to tertiary education and research
- ✗ No long term investment in research and development (including infrastructure)
- ✗ No strategic international science program

Current Affairs

Ties between Australia and India surveyed

Foreign Minister Bob Carr has welcomed a major opinion poll which has confirmed public support in India for a strong and growing relationship with Australia. The survey by the Lowy Institute for International Policy and the Australia India Institute indicates Indians see Australia as good place to visit, live, work and study. Australia is viewed as a country that is friendly to India, with attractive values, strong educational institutions and a sound political system.

Foreign Minister Bob Carr said, “This report focuses on our shared values and interests which have seen Australia’s relationship with India develop into one of our key strategic and economic partnerships in the region.

“It is gratifying to see positive results of Indian feelings towards Australia, Indian judgments of the quality of Australia’s education system, and Indian views on working with Australia in our shared neighbourhood.

“Building on the ties between both our peoples is an integral component of that partnership – in our relations with India, and in the Australia in the Asian Centre White Paper as a whole.”

Senator Carr acknowledged there were elements of the relationship where Australia needed to do more. The report noted lingering concerns regarding the issue of safety for Indian students in Australia but showed the overall perception of Australia’s education standards was strong, with 75 per cent of Indians seeing Australia as a good place to be educated.

Australia’s Indian community of more than 450,000 is Australia’s fastest growing migrant community and India is Australia’s second-largest source of international students.

The report is available at: www.lowyinstitute.org

2013 ANUEF activities - Lectures and diary dates

The next ANUEF Lecture will be held on Tuesday, May 21st at 4 pm. It will be a discussion entitled: “**How should we view the Gonski cuts?**”

Professor Margaret Harding (DVC-ANU), Dr Andrew Leigh (ALP), Aleks Sladojevic (President SA-ANU), and Simon Sheikh (Greens Senate candidate for the ACT) have accepted invitations to lead the discussion.

Please, email adrian_j_gibbs@hotmail.com – whether you are likely to attend, so that we can judge whether the Molony Room will hold the assembled throng or whether we need a larger venue.

ANUEF Room Bookings

Requests for booking the Molony Room should be addressed to Judith Caton via email, and these will be forwarded to the committee for approval, and then entered into the diary. A return email will be sent to the organisation confirming the booking. The diary will be held in the office rather than being left on the table in the meeting room. Conditions for the use of the premises will be emailed to users and a copy is on the ANUEF website.

Contact Judith Caton on judith.caton@anu.edu.au

What's On at the ANU?

What's On at ANU is a fortnightly email for staff and students that aims to highlight many of the interesting, enlightening and engaging public lectures, seminars and events happening around the university. All of these events are open to the public. Please check if reservations are needed.

For more information on any of the events listed, or to see a calendar of upcoming events, go to <http://billboard.anu.edu.au/events.asp>

Next edition of *Emeritus*, the ANUEF Newsletter, will be published in June 2013