

Media release

17 December 2018

MYEFO hits universities with \$130m a year funding cut

The Innovative Research Universities (IRU) group says universities are facing “another budget horror” after further cuts of \$130 million each year were published in MYEFO documents today.

The MYEFO papers state the Government will chop a total of \$328.5 out of Research Block Grants over three years from 2019-20. The IRU estimates this is around \$130 million, or 6.5%, for each full calendar year.

The new cut will further pile pressure on university research capability, the IRU has warned, coming on top of the current freeze to the Commonwealth Grant Scheme that is the Government’s only support for academic staff’s salary as they research.

The cut to research block grants reduces support for future research students. Assuming universities hold to commitments to current students they will have little choice but to reduce research student enrolments once the cut takes effect, the IRU has said.

MYEFO papers state the money will be “redirected” to other education “portfolio policy priorities” – including the establishment of John Howard Library at Old Parliament House. [See page 169 of the [Mid-Year Economic and Fiscal Outlook 2018-19](#)].

Commenting on the cuts, IRU Executive Director Conor King said:

“The Government portrays MYEFO as a good news story, but it looks like another budget horror for universities.

“Cuts to Research Block Grants are short-sighted and unnecessary, particularly when the overall economic outlook is finally looking better.

“We have the chance to invest now in future capability, not back away from it.”

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About the IRU

The IRU is a network of seven a network of seven comprehensive universities committed to inclusive excellence in teaching and research in Australia. Its members are Charles Darwin University, Flinders University, Griffith University, James Cook University, La Trobe University, Murdoch University and Western Sydney University.

iru.edu.au