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### Government risks undermining its achievements

The 2013 Budget confirms the Government's cuts to higher education investment. These put at risk the success of its higher education reforms through reducing the value of funding for university education, turning a payment to students eligible for Youth Allowance into a loan that will add to their debts at graduation, and discouraging professionals from up-skilling.

The Government has supported a major expansion in university places which means that all Australians with the capability and interest in university study can enrol at university. For this to work universities need the resourcing for high quality education that keeps pace with the requirements of the digital age and rapid changes in professional knowledge and skills.

The efficiency dividend means that universities are permanently 3.25% less able to do this.

Changing a grant into a loan strips away the Government's significant achievement in substantially improving student income support that ensures all students have at least sufficient income while studying. The reward for being poor now is to have more debt in the future.

Further, universities and students will not know until after the election whether these changes will occur, since it is highly unlikely that legislation to confirm them will be passed before the election.

There are useful measures in the Budget but these do not offset the impact of the major cuts.

- Funding the operation and maintenance of national research facilities and resources ensures past investment is not wasted but can be used productively. Future investment in new facilities remains a major gap.
- A new round of Future Fellows for mid-career researchers continues a valuable program that should be ongoing not subject to annual budget decisions.
- Additional diploma and masters level places targeting Government priorities provide some relieve against the freeze on new allocations. The relationship of these places to demand driven bachelor places remains unresolved.

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