



Needs-based Funding system

The Australian Government will introduce a new Needs-based Funding system for higher education as a core component of per-student funding for teaching and learning.

This will be designed to boost the number of students from underrepresented backgrounds completing higher education.

How will this initiative work?

Needs-based Funding will implement per-student funding contributions for First Nations students, students with disability and low SES students – recognising that these students need additional support to succeed at university.

Per-student funding contributions will also be included for those studying at regional campuses – recognising the higher costs regional providers incur to deliver courses in regional Australia.

Universities will be required to report back at the end of each year showing how Needs-based Funding contributions have been spent, the types of support provided to equity students, and the equity outcomes and impacts they are achieving.

The Needs-based Funding model will be developed in consultation with the sector and stakeholders.

Why is it important?

The jobs of the future will require many more Australians to complete tertiary education. Needs-based Funding will ensure more students from under-represented backgrounds are supported to access, participate, and succeed in higher education, and that regional communities have access to higher education delivered in regional Australia.

The new system will deliver additional funding to enable higher education institutions to provide additional targeted academic support to students from historically under-represented backgrounds.

Needs-based Funding will complement other measures which will grow the level of tertiary education attainment in Australia, including the \$350.3 million that will be invested in FEE-FREE

Uni Ready courses to help more students from disadvantaged backgrounds prepare for university.

The Final Accord Report is a plan not for one budget, but a blueprint for the next decade to help build a better and fairer education system.

Who will benefit?

First Nations students, students from low-SES families, students with disability, and those studying at universities in regional and remote locations.

How much will it cost?

The amount of funding provided per-student will be subject to consultation with the sector, as well as stakeholders representing the students supported under the Needs-based Funding system.

The cost of Needs-based Funding contributions will be determined following this consultation process, with further details to be announced before implementation.