Advocacy Policy Kit

Equity Funding

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Key Message

Regional universities are critically important for national economic growth. Every campus is an economic engine, generating jobs, driving innovation and keeping graduates in the regions that need them most, however it costs more to run universities in regional areas, and we need a funding model that recognises our unique needs.

Background

The Australian Government is introducing a new way to fund universities. The new model is intended to boost participation and attainment, including for people in regional areas.

Charles Sturt University supports the intent of the new funding model because it recognises that regional universities cost more to run due to smaller class sizes, multiple campuses, and the need to offer expensive courses like nursing, health, and veterinary science in different locations.

The new funding arrangements also recognise that students from disadvantaged backgrounds may need additional support to succeed at university. This includes, for example, students who are the first in their family to go to university, a cohort that makes up a significant proportion of the University's students.

The new model includes extra funding for teaching and student support in regional areas, which is a positive step.

However, the funding we receive from the government still does not cover the actual cost of providing teaching and student support services, and the regional loading only partly defrays, not fully covers, the higher costs of regional provision.

We need a funding model that covers the real costs of teaching and student support at regional universities.

Moreover, the number of government-funded student places is still capped for each university. While there is a welcome focus on helping more disadvantaged students access university, we are concerned the new settings may incentivise metropolitan universities to increase their regional student load, resulting in regional Australia losing more students to the cities.

Why It Matters

Regional universities are critical to regional workforce pipelines, economic development, and community sustainability. Without targeted and secure funding, and more flexible caps:

- Without adequate funding, regional universities keep having to cut courses that are not financially viable, reducing educational opportunities in the regions.
- Communities risk losing a pipeline of locally trained professionals, worsening workforce shortages.
- Allowing metro universities to take more equity students from the regions, when there are already existing places at regional universities, deprives regional towns of the next generation of nurses, teachers, physios and vets.

What We Need

1. Secure regional funding

- Support a funding model that recognises the true cost of regional education and student services.
- Provide long-term certainty so universities can plan courses, staff, and infrastructure.

2. Fix student funding caps for regional growth

- Make sure more places for disadvantaged students means more local opportunities.
- Allow regional universities to grow where there is demand.

3. Link equity to local jobs

- Recognise that education, jobs, and regional communities are connected.
- Support students to study locally and stay working in their communities

Quick Facts

- Regional universities operate with higher per-student delivery costs due to scale and geography.
- Students who study in the regions are significantly more likely to stay and work in regional areas after graduation. For example, 82% of the first School of Rural Medicine cohort will commence careers in rural or regional communities.
- Low SES students are less likely to relocate for study, making local access critical. There are also more likely to postpone or even forego tertiary education if the costs involved are high.
- CSU graduates underpin key regional workforces, including nursing and allied health, teaching and education, social work and community services.

Several high-cost courses run at a loss per domestic student;

- Dental Science: $13.2K loss per year and over the 4 year lifetime of the course a loss of $52.8K
- Veterinary Science: $14.8K loss per year and over the 5 year lifetime of the course a loss of $74K
- Medicine: $26.7K loss per year and over the 5 year lifetime of the course a loss of $133.5K (includes RMHT funding)