



## Group of Eight

6 December 2007

HEEF Advisory Board  
C/o HEEF Team  
Department of Education, Employment and Workplace Relations  
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Dear Team

The Group of Eight appreciates the opportunity to respond to the consultation paper on the Higher Education Endowment Fund. Our response does not relate to the specific questions in the attachment but rather to the key issue raised in the paper itself: *“how best to maximise the benefits for the sector while minimising both duplication and any potential administrative burdens for institutions.”*

Since the consultation paper was issued there has been a change of government, and while Labor has indicated that it would “keep” HEEF it has not specified how it intends to make use of the fund.<sup>1</sup> Considerations of future options for use of the fund ought not to be limited to the policy objectives and preferences of the previous government, nor by current legislative provisions.

The HEEF initiative provides an opportunity to think big and underpin Australia’s future.

The last thing we want is another scheme that involves annual competitive bids against a trickle of funds, and especially one that imposes yet more matching obligations and burdensome compliance requirements. Nor do we wish to see another NCRIS-type bureaucratic-push model of spread co-funding that undermines concentration.

It is imperative for Australia to keep up with the accelerating pace of the world leaders in knowledge advancement. There is a huge opportunity cost for Australia in falling behind, for once we do we may never catch up. Hence it is more important to bring forward the necessary investment than to put in place a long-term marginal financing mechanism.

The University of Adelaide  
The Australian National University  
The University of Melbourne  
Monash University  
The University of New South Wales  
The University of Queensland  
The University of Sydney  
The University of Western Australia

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Our strong preference is to concentrate the application of the available funds through a consolidated program of large-scale strategic investments in research capability. In our view such a program should have the singular aim of helping to rebuild and sustain Australia's competitiveness in research, in the context of the large scale advances in research infrastructure and expertise being made in the major economies of the northern hemisphere. We envisage a seven year program of investments of the order of \$1 billion annually, with the current fund being exhausted by 2015.

We suggest that this concentrated investment program focus on those disciplinary fields where Australia maps strongly against world benchmarks of research excellence. A set of fields could be designated each year, having regard to national research priorities. Universities could be invited to bring forward proposals against a range of international benchmarks. Proposals would be best evaluated by international experts in the relevant fields.

We would be happy to participate in the further development of this proposal.

Sincerely,

A handwritten signature in black ink, appearing to be 'Michael Gallagher', with a long horizontal flourish extending to the right.

Michael Gallagher  
**Executive Director**

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<sup>i</sup> Stephen Smith MP, Media Release, "HEEF Announcement welcome but doesn't make up for 11 years of neglect by the Howard Government", August 2007.