



VC Office
22 JUL 2009

THE HON JULIA GILLARD MP
DEPUTY PRIME MINISTER

Parliament House
Canberra ACT 2600

17 JUL 2009

Professor Alan Pettigrew
Vice-Chancellor and Chief Executive Officer
The University of New England
ARMIDALE NSW 2351

Dear Professor Pettigrew

With the 2009–10 Budget I released *Transforming Australia's Higher Education System* which presented a comprehensive and integrated package of reforms that will fundamentally reshape the sector in the years ahead. This marks the start of a new relationship between the Australian Government and higher education institutions, and I am writing to outline how that new relationship will be given effect over the coming months as we work together to implement these significant new initiatives.

We have designed our reform package to support our ambitions for increased attainment and low SES participation in a high quality, sustainable higher education sector. The move to a student-centred funding model, additional funding for low SES students and partnerships activities, increased indexation and the injection of infrastructure funding from the Education Investment Fund, will all help to support growth in the sector. Performance funding to reward improvements, including in teaching and learning, and establishment of the Tertiary Education Quality and Standards Agency will ensure that a strong culture of quality delivery is maintained and enhanced during this period of significant change.

Consistent with our intent to reduce red tape and streamline processes, I have asked my Department to engage with you in a coherent manner on implementation of those reforms. I will write to you shortly with my colleague Senator the Hon Kim Carr, Minister for Innovation, Industry, Science and Research, with arrangements for compacts framework consultations to be held over the next month or so.

I know you will also be interested in the process for developing the new quality assurance arrangements, including the establishment of the Tertiary Education Quality and Standards Agency, and my Department will be in contact with you shortly on this initiative.

Later in the year our departments will visit all universities for individual strategic discussions on a range of issues arising from our reform agenda. These strategic discussions will be informed in part by institutional performance portfolios and my Department will be requesting some information for these portfolios soon.

As an important first step in our engagement, I would be most interested to learn how you envisage your institution's broad strategic direction developing over the next four years. In particular, I would like to receive early indication of proposals you may be considering for significant structural adjustment in response to our reforms.

As you will be aware, the Government has announced that it will provide \$200 million in funding to universities for non-capital costs of structural adjustment over the four year period to 2012–13 in addition to \$200 million for the capital component of structural adjustment, to be provided through the Education Investment Fund.

This initiative replaces the existing Diversity and Structural Adjustment Fund and marks a substantial shift in emphasis. The new funding will deliver significant, strategic structural change that will support the Government's vision for the sector. It is intended to ensure that universities have a distinctive and sustainable teaching and learning role in the new environment. The funding will need to be well targeted and will not necessarily be provided to every university.

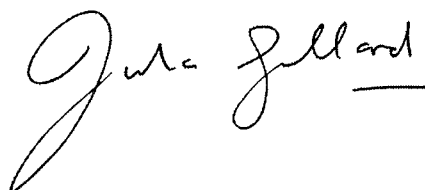
I am open to considering proposals for significant structural change. These could potentially include plans for major growth, changes to campus locations, collaborative ventures with other education providers that would provide a change in access to higher education opportunities, or proposals to increase specialisation. Your responses should be set in the context of your mission and strategic focus over the next four years.

This is intended as a preliminary survey of the sector to help inform us of your early thinking, and to provide us with a starting point for our strategic discussions with you later in the year. It will not pre-empt a later formal process to consider proposals for funding.

I would appreciate your responses in writing by 31 July 2009.

I look forward to working cooperatively with you to achieve the Government's vision for higher education.

Yours sincerely

A handwritten signature in black ink, reading "Julia Gillard". The signature is written in a cursive, flowing style. The first name "Julia" is written in a large, elegant script, and "Gillard" is written in a slightly smaller, more compact script. There is a short horizontal line under the end of the name.

Julia Gillard
Minister for Education

31 July 2009

The Hon Julia Gillard
Minister for Education
Parliament House
CANBERRA ACT 2600

Dear Minister

I write in response to your letter of 17 July 2009 seeking preliminary details of the University of New England's (UNE) proposals for structural change following the release of *Transforming Australia's Higher Education System*. On behalf of UNE I am pleased to provide the following information.

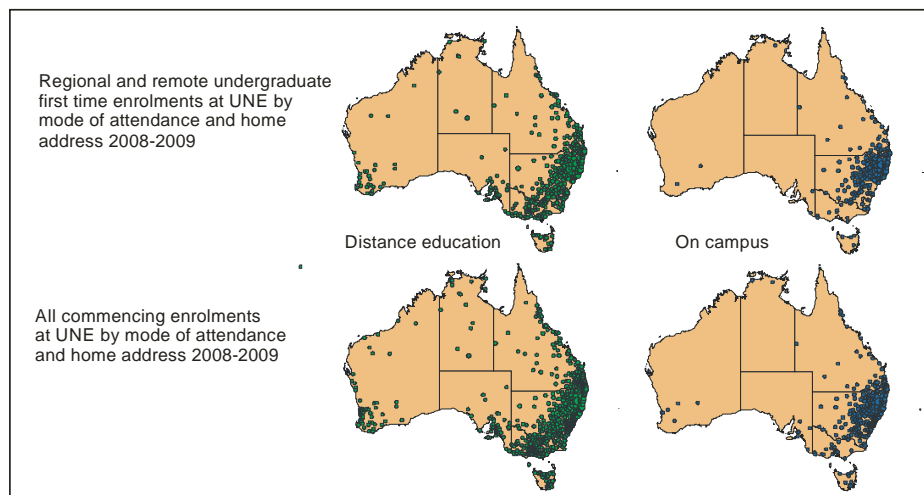
Mission

UNE's core mission remains the achievement of "significant regional to global impact"¹ by servicing a range of communities - regional, national and international - through the pursuit of excellence in teaching and research.

A principal aim of UNE is to provide quality higher education for the communities of rural Australia and to address research issues for the betterment of those as well as metropolitan communities.

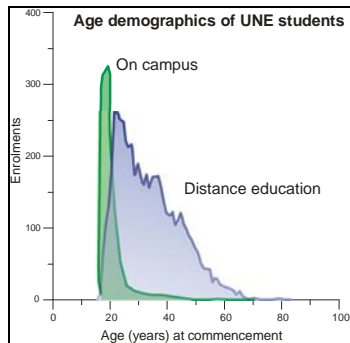
Background

Founded in 1938 as a College of the University of Sydney, UNE became fully independent in 1954. A year later the University commenced teaching in distance education mode and over the years became a market leader in innovative distance education provision. The provision of quality distance education remains a hallmark of UNE and is integral to our ongoing commitment to social inclusion through the provision of access to higher education through distance education. Since then UNE has pioneered alternative entry pathways for school leavers that have broken the barrier of educational disadvantage for many rural students and assisted rural communities to remain viable and vibrant as students remain in-situ in their local community while studying. This commitment continues to this day and extends more broadly to include many metropolitan-based students as well as serving the needs of students across inland and regional Australia, as shown by the maps, graph and table.



¹ UNIVERSITY of NEW ENGLAND – Strategic Plan 2007-2010: Achieving Regional and Global Impact, 2006, UNE http://www.une.edu.au/2006-strategic-plan/UNE_Strategic_Plan_2007-2010.pdf

The strategies adopted by UNE over many years have resulted in social inclusion outcomes that are higher than the national average, in addition to provision of mature age access especially by distance education.



Participation Rates	National	UNE
Low SES (all ages)	15.02	23.39
Non-English Speaking Background	3.83	1.18
Disability	4.07	5.18
Regional	18.08	44.99
Remote	1.12	2.21
Low SES and regional/remote*	6.71	22.2
Indigenous	1.29	1.65

Source: DEEWR (except UNE Low SES & regional/remote which is a preliminary UNE estimate)

We are very aware of the significant challenges ahead to bring this achievement to new levels of attainment. By way of example, we are seeking greater engagement with regional Indigenous communities and also plan to further connect with rural communities within our region through an expanded role for UNE Access Centres. These Centres are largely located in conjunction with TAFE facilities in various locations through our region. These Centres bring geographically remote and disadvantaged students into the UNE learning community and provide access to services that are not readily available to rural centres, including high-speed broadband and connectivity to UNE through a video conferencing network.



UNE continues to provide highly focused support for student learning and, in research, out-performs other universities with a similar regional mission. It is this commitment to research which underpins our teaching and learning framework and differentiates UNE's teaching pedagogy from other regional universities.

UNE is an essential participant in six CRCs, three of which are headquartered at UNE (Poultry, Beef and Sheep) and two (Poultry and Sheep) won national innovation awards in 2009. UNE has several internationally recognised research institutes including the Animal Genetics and Breeding Unit, the Primary Industries Innovation Centre (both are joint ventures with NSW DPI) and the Institute for Rural Futures. A new National Centre for Rural Greenhouse Gas Research (another partnership with NSW DPI) has also commenced work at UNE. The Agriculture Business Research Institute is a world leading company at UNE which provides a wide range of agribusiness information services including comprehensive breed register software developed at UNE that is used by over 80 breed associations worldwide.

Since 2008 over 60 new or amended programs of study have been developed (including the Joint Medical Program with the University of Newcastle, Bachelor of Social Work, and the Graduate Certificate in Rural Science -Agricultural Consulting) which include a rural focus to meet the needs of regional and remote Australia.

The University consistently achieves highly on indicators of national teaching and learning performance. Its results in the Course Experience Questionnaire (CEQ), the Learning and Teaching Performance Fund (LTPF) and the citations awarded by the Australian Learning and Teaching Council compare favourably on both national and regional comparator indices. UNE consistently ranks highly in the Good Universities Guide, with a five-star rating for students' 'educational experience'. UNE has received the top rating for 'overall satisfaction' or its equivalent in the Guide for eight of the nine years from 2000 to 2008 – an achievement unmatched by any other university. One contribution to graduates' overall satisfaction is their rating of teaching quality, and UNE maintains its five-star rating for this criterion of excellence.

UNE undertook significant internal change in 2007 with the reorganisation of its academic schools and the senior executive structure. Key to the academic reorganisation was the reduced number of faculties and schools that has led to the development of multi- and cross-disciplinary opportunities in teaching and research. We have also established the necessary business systems including business intelligence and systematic benchmarking, to support and sustain academic renewal and to deliver high-quality administrative services to students. Improvements have been integrated across the University. The University was assisted in this process through two Workplace Productivity Program grants. As a result, important responsibilities, accountabilities and decision making are now managed at the School and Directorate level and general efficiencies have been made across all academic and business units. We are now ready to adopt further change.

Proposals for Structural Change

In light of the significant progress made and the forecast shift in focus of Australia's higher education policy during 2008, a mid-term review of the UNE Strategic Plan 2007–2010 was undertaken. The Review identified a need for greater focus over the remaining period of the Plan and beyond to ensure the University is in the best position both to meet the challenges we face in the transformed higher education system. The five inter-linked and focussed elements of the Revised Plan that have been endorsed by the University Council are described briefly below.

1. *UNE will develop as a significant global e-University:* Developing UNE as an e-University will transform our capability and capacity to support (a) innovative and sustainable distance teaching delivery and learning support for students in our region and beyond, (b) the competitiveness of our courses, and (c) innovative programs in collaborative research. This will require a considerable commitment to infrastructure and ICT development and course renewal. Funds already awarded by the Australian Government will support the foundation work in the academic area of this initiative through a collaborative project (DEHub) lead by UNE and involving the University of Southern Queensland, Charles Sturt University and private industry partners. **Further funding will be sought from the Government's Structural Adjustment Fund and from the Education Investment Fund to facilitate these developments.** Funding will be required to facilitate the development and implementation of new pedagogies across all disciplines to maximize the benefit of new technologies in local and distance education. UNE is also conscious of the essential part that the Government's National Broadband strategy will play in education delivery in the future. The outcomes of cooperative initiatives between UNE and the Government will help to address the education needs of a wider range of students of all ages, backgrounds and social and economic circumstances. UNE intends to extend these modern developments in education delivery and research with global partners so as to combine the benefits of modern technology and international exchange in education, research and social development (see point 5 below). UNE is developing its e-Research strategy and capabilities and has joined the NSW e-Research organisation, INTERSECT, in order to facilitate these developments in collaboration with other NSW universities.

2. *UNE will provide an outstanding on-campus experience for students:* UNE students, from various social backgrounds, who study on campus benefit from our strong focus on academic and pastoral support. UNE offers students a variety of alternative entry pathways, including UNEXtra Early Entry for school leavers, Mature Age Special Entry, completion of the UNE Pathways Enabling course or the TRACKS enabling course (for Aboriginal or Torres Strait Islander students), the Internal Selection Program offered by the Oorala Aboriginal Centre or through one of the many articulation agreements with TAFE.

In recognition of the high Aboriginal population in UNE's catchment area staff from the Oorala Centre visit schools in the region to encourage Aboriginal students to attend university. Once at UNE the purpose built Oorala Centre provides a focus for Aboriginal students and staff provide academic and personal support for students. We have recently commenced discussion with the Northern Region Local Aboriginal Land Councils to further develop effective strategies for improved participation of Indigenous Australians in education at UNE.

In the next four years UNE will extend services to students. Central to our strategy is the revitalization of our on-campus student colleges. UNE's nine colleges are an integral component of the UNE experience and the University community providing outstanding academic, pastoral and social support for students.

However, these facilities have suffered over many years from lack of capacity to invest in essential maintenance and infrastructure development such that they are no longer sufficiently attractive to students and have substantial maintenance backlogs. The University has embarked on a re-development program over several years but the full program of works required is beyond the current financial capacity of the University. Public-private partnerships are not an alternative at UNE. **A significant investment is required and this will be a major application for Structural Adjustment support** so that the University can continue to attract regional students (and those from cities who might prefer a rural-based education experience) to the campus, thereby meeting its mission and purpose and addressing the Government's social inclusion agenda.

3. *UNE will develop programme level collaborations with other providers, communities and industry:* UNE successfully embraces strategic collaboration regionally, nationally and globally. Two modes of collaboration with Higher Education Providers (HEPS) and VET are currently being pursued and serve as models for our future plans: (a) development of joint programmes with HEPS, such as the Joint Medical Program with University of Newcastle, to harness the reputation and strengths of both institutions and defray infrastructure costs where possible; and (b) the blended model of collaborative teaching arrangement between UNE and another other institutions (HEP and/or VET), combining face to face contact at the student's host institution with online, computer assisted learning materials and support from UNE. UNE is working successfully with, for example, James Cook University and the University of Newcastle to offer German, Italian and Chinese language courses and a program in GeoScience. In addition, UNE intends to develop collaborative alliances with other providers to attain benefits of scale in provision of administrative services. This goal links directly into our e-University agenda and will enhance our capacity to deliver 'rurally relevant' courses and programs. **Discussion with a potential HEP partner is in progress and Structural Adjustment support will be sought to secure this advantage.**

UNE's focus on the provision of new and amended rural-based courses is founded on the evidence that rural-trained graduates are more likely to take up careers in rural settings. This effort by UNE to underpin the sustainability of rural and regional populations brings with it a demand for professional placements in a range of fields such as education, pharmacy, social work, nursing, medicine and other allied health professions. **Structural Adjustment support for the necessary infrastructure required at regional hospitals and other settings to accommodate these students will be sought in conjunction with local health providers.**

As described earlier, UNE established a series of Access Centres across its core region in the period 2000-2004. These have proven highly successful in engaging with distance education students. UNE intends to expand the role of its Access Centres to provide a base for enhanced interaction with communities which will include work with secondary schools, Indigenous communities, local government, and TAFE/VET. A physical presence will be essential in making significant headway in drawing more people from the low educational and occupation backgrounds to inclusion in higher education participation. This is a particularly important strategy to address rural disadvantage created by distance and a lack of access to technology. **Additional investment is required and will be included in an application for Structural Adjustment support.**

4. UNE will deliver research with a strong regional and rural focus: UNE has historically achieved distinction predominately through innovative research in animal genetics, rural and regional education, environmental science, and rural communities and practices. The University is extending the reach and diversity of our research strengths to encompass environmental (climate) and agricultural change and sustainability, rural health, water management and policy, and the use of spatial information². UNE also aspires to develop a leadership position in Indigenous research.

UNE is building on these points of focus to achieve a competitive advantage in disciplines with a strong regional and rural flavor and where the needs of these communities are greatest. For example, the QuickSmart literacy program, developed by The National Centre of Science, Information and Communication Technology, and Mathematics Education for Rural and Regional Australia (SiMERR) based at UNE, is having substantial impact in primary schools across Australia with the support of State and Territory Governments and their Departments of Education. For example, QuickSmart is assisting young Indigenous pupils in approximately 90% of schools in the Northern Territory.

UNE also intends to further its research goals through strategic collaboration with colleagues and partner institutions throughout Australia and internationally. As mentioned previously, UNE is a vital contributor in a number of CRCs, three of which are headquartered at UNE. Complementary to the CRCs, UNE has several internationally recognised research institutes including the Animal Genetics and Breeding Unit, the Primary Industries Innovation Centre, the Institute for Rural Futures and the National Centre for Rural Greenhouse Gas Research (another partnership with NSW DPI) on campus. To further enhance this work UNE is planning a major joint EIF bid in collaboration with the University of Sydney in the area of sustainable agriculture. **Further funding will be sought from the Government's Structural Adjustment Fund and from the Education Investment Fund to facilitate these developments.**

5. UNE will enrich research and teaching through international perspectives and collaboration: UNE aims to grow its international student numbers through carefully selected and managed domestic delivery arrangements at UNE and in capital cities. Quality assurance is at the forefront of UNE's agenda in these arrangements. UNE also aims to further develop institution-to-institution research and teaching relationships with international partners. When compared with most Australian universities UNE's proportion of international students enrolled is low. However, we continue to work closely with key international partners such as Harbin Engineering University and Wuxi South Ocean College to manage academic and social transition of students. We have introduced innovative strategies to facilitate international PhD and professional doctorate programs and are working collaboratively with organisations such as the World Health Organisation and AusAID to build capacity in rural and regional communities across the globe, such as Thailand, Bhutan, Uganda and Zimbabwe. The aim of these initiatives is to contribute to knowledge generation in and for Australia, whilst also assisting and learning from experience gained in rural and remote communities in other countries.

² UNE is a partner in the Melbourne-based CRC for Spatial Information, bringing the application of technology to spatial issues in agriculture, the environment, and social services.

The mindmap appended to this document (Appendix 1) is intended as a snapshot of the research projects being undertaken in countries around the world through the collaborative research efforts of UNE researchers. We also intend to expand our 'higher degree by research' student profile on the international front, in terms of both PhDs and professional doctorates.

An International Student Support Working Party is currently developing an institutional strategy and framework to ensure appropriate, effective support for the needs of international students and will include academic, linguistic and pastoral support. **Further funding may be sought to facilitate these developments.**

Conclusion

UNE believes that by focusing on these five areas, the University will be in a position to meet both the Government's social inclusion agenda, as well as deliver on quality, sustainability, and address the challenges facing many regional universities post 2012. To assist the University, major structural adjustment will be needed in respect of capital infrastructure and course content and delivery.

Furthermore, UNE intends to provide a major input to the Government's consideration of the on-going funding arrangements for regional universities. In this regard, we welcome the forthcoming opportunities to discuss with Government the essential role that these universities play in their local communities as briefly outlined in this letter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Alan Pettigrew', with a long horizontal flourish extending to the right.

***Professor Alan Pettigrew
Vice-Chancellor & CEO***

VC/D09/5161