



Charles Sturt
University

Pre-Budget submission

31 January 2025

Office of the Vice-Chancellor
Charles Sturt University

Charles Sturt University - TEQSA Provider Identification: PRV12018 (Australian University). CRICOS Provider: 00005F.



31 January 2025

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Pre-Budget submission – higher education and economic resilience in regional areas

Charles Sturt University welcomes this opportunity to provide a Pre-Budget submission to the Australian Government. This submission is focused on issues affecting universities' capacity to deliver on national priorities: meeting current and future workforce needs, driving economic diversification and innovation, building more resilient communities, and supporting the transition to net zero. A particular focus is tackling the chronic regional workforce shortages in education and health.

Regional communities face complex challenges including demographic changes, rising costs, and economies that too often depend on a few, or even one, major industry or major employer. A lack of public and private investment and poor public policy design make it difficult for businesses to innovate and adapt.

Many of these challenges are made harder by a lack of skilled workers. There are chronic and widespread workforce shortages in health, education, agriculture, construction, and social care across Australia. Regional employers struggle to attract and retain the skilled personnel they need, and this in turn has an impact on the quality of life and the strength of economic activity in regional communities, and in particular on the quality of care offered by public and private health facilities.

The Australian Universities Accord set the worthy goal of increasing the number of Australians, in cities and in the regions, who go on to post-secondary studies, complete their studies, earn a qualification (or upgrade one they already have), and join the workforce. Persistent failures to boost and diversify participation have contributed to the workforce shortages mentioned above, and the Accord lays the groundwork for action in response.

The Government has elected to take a staged approach to implementation of the Accord, recognising the complexities of building a more sustainable and inclusive higher education sector. But the Accord also identified issues that need immediate attention, including the ongoing deleterious effects of the Job-ready Graduates (JRG) funding model, underinvestment in infrastructure, and the financial barriers to education faced by many students.

Moreover, universities are still dealing with the after-effects of the COVID-19 pandemic and trying to adapt to a rapidly shifting policy and political environment, especially in relation to international education. Australia's universities and the sector as a whole are facing unprecedented financial challenges that are having a significant impact on the quality and breadth of the education and research they provide.



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In response to these challenges – regional economic resilience, workforce shortages and financial sustainability – Charles Sturt University recommends that the Australian Government:

- (1) provide immediate investment in university infrastructure to support increasing student numbers, help meet workforce shortages, support economic diversification, and as an enabler for the goals of the Australian Universities Accord,
- (2) accelerate implementation of key recommendations in the final report of the Australian Universities Accord,
- (3) increase the number of Commonwealth Supported Places in regional areas for health and medical education and training, and, as a corollary, expand the Commonwealth Prac Payment to cover more disciplines, especially in medicine, health and allied health, and transfer responsibility for the program from the Department of Education to Services Australia, and
- (4) targeted investment through the National Reconstruction Fund, the Future Made in Australia initiative, and other federal and state government programs, in regional projects aligned to national goals and priorities.

The attached submission provides more information on these recommendations, on the University and its role in regional NSW, the impact of current funding and policy settings on the University and the communities it serves, and specific opportunities for investment that will enhance the University's ability to deliver on regional and national needs and priorities.

I would be happy to provide Treasury or the Budget team with more information on any of the topics raised in the submission.

Yours sincerely

A handwritten signature in black ink that reads "Renée Leon".

Professor Renée Leon PSM
Vice-Chancellor and President



Pre-Budget submission: regional universities, regional jobs, and regional wellbeing

About Charles Sturt University

Charles Sturt is Australia's largest regional university. We are a unique multi-campus institution with campuses in some of New South Wales' most vibrant regional communities: Albury-Wodonga, Bathurst, Canberra, Dubbo, Goulburn, Orange, Port Macquarie, and Wagga Wagga. All have strong connections to surrounding rural and remote communities. Charles Sturt is one of only a handful of genuinely multi-campus universities in Australia – that is, universities that have operated since their foundation across multiple locations. Our geographical footprint is exceeded only by CQUniversity, although unlike CQU and other multi-campus institutions Charles Sturt is required by state legislation to have 'major campuses' in specific locations: Albury, Bathurst, Dubbo, and Wagga Wagga.

In 2023 the University had almost 35,000 students and more than 2,100 full time equivalent staff. For context, those numbers mean that Charles Sturt has significantly more students and staff than other regional universities. In terms of student numbers, Charles Sturt is roughly equivalent in size to the University of Newcastle, La Trobe University, or the University of South Australia; by staff numbers we are comparable to the University of Tasmania, Australian Catholic University, or Flinders University.

According to Department of Education finance data, Charles Sturt University's total revenue in 2022 of more than \$443 million was larger than that of most other regional universities, the exception being James Cook (which benefited from some substantial one-off funding injections, largely the result of election promises). In terms of revenue, Charles Sturt University is on par with Victoria University and Edith Cowan University, but lower than the revenues of universities with similar student populations or the median for the public higher education sector. The difference in revenue between Charles Sturt University and others of similar size is a reflection of several factors: different course and student mixes; a high proportion of online and part-time students; the current funding arrangements for university teaching, learning and research; and having significantly fewer fee-paying international students than metropolitan universities.

In sum, Charles Sturt University is, in Australian terms, a mid-size university by most measures. What makes Charles Sturt different to other mid-size universities is that it is based in and conducts almost all of its operations in regional Australia – indeed, we are required to do so by our founding legislation. These basic characteristics— size, geography, and regional identity – make Charles Sturt University unique in the Australian higher education system.

What these statistics do not reveal, however, is the University's important role in the economy of regional NSW and its contribution to regional, state and national goals in education, health, economic and community development, employment and productivity, and, increasingly, energy transition and adaption to climate change.



Regional employment challenges

While Charles Sturt University's reach is global, with a high proportion of our students (especially postgraduate coursework students) studying online around Australia and more than 90 countries around the world, our home and our primary impact is in regional NSW. The majority of the University's students come from regional centres and more than 75 per cent of our students stay and work in regional areas after graduation. In some courses the figure is even higher: for example, more than 85 per cent of the University's engineering graduates go on to work in regional areas.

The University's main campuses are in four regions: the Murray Riverina (Albury and Wagga Wagga campuses), the Central West (Bathurst and Orange), Far West Orana (Dubbo), and the Mid North Coast (Port Macquarie). The most up-to-date data from Jobs and Skills Australia¹ shows that:

- (1) all of these regions have high levels of employment and demand for personnel in the health care and social assistance sector: for registered nurses; aged, disabled and personal carers; and child carers,
- (2) the Education and Training and Construction sectors also have high levels of employment and demand, as does the Agriculture, Forestry and Fisheries sector in the Murray Riverina and Mid North Coast,
- (3) across all four regions the ten-year trend for employment in the Health Care and Social Assistance and Education and Training sectors is upward, with employment in the Health Care and Social Assistance sector, for example, increasing by 49.8 per cent in Murray Riverina, 91.3 per cent in the Central West, 66.6 per cent in Far West Orana and 115.3 per cent in the Mid North Coast region, and
- (4) across all four regions the highest demand by skill level is for Bachelor degree or higher level skills, accounting for 31.8 per cent of job advertisements in the Murray Riverina, 32.3 per cent in the Central West, 37.7 per cent in Far West Orana, and 36.3 per cent in the Mid North Coast.

Realistically, the high and growing demand for university-level skills in regional areas is best met by regional universities like Charles Sturt. Across a range of disciplines, especially medicine and health, research has shown time and again that the best way to retain regional students and workers in regional areas is to provide, in a regional setting, comprehensive, end-to-end education and training in their chosen career. Few regional students who go to metropolitan universities return to regional areas after graduation. Even fewer metropolitan students will relocate to regional areas.

Fortunately, and not accidentally, regional employers' demand for skills is reflected in Charles Sturt University's enrolment and completions figures. Data from the Department of Education² shows that in 2023:

¹ Jobs and Skills Australia, [Monthly Labour Market Dashboards](#), October 2024 updates

² Department of Education, [Selected Higher Education Statistics – 2023 Student data](#)



- Education courses accounted for Equivalent Full-time Student Load (EFSTL) of 2,643 – almost 14 per cent of total EFTSL for the University,
- Health courses (including Nursing) accounted for 4,915 EFSTL, or more than 25 per cent of all load (and more than 10 per cent of all Health EFTSL in NSW),
- 1,069 students completed qualifications in Education (15 per cent of all Education graduates in NSW), and
- 1,475 students completed qualifications in Health (nine per cent of all Health graduates in NSW).

The majority of these graduates will take up and stay in positions in public and private health and education facilities across NSW. Without Charles Sturt University's graduates, the workforce shortages in these sectors would be much worse – and much more expensive to address.

There are three limiting factors on how effectively Charles Sturt University can meet the growing demand for tertiary education knowledge and skills in regional areas.

The first, of course, is funding, and the on-going effects of Job-ready Graduates, discussed below.

The second is the allocation of Commonwealth Supported Places, especially in health and particularly medicine, an issue the University has covered in many submissions to the Australian and NSW Governments including our 2024 pre-Budget submission.

The third is space. In these and other disciplines, and in particularly in specialities like Dentistry, the University is nearing or at the limit of how many students we can train with our existing facilities. Moreover, factors such as prevailing economic conditions and the high cost of study – especially in career pathway courses involving compulsory extended practical placements – are having an impact on completions and therefore workforce shortages. The cost of higher education is even deterring eligible students from pursuing higher education.

Meeting the goals of the Accord – the foundation

The Australian Universities Accord has the worthy goal of increasing the number of Australians, in cities and in the regions, who go on to post-secondary studies, complete their studies, earn a qualification (or upgrade one they already have), and join the workforce. Most notably, it builds on the findings and recommendations of previous reviews to propose much greater participation and attainment among those who have hitherto missed out on the opportunities offered by higher education: people from low socio-economic or otherwise disadvantaged backgrounds, people with disabilities, people in regional, rural and remote areas, and First Nations peoples.

Previous policy interventions including the demand driven system have had little impact on participation and attainment by these groups at most universities, the exceptions being at newer and regional universities like Charles Sturt³. Persistent failures to boost and diversify participation have contributed to the workforce shortages mentioned above. Turning things around will take time and money, with a strategic approach to university funding that accounts for local and regional needs as well as national priorities.

³ See '[The demand driven university system: A mixed report card](#)', Productivity Commission, 2019.

There are, however, some significant barriers to achieving the Accord's goal.

One is the capacity constraints mentioned above. Many of the teaching and practical spaces at Charles Sturt University need to be upgraded: to accommodate more students; to improve connectivity; to support new teaching techniques; to meet current and expected safety, accessibility or accreditation requirements; and in a few cases to remove hazardous materials. The University has developed plans to address these needs, examples of which include:

- a \$5 million upgrade of the Equine Centre on our Wagga Wagga campus, an investment that would support the training of more large animal vets – another occupation suffering severe workforce shortages⁴ – and providing significant benefits to regional industries, and
- between \$10 million and \$60 million to upgrade or replace the health education and training facilities on our Bathurst campus to support the education and training of more nurses, paramedics and other health care workers. More information on this project has been provided with this submission.

As we noted in our 2024 pre-Budget submission, since 2011 there has not been a dedicated public funding program for university infrastructure. This leaves regional universities like Charles Sturt in a very difficult position, as we have limited ability to fund infrastructure construction or upgrades from our own financial resources. Regional universities do not have the substantial investments or endowments or generations-deep pool of alumni enjoyed by many metropolitan universities. Nor do we have access to funding streams like the Northern Australia Infrastructure Facility, like some other regional universities. For Charles Sturt University, committing funds to an infrastructure project can involve difficult decisions about what we need to defer or cancel. Investment in infrastructure also requires the University to generate a surplus, a financial outcome which has become extremely difficult under the Job-ready Graduates funding model, discussed below, and even harder with major cuts to international student numbers.

Before the 2022 election campaign the then Government announced a \$142.7 million 'Education Infrastructure in Regional Australia Program'. During the campaign itself the Coalition asked for preliminary proposals from universities, some of which were picked up by the ALP and promised funding. The Coalition was not returned to government and the program did not eventuate, though a handful of projects were funded as promised. For more than a decade, this kind of *ad hoc* approach seems to have been the only way universities can secure infrastructure funding. Success depends on timing and political capital rather than a good business case, a merit-based selection process, or national (or regional) needs and priorities.

Despite its main goals requiring a significant increase in university teaching and learning capacity, the Australian Universities Accord made only a few recommendations on infrastructure. The main recommendation (43) proposed the creation of a Higher Education Future Fund (HEFF) using co-contributions from public universities and the Australian Government. The Accord Panel recognised that some universities have "limited capacity to contribute" to a funding pool, as outlined above.

⁴ See '[The veterinarian shortage in regional Australia is not a looming crisis – we're already in it](#)', Guardian Australia, 29 January 2025



There are several flaws with the HEFF proposal. For example, even a modest contribution from some universities would require diversion from basic break-fix maintenance expenditure. Further, universities generally contribute to shared funding pools only if they believe they will in return get more from the pool than they put into it, a mindset that, lacking a 'magic pudding' funding model, means big winners will quickly exhaust the available funds. Some newer and private higher education providers have expressed the view that they too should have access to infrastructure funding, possibly without (given the way HEFF was sketched out in the Accord) contributing to a funding pool. And the amount of funding envisaged for HEFF – \$10 billion – falls well short of what is required.

In any case, the HEFF proposal was quickly rejected by many universities and received only lukewarm support from many others. It has not been mentioned in any of the material published by the Government on implementation of the Accord – indeed, since the release of the Accord's final report there has been scant mention of infrastructure despite the major gap in current or future funding arrangements. Public investment in university infrastructure is, in many ways, a necessary condition for achieving the goals of the Accord but there is not, at present, any national plan or commitment to deliver the investment needed.

On this issue, Charles Sturt University **supports Universities Australia's call for re-establishment of the Education Investment Fund (EIF)** to "Ensure financial stability for Australia's universities, recognising the critical role they play in shaping Australia's future."⁵ **This investment is needed regardless of whether the Accord remains the framework for Australian higher education funding or not.**

EIF involved an initial commitment of \$11 billion in 2008. Before it was 'paused' in 2011 and formally wound up in 2019, the program provided some \$4.2 billion in funding for university teaching, learning and research infrastructure through a competitive process⁶ that included targeted and priority rounds – including a \$312 million regional priority round. Investment in regional universities' infrastructure offers significant spillover benefits, as many of our facilities are used by regional schools, employers and community groups, and/or provider services to regional industries that they would not otherwise be able to access easily.

Allowing for indexation and other factors, replicating EIF and achieving similar results would require a starting investment of at least \$17 billion. A systemic rather than competitive approach, focused on ensuring the financial sustainability of Australia's public universities and their capacity to undertaking the teaching, training and research the country needs, would ensure the funds are distributed where they are needed to achieve Australia's education and productivity goals.

Meeting the goals of the Accord – students

The Accord provides the basis for a more strategic and sustainable model for funding universities' teaching, learning and student support activities. After the release of the Accord's final report, the Government took immediate action on several recommendations with the immediate aim of

⁵ Universities Australia [2025 Federal Election Statement](#)

⁶ Parliamentary Library, '[Will the new Future Drought Fund leave the Education Investment Fund high and dry?](#)', 2018



reducing cost-of-living pressures on students and improving student safety. On many recommendations, though, including those relating to the way universities are funded, the Government has adopted for a more staged approach and further consultation with the sector.

Under most circumstances this is a sound and prudent approach to policy and funding reform. Unfortunately for Australia's higher education students and providers, it is an approach which ignores the very real and immediate financial challenges they face. Foremost among these challenges is the on-going impact on students and universities of the Job-ready Graduates (JRG) funding model, an issue that the Accord final report flagged as needing immediate attention.

JRG was and is bad policy. Its flaws are many, and include:

- It was launched without warning when universities – and the rest of the country – were grappling with a major crisis, the COVID-19 pandemic.
- It was based on flawed modelling and skewed by an ideological bias against some fields of study.
- It did not address the key issue used as justification for its creation: the increasing gap between public (and private) funding and the cost of provision of higher education – in fact it reduced funding per place across many fields of study, including some flagged as priorities, exacerbating the problem it was supposed to fix.
- It was implemented in haste, and with limited, largely tokenistic consultation.
- It has not resulted in the additional Commonwealth Supported Places promised
- It has had negligible impact on students' decisions about what to study, though one of its main objectives was to deter students from many Humanities and Social Sciences degrees.
- Its inequitable funding clusters and Commonwealth and student contribution amounts effectively privatise the cost of study in many programs in the social science and humanities, despite the widely-acknowledged value of the skills they provide, their strong employment outcomes, and the fact that these courses have proportionally greater numbers of First Nations and low-SES or otherwise disadvantaged students.

JRG has had a disproportionate impact on regional universities. The net reduction in funding per place combined with low enrolment numbers – a product of operating in thin markets with dispersed populations – and the high cost of provision in regional areas means that some courses are increasingly not financially viable. This includes courses like dentistry, agricultural sciences, and some fields in health and allied health, which lead to careers in occupations suffering major workforce shortages. While the same cost-to-funding gap also affects metropolitan universities, they can counter the impact by enrolling large numbers of students in courses with (relatively) low delivery costs and high funding, such as Law, Accounting, Business and Management, or Economics and Commerce (Cluster 1). The substantial increase in offers of places in these financially attractive courses at prestigious metropolitan universities has further reduced the ability of regional universities to compete for student load in these disciplines.

Most importantly, JRG means that students graduate with substantially higher debts than was previously the case. While there is ample research that demonstrates the cost of a course has little



impact on students' choice of what to study – evidence that was available before but ignored in the creation of JRG – there is evidence that it can affect their decision about whether to study at all. A 2019 report from the then National Centre for Student Equity in Higher Education, now the Australian Centre for Student Equity and Success, showed that students from disadvantaged backgrounds are more likely to be risk and debt averse than their peers, and can perceive going to university as a threat to their personal and financial wellbeing⁷.

These are the kind of students the Accord and the Government want to see more of at university. They have also, traditionally, made up a high proportion of the students at Charles Sturt University. Yet the Government has chosen to leave in place a funding model likely to deter disadvantaged students from going to university. Data collected by the Department of Education suggests it is having precisely that effect: over 2020-23 – from when JRG was announced to the most recent year for which full data is available – the number of commencing students from low-SES backgrounds has fallen from more than 78,300 to less than 64,500⁸.

JRG is, in other words, a funding model that works against the goals of the Accord⁹ and against broader policy and social objectives. For example, Charles Sturt University is one of only a few in Australia to offer courses in Islamic Studies. Many of the students in these courses come from low socio-economic backgrounds and they are sensitive to the costs involved in higher education. Our courses play a crucial role in preventing radicalisation in Australia and facilitating the integration of Muslims into Australian society. The financial obstacles created by JRG hinder our students' access to education and impede the achievement of these important objectives.

The final report of the Australian Universities Accord explores the many problems created or aggravated by JRG, saying that it needed “urgent remediation”¹⁰ by “reducing student contributions ... starting with students in humanities, other society and culture, communications and human movement” (Recommendation 16a) and “increasing government funding to support science, technology, engineering and mathematics” (Recommendation 41d).

The Government's response to the Accord's findings and recommendations on JRG has been to defer any changes to funding clusters and amounts pending advice from the yet-to-be-created Australian Tertiary Education Commission (ATEC). The most optimistic timetable for creation of ATEC, modelling, consultation, policy development, advice to Government, and a Government response to ATEC's advice means the JRG funding structure will remain in place until at least the 2027 academic year. By then, six or more cohorts of students will have accrued substantial debts that will have an on-going impact on their career choices (including whether they work in regional or metropolitan locations), their finances, and their prospects of owning a home, or will have been deterred from studying altogether. It is highly likely that a future government will come under pressure to cancel or reduce these debts, as the Albanese Government did in 2024. The cost of doing so would be far greater than it would cost to fix or completely replace JRG now.

⁷ NCSEHE research fellowship report, [Career Construction, Future Work, and the Perceived Risks of Going to University for Young People from Low SES Backgrounds](#), 2019.

⁸ Department of Education, [Selected Higher Education Statistics](#) – 2020 and 2023 Student data (Section 11 – Equity groups).

⁹ See also Andrew Norton, [Job-ready Graduates price effects? An update with 2022 enrolment data](#), 18 July 2024.

¹⁰ Australian Universities Accord – final report, p16



The simplest fix for JRG is to restore the prior funding clusters and rates, with adjustments for indexation and for the student contributions in priority fields like nursing, to ensure that students do not wind up with a higher debt than they would have accrued under JRG. In time advice from ATEC will underpin a new funding model, but in the interim urgent action is needed to forestall a substantial debt trap for students and a growing financial challenge for universities.

Charles Sturt University therefore urges **immediate amendments to the funding clusters and rates underpinning Commonwealth Supported Places** – that is, remediation of the effects of JRG in line with the recommendations of the Accord.

As much as students will benefit from a more realistic and sustainable funding model for universities, and from a fairer fee structure after they graduate, many need financial support while they are studying. This issue was a major focus of the Accord and, as noted above, the Government responded quickly to some of the relevant recommendations. The new Commonwealth Prac Payment (CPP) is a genuinely innovative and much-needed policy intervention and will help many students.

Unfortunately, here too there are flaws. Charles Sturt University suggests there are three main issues that need to be addressed as the program is rolled out:

First, consultation to date has been limited and rushed. For example, draft guidelines were only made available to universities in late January 2025, with the program to come on-line from 1 July. The Department of Education has given universities less than a week to provide feedback on the 20 pages of draft guidelines. Moreover, the design of the program appears to have ignored strong representations from stakeholders on the tax status of Commonwealth Prac Payments and on the delivery of the program (see below).

Second, the CPP will be available to a relatively small number of students in a very small number of courses: nursing, midwifery, social work, and teacher education. Other students who face costly compulsory practical placements – in fields in which there are also major and chronic workforce shortages – will be excluded: students in medicine, dentistry, veterinary science, paramedicine, psychology, physiotherapy, and other health and allied health courses. Student groups and professional associations for these fields have made their own representations to the Government and the Department on this matter.

Charles Sturt University supports **extending the Commonwealth Prac Payment to eligible students in medicine, health and allied health**, with an emphasis on courses aligned to critical workforce shortages.

As a university that graduates more than 200 paramedics each year, the majority of whom will work in regional areas, Charles Sturt University endorses the Australasian College of Paramedicine's proposal, in its own pre-Budget submission, to extend the Commonwealth Prac Payment to eligible paramedicine students.

A third and major concern is the Department's intention for the program to be delivered via grants to universities that they in turn allocate to eligible students, an approach that is not supported by



most universities and peak bodies¹¹. This will involve universities asking for personal and financial information from students that they do not currently collect, such as whether they are in receipt of an Australian Government income support payment, or how many hours they work each week and how much they earn (and whether the student ‘needs to work’). This information will need to be verified then retained to meet reporting and program audit and evaluation requirements. Universities do not have the sophisticated systems needed to assess eligibility requirements for these purposes, the financial resources to do so, or enough time to put them in place (CPP will open for applications from 12 July 2025).

The stated rationale for this approach is weak. In a submission to the Senate Education and Employment Legislation Committee’s inquiry into the *Universities Accord (Student Support and Other Measures) Bill 2024*, the Departments of Education and Employment wrote:

*Making payments to students via higher education providers keeps the CPP tightly connected to study. Higher education providers hold information on the student, their enrolment and the practicum placement arrangements, so it maintains the relationship between the university and the student undertaking the practicum (which is part of teaching and learning)*¹².

As noted above, though, universities do not hold all the information needed to administer the payments. Moreover, Charles Sturt University and many other stakeholders doubt that the five per cent administrative loading offered by the Department of Education will actually cover the costs involved in providing the payment to students and meeting the reporting and record-keeping requirements. The Department of Education says this figure has been determined by benchmarking against similar programs without explaining which programs they have in mind.

Most of the information universities will be expected to collect to deliver the program is held by government departments. It would be simpler and more cost-effective for the program to be administered and delivered by, for example Services Australia, which is already empowered to collect information from other agencies –it has the automated capability to validate information about students who receive AUSTUDY, for example – and could quickly verify with universities that a student is enrolled in an eligible course.

Charles Sturt University recommends that **responsibility for the administration and delivery of Commonwealth Prac Payments should be transferred to Services Australia.**

Delivering the dividends of the Accord – regional jobs, regional economies, regional resilience

Public investment in higher education means more teachers, nurses, lawyers, engineers, musicians, accountants, doctors, researchers. It is an investment that pays off for the nation in a more highly-skilled workforce, a more diverse and resilient economy, and a tax base bolstered by

¹¹ See for example the transcript of the 24 September 2024 public hearing of the Senate Education and Employment Legislation Committee’s inquiry into the *Universities Accord (Student Support and Other Measures) Bill 2024*.

¹² Department of Education and the Department of Employment and Workplace Relations Joint Submission to the Education and Employment Legislation Committee, p17



higher incomes, greater use of high value add goods and services, and less need for government services. These and other outcomes are explored in more detail in the Department of Education's 'Benefits of educational attainment' web pages¹³. Renewed investment in university infrastructure, a sustainable, effective funding model, and measures that get more students to university and help them finish their degrees will mean that these benefits will continue – and increase.

The spillover benefits from public investment in regional universities is even greater. Regional universities are 'anchor institutions' in many regional communities: that is, they are major employers, significant users of high value add goods and services, centres of economic and cultural activity, and provide a range of facilities and services to local businesses and communities that would otherwise be unavailable, or too expensive to access or maintain. Our community dental clinics, for example, provide a low or no-cost service to regional communities while ensuring that our graduating dentists have a full range of technical, hands-on and soft skills.

As noted above, three-quarters or more of Charles Sturt University's graduates go on to careers in regional areas, in turn contributing to and growing the regional economy. An analysis commissioned by the Regional Universities Network and undertaken by KPMG showed that Charles Sturt University's campuses have a measurable positive impact on the local (and national) GDP, employment, and household incomes. In the NSW Southern Region, for example, the University's Wagga Wagga and Albury campuses add more than \$300 million every year to the regional GDP, more than 1,700 jobs, and more than \$250 million to household incomes.

In addition to supplying skilled graduates and helping to reduce critical workforce shortages, regional universities help to drive economic diversification and resilience in regional areas through initiatives like:

- A partnership with Transgrid involving research, training, scholarships, cadetships, and graduate employment. The University's partnership with Transgrid ensures that this major regional employer has the skilled workers it needs, and helped the firm deliver major clean energy projects in the Riverina.
- The Australian Government funded Southern NSW Drought Resilience Adoption and Innovation Hub, based at the University's Wagga Wagga campus. The Hub fosters collaborations between producers, processors, researchers and community groups that provide practical climate change adaptation solutions for farmers and rural communities.
- The IBM Client Innovation Centre at our Bathurst campus, a partnership that provides a pipeline of skilled graduates experienced in the technologies and business acumen of the future.
- The University's new Artificial Intelligence and Cyber Futures Institute. Its explicitly regionally-focused agenda is intended to show how data science, cybersecurity and AI developed 'off the beaten track' and 'in the wild' can better serve rural and regional communities, and create a global comparative advantage for Australia.

¹³ <https://www.education.gov.au/integrated-data-research/benefits-educational-attainment>. Accessed 31 January 2025



The University's footprint in major regional centres and its established partnerships with regional schools and employers, local government, and other stakeholders was a major factor in attracting some of these industry and public sector partners.

Charles Sturt University has the opportunity to build on its track record and natural advantages with the creation of Australia's first **Agriculture RNA Innovation & Manufacturing Hub** in Wagga Wagga. This \$30 million centre will support research on and the manufacture of RNA products for agricultural use. With only a handful of US companies manufacturing RNA for agricultural use, this pilot plant for RNA manufacturing at research and commercial scale would provide a competitive advantage for Australia's agricultural sector, positioning the country as a leader in opening new markets for export.

Ag-RNA is a nascent industry with strong growth potential. The first use case of Ag-RNA towards product development will be RNA based biopesticides for crop protection as an alternative to chemical pesticides. The Asia-Pacific crop protection market is projected to reach USD31.2 billion by 2030, with Australia contributing USD1.81 billion.

As Australia's leading regional university, with a unique combination of expertise, infrastructure, and regional significance, Charles Sturt stands at the forefront of impactful research and innovation bringing established industry and international partnerships to deliver on this initiative. The establishment of an Agriculture RNA Innovation & Manufacturing Hub would support sovereign manufacturing capability in an emerging technology; provide more sustainable, lower cost, and safer pest control options for Australian farmers, support more research, innovation and translation in regional centres; build a skilled workforce in a new, high-value industry; and create new export opportunities for Australia.

More information on this proposal has been provided with this submission.