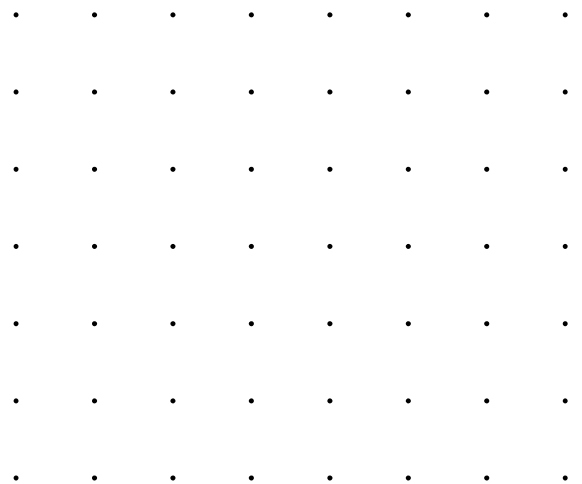


Response to the Australian Universities Accord Interim Report



Swinburne University of Technology

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Introductory comments

Swinburne University of Technology welcomes the Australian Universities Accord Interim Report, released by Minister Jason Clare on 19 July, and we thank the panel for their five immediate action items and the opportunity to comment on the 70 additional ideas identified for further consideration.

Our sector needs to be stronger, future-focused and responsive to the nation's needs and resilient to global ructions. The interim report is a positive and opportune first step to improve the sector.

We need to support more learners to participate – particularly those from underrepresented groups who face significant structural barriers to engagement, as well as negative employer perceptions and genuine financial constraints. This is an opportunity not to be missed.

The interim report identified several key areas for further exploration that were canvassed in our original submission. We will seek to make further comments on these areas in our response below – particularly on the need for high-quality work integrated learning and ensuring we have a tertiary sector that is learner-centric and for purpose, where students can move seamlessly between vocational and higher education.

Meeting ambitious equity participation targets – 55% higher education attainment by 2050 – will require flexible learning in addition to the suburban and regional study hubs announced by the Government. Swinburne has been championing online learning for over a decade and we know it can engage more students into tertiary education by offering flexible solutions that provide wraparound support and a tailored learner experience.

There is much that Swinburne agrees with in the report, and we will detail those areas below, but there are also some ideas that we would respectfully question. In many ways, embarking on a new future for tertiary education will come with risks and opportunities, but once again, we urge the panel to think of our sector in a broad sense, as an ecosystem. We must be willing to innovate and experiment in trying some solutions that may suit some, while offering other approaches for others, such that diversity and excellence do not just apply to our students, but also our institutions. This will require resources, to be sure, but the key factors of success, in Swinburne's view, will be courage and innovation. This, we believe, will be a prerequisite to achieving long-term success and sustainability for Australia's students and future.



Professor Pascale G. Quester

Vice-Chancellor and President

Swinburne University of Technology

Executive Summary

New approach to learning to meet Australia's future skills needs

The interim report identified, as did Swinburne's original submission, the imperative of meeting Australia's future skills needs and providing innovative course design and delivery through an integrated tertiary education system.

Swinburne emphatically agrees with the interim report that addressing barriers that prevent VET and higher education working together is crucial. However, to do so, funding arrangements for VET and HE must become more unified and consistent.

Crucial to bridging this gap between HE and VET is the role of Jobs and Skills Australia (JSA). Swinburne is supportive of JSA assisting in exploring how industry, HE and VET can establish parity of esteem and collaborate more effectively in the development of innovative course content. We welcome the role JSA is playing in the development of a shared skills taxonomy; this will assist in mapping course design to identified skills needs and will be a useful workforce planning tool.

Swinburne also supports the recommendation to establish a Tertiary Education Commission in discussion with the States and Territories. However, the government should consult widely on the establishment of this commission, as it did with JSA, to ensure that it delivers genuine value to the sector, rather than any additional regulatory or administrative burden. Swinburne as a dual sector university must already adhere to numerous registration, contractual and operational requirements from both Commonwealth and State Governments through ASQA, TEQSA and the Victorian Skills Authority. The interim report does call for greater alignment and flexibility in the tertiary sector. Creating a new Tertiary Education Commission could bring additional regulatory burden rather than reducing or complementing existing reporting requirements.

Dual sector innovative delivery model

As the dual sector universities argued in their submission to the Universities Accord panel in April 2023, what is required to meet Australia's lifelong learning challenges and skills crisis is a combination of practical skills gained through VET and the analytical knowledge acquired in HE.

For example, engineers operating in our defence and space industries would often benefit from advanced technical skills in composite metals, welding, and electrical systems. Similarly, vocationally-trained social service professionals will increasingly require complex and critical thinking capabilities drawn from higher education learning experiences.

It is encouraging to read in the interim report that learners are increasingly engaging in multidirectional and non-linear learning pathways. As a dual sector university, Swinburne is already seeing this change in perception of learning and we will continue to promote this through innovative pathways, recognition of prior learning and credit recognition.

Swinburne disagrees with the interim report that Commonwealth Supported Places (CSPs) should be extended at some AQF levels to the TAFE sector, unless the overall funding for CSP increases to cater for both universities and TAFEs. Already, large sums of funding from State Governments are provided to TAFEs across the nation to compensate them for delivery in regional/ remote areas, uneconomical course delivery and upgrade of facilities. We argue that dual sector universities are best placed to bridge the gap between VET and HE in areas of crucial skill need, as they can deliver across the full spectrum of tertiary learning. We urge the Accord to consider the dual sector as the perfect Petri dish to design, initiate and evaluate just what a new student centric model of funding might look like, as a pattern that may in time be applied more broadly in the sector.

Increase student support to undertake Work Integrated Learning

The interim report gives further consideration to improving Work Integrated Learning (WIL) and placements by providing participating students with better incentives and financial support. This is in line with Swinburne's recommendations on the clear benefits of WIL. Other barriers preventing greater participation also need to be addressed.

To facilitate this, the government should investigate financial support options including clarifying the tax status of WIL scholarships, promoting the option of tax-deductible stipends by employers. A government scheme needs to provide targeted WIL scholarships to students who would otherwise be financially disadvantaged by undertaking a placement or internship, many of them a prerequisite for professional accreditation. This includes sectors experiencing severe workforce shortages such as childcare, disability support, education and nursing, that are traditionally lower paid with higher rates of female participation. Finally, the status of interns in relation to Industrial Relations legislation can, at time, be subject to tension. The establishment of a special status carved out of minimum wages obligation would be a welcome step to normalising the practice to all sectors of the economy.

Swinburne is a WIL pioneer: 2023 marks our 60th year of offering industry-based learning. Swinburne regularly reports its progress against our strategic Moon Shots and,

having instituted it in all our courses since 2020, we are tracking substantial and normalised uptake of WIL (for Swinburne's approach to WIL see [appendix b](#)).

Fully funding research & supporting commercialisation opportunities

Australia's R&D reputation relies heavily on strong performance in R&D by universities. As referenced in the interim report, *Australia's universities are significant R&D contributors, accounting for 36% of the nation's R&D expenditure, high by OECD norms. Much of that work has significant economic benefits (pg 105)*. This heavy lifting by universities requires reliable funding if Australia is to remain competitive internationally.

The interim report mentions several areas that could be explored through the Accords in line with Swinburne's recommendations to the discussion paper. We are hopeful that the final report released later this year will make bolder recommendations to the government, encouraging action for R&D now, not in 3-5 years, through additional reviews or minor policy changes.

Swinburne's submission to the discussion paper aligns with the interim report; Australia's research funding needs a more stable and predictable foundation. The best way to leverage our excellent research capabilities is to cultivate a diverse, collaborative sector that includes universities of all sizes and specialties. This will yield the maximum benefit to the community and economy.

With its relatively small population, Australia must avoid duplication, fragmentation and dilution, be it in education or research. Instead, our tertiary system should seek to reduce counterproductive competition and offer a more diverse sector that caters for our domestic needs and students, but also assists in developing global capability in areas of strategic importance.

Competition and duplication in research are not sustainable and the interim report has ignored this issue. Again, through the Accord, Swinburne encourages government to investigate university specialisation (research-focused STEM institutions, liberal arts colleges etc) and experiment in various ways to ensure that equipment, teaching hours, and student contribution are funded agnostically, empirically, fairly and equally.

There is a misalignment in the strategic imperative to support fundamental and applied research at universities, coupled with a funding model that relies on cross-subsidisation through student fees. For example, research grants and industry schemes (e.g. ARC, NHMRC, CRC, AEA) fail to cover the salaries of the researchers or staff working on preparing, administering and managing grant applications (for further information see [appendix c](#)). This

affects research skills retention and adds barriers for research organisations to provide quality research and innovation support services, which would allow researchers to focus their time on ideas that address the nation's needs.

Swinburne calls for an end to high levels of indirect investment in R&D – such as through the R&D Tax Incentive – to be replaced by direct funding of industry R&D. Research needs to be fully funded, nationally prioritised and separated from the political cycle or grant funding, all while creating a robust, fluid market for researchers to feel secure enough to move around in.

Dedicated commercial innovation funding

The interim report also fails to address the need for **dedicated commercial innovation funding**. Innovation is embedded in Swinburne's research impact journey. We invest in the ecosystem and skills required to bring innovation to the market. Almost all universities carry these costs as an overhead and are therefore constrained in the level of support they can provide to researchers and the scale at which commercialisation can take place.

Funding commercial innovation staff is a high-risk endeavour – although there are examples of great success, these often take a long time to realise, testing the patience and commitment of university leaders. In the words of our *Unique Technology, Innovation and Value Creation Council Sub-committee*, when it comes to commercialisation, success looks like failure if one uses a 5-year time horizon. It may take 10 or 20 years to kick start a startup pipeline that can be financially self-sustaining. Swinburne already invests in industry co-location, commercial specialists, translational research infrastructure and technology development (e.g. proof of concept funds), commercial skills programs, industry partnership facilitators and programs to connect entrepreneurs to researchers and students.

Swinburne strongly recommends that the Accord panel **investigates and recommends the development of a new 'third stream' of funding**. This funding will support building applied research, technology development and commercialisation capacity inside universities to create pathways to impact and broker university-industry collaboration. These innovation ecosystems can be built around areas of national importance, such as manufacturing, clean energy and medical technologies leading to the creation of advanced export industries, at the same time as building sovereign capability. Once again, we urge the Accord to encourage experimentation and rigorous evaluation rather than seek to design a one-size-fits-all solution which, in the end, will probably not suit anyone.

Sustainable model for achieving equity cohort targets

Swinburne commends the Accord panel and Minister for Education in putting First Nations people, lower socio-economic groups, people with disability and those from

rural, remote and outer suburban communities at the heart of the Accord. We welcome the immediate extension of demand-driven funding to metropolitan First Nations students and end of the 50% pass rule that greatly disadvantaged students from equity groups.

Achieving participation targets for equity students has proved extremely difficult for Australia's universities, with only modest increases over the last 15 years despite sustained efforts by governments and institutions to increase the participation of equity cohorts and support their success.

To achieve change, governments and universities will need to continue to foster increased levels of research, innovation and monitoring to tackle this multifactorial challenge. Among the areas Swinburne see as most promising are:

- **More effectively monitored outreach programs**, that are effective in inspiring and building interest among prospective students. Swinburne already has numerous programs including our successful Children's University and the In2Stem program with high school students, which provide immersive university education experiences for participating students.
- **Greater use of data to rapidly refine and improve support programs for equity cohorts**, especially as they transition into university. In a data-rich digital university environment, there are new opportunities to identify quickly what works.
- **Create and pilot new outreach and learning support models**. A good example is Swinburne Online where, in partnership with OES, we have developed a capacity to support the success of a substantial group of more mature students from equity cohorts as they gain a degree online and obtain access to a chosen profession.
- **Increase targeted support programs such as WIL and mobility scholarships** to enable students from equity cohorts to undertake high-value educational opportunities such as internships and global experiences to build capabilities and connections that will foster positive post-graduation outcomes.
- **Improved living support for equity cohort students**. For example, increased access to Study Allowance, greater financial support to undertake WIL or further studies.

An influx of students from equity cohorts will require universities to provide additional tailored support to assist with complex requirements. These services will need to

focus on the following key areas in order to support completion:

1. **Relationships** - Providing opportunities, encouragement and rewards for students to build meaningful relationships with peers, academics, alumni and industry.
2. **Awareness** - Embedding an awareness of opportunities for growth and success into mainstream learning and teaching.
3. **Belonging** - Building a sense of belonging to encourage effort, performance and success. Belonging creates a place where students feel safe, comfortable, can be challenged, and can share a vision.

Achieving participation targets for equity will require a needs-based funding model. **Swinburne supports the interim report exploring the potential for a student-centred, needs-based funding model** that recognises the additional costs involved in teaching students from equity groups and underrepresented communities. We encourage the panel to recommend additional funding as a priority and to urge government to include it in the 2024-25 budget.

Examination of a levy on international student fee income

The interim report gives further consideration to the implementation of an international student fee levy. **Swinburne expresses reservation on any such levy**. Were such a levy to be introduced to fund additional national or sectoral priorities, it would lead to higher international tuition fees at most institutions. Such a move will be interpreted poorly in key markets and adversely impact Australia's competitiveness (thereby eroding the economic benefits from this key export market across industries). Beyond the risk regarding Australia's brand proposition, such a levy would also create a jarring perception that Australia, a rich country, expects to exploit students from less developed economies to subsidise and enhance its own research and education sector – an unethical and perverse policy in terms of social justice and regional leadership. Although Swinburne is supportive of exploring alternative funding mechanisms for infrastructure and research, including long-awaited industry investment in the human capital they so loudly clamour for, this should not be at the expense of international students, the revenue generated from teaching activity and broader economic benefits.

Appendices

a. Australian University Accords – Interim Report

How Swinburne's submission measures up against areas for further consideration

Swinburne recommendation	Interim Report – items for further consideration
Smaller, specialised universities • Encourage university specialisation (tech stream, research-focused university, liberal arts colleges etc) and ensure that equipment, teaching hours, student contribution etc are assessed agnostically, empirically, fairly and equally. • Avoid the proliferation of research centres and equipment aimed at similar or cognate research by establishing shared, national interest infrastructure, in strategically distributed locations, around which researchers and research students should gravitate rather than attempt to replicate in their own location. This certainty of funding would also alleviate the brain drain by providing secure career pathways for academics at all levels of experience, creating space for long-term, revolutionary research and its application (more on this in section 2). • A distinct funding for research that specifically precludes its cross-subsidisation by teaching activities to avoid the built-in imperative of student growth and encourage investment of student fees in learning innovation and student learning outcomes. • A single level of student contribution for all discipline clusters, coupled with a cluster-specific commonwealth funding that reflects the true cost of teaching these disciplines. • Incentivise industry to co-invest in the development of the human capital they require. For example, employers could be encouraged to pay graduates HELP debt by making this tax deductible without incurring any fringe benefit tax (the foregone FBT revenue will be offset by the faster and more assured settlement of student debt). • To mitigate any adverse impact on the overall funding envelope, measures aimed at improving the overall equity and fairness of the system could be introduced, such as: • Increasing the threshold for loan repayment (say to \$80K), reintroducing the “Voluntary Bonus Repayment” to encourage early repayment, cap the total level of debt per student, or introduce interest on loan balance post-graduation.	• The review considers that Australian higher education would benefit from having a wider range of complementary institutions differentiated by their unique missions. • Recommendations on further investigation of a National Regional University, Australia's second National University. • Facilitating the emergence of institutions specialising to a greater or lesser extent in teaching or research. • The report calls out the long-term damage that JRG will do to the higher education system, and requires a change to the funding system. • Further investigation on funding will seek to look at: ○ Student-centred and needs-based ○ Strengthening research capacity ○ Ensuring long-term affordability for students ○ Examining a funding mechanism such as a levy on international student fee income to future-proof the sector

Introduce means testing for all domestic students to enable more generous funding for low SES or equity groups.	
Increasing Australia's Research & Innovation impact - Fully fund research and reform the remaining grant application processes into stage gates to reduce time wasted preparing unsuccessful bids. - Implement national research priorities via long term "National Reconstruction Research priority" support for universities to specialise in key areas of national need, thereby creating globally competitive critical mass in areas of strategic importance. - Add 2-3 Centre of Excellence topics and 2-3 CRC topics aligned with national needs to the current schemes and fully funding the activities in these specific areas would deliver a proof of concept and improve national focus and innovation outcomes. - Invite and establish large-scale investment funding to grow the impact of these innovation interventions exponentially. - Support building applied research, technology development and commercialisation capacity inside universities to create pathways to impact and broker university-industry collaboration. - Stimulate industry to incentivise research and development in Australia by reforming the R&D tax incentive and co-locating industry and university at translational institutes geared for scale-up and manufacturing of breakthrough technologies. - Facilitate the development of a workforce that is flexibly moving from university to industry and vice versa. For example, encourage portable staff entitlement and remove current barriers to employment of industry staff by universities. - Incentivise the return to shore of innovative Australian firms by subsidising their colocation on relevant specialist university campuses where their co-investment in infrastructure would assist in scaling up research in areas of national priority. - Dedicate government procurement initiatives to provide customers to innovative early-stage companies, thereby unlocking significant additional private investment into such firms on the basis of predictable commercial revenue.	- There are no immediate recommendations for research and innovation, however the reports lists several areas for further consideration by the panel: - Report seeks further guidance on strengthening research capacity. - How to ensure sufficient funding to meet the national research priorities. - Over time, making sure that National Competitive Grants cover the full cost of undertaking research. - Ongoing investment in critical research infrastructure and maintenance. - Encouraging Government to be an exemplar in using university research to become an example to industry. - Encouraging academic consulting and improving university capability to do such work. - Creating a target for the number of PhD candidates to be employed in industry.
Best practice dual sector collaboration to grow the national human capital - Establishment of a coordination body within Jobs and Skills Australia (JSA) to investigate, promote and encourage cross sector pathways for post-secondary school. - Develop a national Recognition of Prior Learning (RPL) Framework, streamlining cross overs and	- The report calls out the need for a more integrated VET and HE system, starting in areas of national priority. - As a matter of priority, progressing the recommendations of the <i>Review of the Australian Qualifications Framework</i> with unions, industry and governments.

acknowledgment of learning regardless of sector. Swinburne supports Universities Australia's positioning on this. • Creation of a government advisory body specifically for Australia's dual sector universities in recognition of their unique offering and point of view of education translation. • A comprehensive review of HECS-HELP loans, allowing students to add vocational education to their higher education study, creating a prototype of a new degree standard.	• Working with JSA and VET sector to set participation targets and skills growth areas. • A new Tertiary Education Commission would have the long-term view of working with the States and Territories on addressing barriers between the sectors (VET and HE). • Create a universal learning entitlement to ensure all students from equity cohorts are eligible for a university place. • Creating modular, stackable and transferrable qualifications. • Expanding CSP places to Fee-Help.
Driving Work Integrated Learning at scale • Australia adds to its vocational placements delineation in the Fair Work Act to allow for stipend-based financial support for students. We suggest allowing employers to provide a fixed stipend to help meet students' financial commitments, which would be tax deductible to incentivise industry to engage more interns. • Credit-bearing placement or internship units to be supported by Commonwealth funding, but exempt from student contribution, to provide an incentive to student participation. • Greater Government support to international students in undertaking work-based placements, which may include reviewing visa requirements to allow elective and paid WIL to be exempt from the current visa working hours cap rule. • Government support services and targeted stipends be instituted for international and equity group students when undertaking work-based placements or internships to help ameliorate financial disadvantage and structural barriers to engagement. • Consideration of WIL experiences to be included in the funding of research, to allow HDR to benefit from industry placement during their studies. The French system of CIFRE would provide a good model for industry funded scholarship for HDR students.	• Improving WIL by providing financial supports. • Swinburne is quoted in the report: 2.2.5.1 Lifting the quality and availability of WIL Reports produced over the past 10 years have shown a strong link between WIL and positive student, university and industry outcomes.⁵⁹ WIL builds stronger connections to the workforce while studying and improves employability and career satisfaction. Young graduates (aged 25) in fields with a high prevalence of WIL learning report a higher level of satisfaction in their careers.⁶⁰ <i>"For Australia to remain competitive now and into the future, our university graduates need to be work-ready, graduating with industry-relevant knowledge and skills, with the ability to apply them to add value in professional workplaces immediately upon graduation. Work Integrated Learning (WIL) supports students to do just that, by applying and deepening their degree learning in authentic work settings and contexts."</i> – Swinburne University of Technology • There is also a need to find more effective methods of organising placement in WIL, possibly through placement brokers working with students, employers and universities. • Industry attitudes towards hiring international students and graduates requires significant attention.

b: Swinburne's approach to Work Integrated Learning

Swinburne's [Horizon 2025 Strategic Plan](#) presents our *Moonshot 1: Every Swinburne learner gets a work experience*, and *Moonshot 2: Every Swinburne graduate gets a job*. We are strongly committed to producing highly skilled and employable graduates. Swinburne has long been recognised as a sector leader in Work Integrated Learning (WIL), with 2023 marking our 60th year of offering innovative industry-based and industry-linked learning. Horizon 2025 seeks to scale WIL so that it benefits all of Swinburne's students.

The Swinburne WIL vision is to provide all students, across all degrees, a series of scaffolded, interdisciplinary WIL experiences. Our WIL promise is that every undergraduate student will experience an industry placement, internship or project as a core component of their course. We believe that high quality WIL experiences and career development learning are central to the development of our learners' career readiness and employability.

Swinburne's WIL offerings

Swinburne offers seven types of WIL offerings. They are:

- **Accreditation placement:** Industry / workplace-based learning experiences that are required for professional or industry accreditation - e.g., clinical placements, teacher education practice.
- **Professional placement:** Full-time paid industry / workplace-based learning experiences, typically undertaken for 6 or 12 months.
- **Internship:** Part-time or intensive short-term industry / workplace-based learning experiences, typically undertaken on an unpaid basis.
- **WIL study tour:** Immersive experiential learning experiences involving engagement with industry partners and contexts, including overseas study tours.
- **Industry brief:** Project-based learning experiences with an authentic brief and some industry / community involvement.
- **Industry project:** Project-based learning experiences with a live brief and industry / community partners acting as mentors and / or clients. Partners frequently make use of student work.
- **Entrepreneurship / start up:** Authentic learning experiences focused on new venture creation, leadership and management, entrepreneurial behaviour, skills and processes.

At Swinburne we believe that in a well-scaffolded curriculum, students should experience several WIL types during their courses, to maximise the breadth of their industry and career preparation. For instance, placements, many internships and some study tours immerse students in the day-to-day activities of a workplace, making them an important way to foster students' workplace-based confidence and readiness. Students usually work on industry-linked projects in teams on-campus or in hybrid mode, making projects an excellent opportunity to acquire interdisciplinary, communication and complex problem-solving skills. Students should also engage in career development learning to support sense-making from their WIL experiences in the context of their careers, in turn boosting their employability and career readiness.

There are three types of industry-relevant learning which help prepare learners for WIL and their professional lives. These scaffolding experiences are:

- **Industry-related activity:** Learning that introduces problems or techniques typically encountered by industry.
- **Industry-standard activity:** Students use industry-standard tools and approaches to produce industry-relevant outcomes.
- **Simulation:** Students develop and apply industry-relevant skills in simulated industry or professional contexts and scenarios.

Swinburne's WIL Transformation

The WIL Transformation Program at Swinburne drives the scaling and scaffolding of WIL across the institution, supporting our achievement of Moonshots 1 and 2. The WIL Transformation Program has now been underway for three years, and is nearing completion. Its streams of work are:

- *Curriculum stream* - augmenting and strengthening WIL experiences throughout degrees

- *Industry partnerships stream* – building partnerships and co-ordinating industry engagement across areas and activities
- *Quality and evaluations stream* - further developing the evaluation approach to WIL
- *Processes and platforms stream* - improving the quality and efficiency of supporting processes and platforms
- *Staff roles and professional learning stream* - fostering the professional learning of staff across the institution to deliver quality WIL

The WIL Transformation Program has partnered with students, educators and industry to co-design, develop and deliver all its initiatives and streams of work.

Swinburne's WIL success

As at mid-year 2023, Swinburne is well ahead with its Moonshot aims. All undergraduate courses contain at least one compulsory WIL experience, with 90% containing WIL at every level of the course. Nearly nine in ten students have had a WIL experience by the time they graduate.

	2023 KPI	2023 mid year result
% graduating UG students who have completed a WIL experience	80%	89%
% UG courses containing compulsory WIL	100%	100%
% UG courses containing WIL at every level	75%	90%

In addition to scaling and scaffolding WIL, the WIL Transformation Program has delivered:

- an institutional educator professional learning program, exemplary case study resources, scholarly 'innovation projects' and an Educator Community of Practice to foster quality WIL
- an institutional career development learning framework and curriculum tools for embedding careers learning into units and courses
- institutional WIL quality assurance and evaluation frameworks and approaches
- standardised WIL workflows, processes and documentation
- programmatic and dedicated support and development for equity-deserving and international students.
- enhanced WIL preparation for students and industry partners, including a new platform that supports personalised and tailored employability support and development
- a better co-ordinated industry stewardship and industry relationship development approach

c. Swinburne's research funding

Sources of Swinburne's R&D Funding

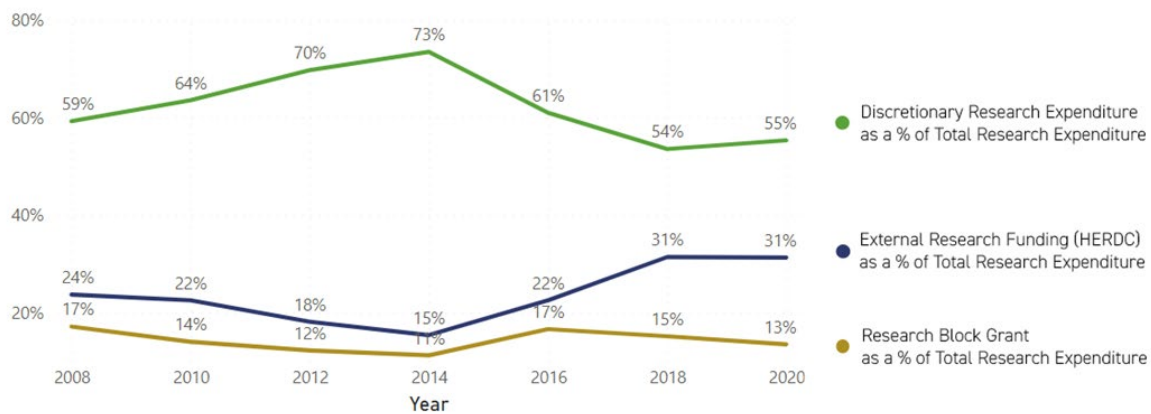


Figure 1: Sources of funding for Swinburne's total expenditure on Research and Development, 2008 to 2020

Source: External Research Funding (HERDC) and Research Block Grant from Department of Education; Total Research Expenditure from biennial ABS HERD Survey dataset. Note: 2014 R&D expenditure includes the AMDC Building investment as R&D capital expenditure.

Swinburne's total research expenditure can be divided into funds from three sources:

- external research funding per the HERDC Income Collection;
- the Research Block Grant allocated annually by the Department of Education; and
- the difference between these income streams and the total amount expended by the university on research from their internally funded research expenditure (discretionary income).

Funding breakdown

Swinburne's HERDC income has tripled from \$14.9M in 2008 to \$44.5M in 2020. The Research Block Grant allocation has almost doubled from \$10.8M in 2008 to \$19.1M over the same years. Overall, the block grant has remained relatively stagnant, as a proportion of total research expenditure, and now sits at only 13% (\$19M in 2020) of Swinburne's total expenditure on R&D.

As the full cost of research cannot be met by these income streams, discretionary outlays to cover over 50% of research expenditure have consistently been contributed by the university. These funds, which total approximately \$1B for this period, were directed to support the indirect costs of research, balancing the trade-offs against alternative uses for these funds, such as additional staff and support for teaching and learning activities, student support, new technology and industry relevant equipment, or capital investments, which also rely on discretionary outlay by the university.

Unsustainable trend in research funding

With the Research Block Grant – designed to fund universities to support research and research training – covering only around 13% of Swinburne's total research expenditure, there is an unsustainable trend toward reliance on discretionary contributions from the university. To support our research endeavours, Swinburne consistently allocates a greater portion of discretionary funds to support research than what can be acquired through external competitive channels. This trajectory of reliance on discretionary funding is unsustainable if we are to continue supporting excellent outcomes in research and research training.