Universities Australia's response to the Department of Education's consultation on the draft instrument – Commonwealth Grant Scheme Guidelines 2026

Universities Australia (UA) broadly supports the proposed *Commonwealth Grant Scheme Guidelines 2026*, which are necessary to implement the *Universities Accord (Opening the Doors of Opportunity) Act 2026*. However, several provisions require clarification or amendment to ensure they are practical, proportionate and don't create unintended consequences for universities and students.

As UA has emphasised in recent consultations, the success of the Australian Universities Accord reforms will depend on translating policy objectives into clear, workable arrangements. This requires careful drafting, transparent explanations of proposed changes and meaningful engagement with the sector.

The consultation process for these Guidelines has fallen short of that standard. Short response periods, overlapping reform processes and insufficient clarity about what is changing constrain the sector's ability to assess the implications and provide informed advice. This is particularly concerning where changes affect Aboriginal and Torres Strait Islander students, and where opportunities to strengthen pathways into medicine and other health professions haven't been fully explored.

UA supports funding arrangements that improve First Nations participation and success. However, reforms affecting these students must be developed in consultation with First Nations higher education leaders, including UA's DVC Indigenous Committee, with sufficient time to assess their practical consequences.

Recommendations

UA recommends that the Department of Education:

1. Strengthen consultation processes by working with UA to establish clear protocols for sector engagement, including specific arrangements for consultation with UA's DVC Indigenous Committee on policies affecting Aboriginal and Torres Strait Islander students.

2. Improve the clarity and transparency of policy development by ensuring draft instruments and supporting materials clearly identify policy objectives, proposed changes and their practical implications, particularly for First Nations students.

3. Make targeted amendments to the Guidelines to:

a. Extend eligibility to First Nations students undertaking medical sciences or medical studies units in courses other than medicine, strengthening pathways into medicine and other health professions.
b. Remove redundant requirements relating to compliance with the Higher Education Standards Framework and clarify the drafting of admissions provisions to avoid uncertainty and unintended consequences for alternative pathways.
c. Require universities to take reasonable steps to provide students with access to clinical placements and practicums, recognising practical capacity constraints and the importance of culturally safe placements.
d. Ensure information requests to universities are reasonable, limited to what is necessary and make use of existing reporting arrangements wherever possible.

4. Provide clear implementation guidance on the operation of the medical student loading, funding cluster classifications and admissions requirements, including practical examples and consideration of impacts on Aboriginal and Torres Strait Islander students.

Feedback on relevant sections of the Guidelines

Part 5 – Medical student loading

UA supports medical student loading arrangements that strengthen Aboriginal and Torres Strait Islander participation in medicine. The draft instrument and explanatory statement limit the relevant eligibility to students enrolled in medicine. Students undertaking medical-related units within other degrees would not, on that basis alone, qualify for the loading.

UA recommends extending eligibility to Aboriginal and Torres Strait Islander students undertaking medical sciences or medical studies units within non-medical degrees. This would better support pathways into medicine and other health professions.

UA also recommends that the Guidelines ensure the loading complements existing Aboriginal and Torres Strait Islander funding arrangements and supports culturally safe participation and completion, including through teaching, mentoring and practical assistance.

The Department should provide clear examples of eligibility and explain how the proposed arrangements interact with existing support.

Part 6 – Funding clusters

UA seeks clarification on whether the revised provisions change how units of study are classified for funding purposes. While the funding table may remain unchanged, changes to the rules governing its application could affect Commonwealth funding received by universities and the maximum student contribution amounts.

UA recommends that the Department provide practical examples demonstrating how the revised provisions apply, particularly to psychology, social work and related pathways, where courses do not meet professional accreditation requirements. Guidance should also clarify the treatment of units undertaken as part of FEE-FREE Uni Ready courses. These examples should clearly identify implications for Commonwealth funding and maximum student contribution amounts.

Before implementation, the Department should also assess any significant implications for Aboriginal and Torres Strait Islander students, including their pathways into university and professional careers, in consultation with First Nations higher education leaders.

Part 8 – Conditions on funding

Part 8 largely transfers existing conditions from university Funding Agreements into the Guidelines, with some modifications. These include requirements relating to early offers, compliance with admissions standards, and access to clinical placements and practicums. The Guidelines also introduce information provision requirements.

UA broadly supports the consolidation of existing requirements but recommends targeted amendments to improve clarity, avoid regulatory duplication and ensure the provisions are practical to implement.

Early offers

UA recognises the need to finalise the relevant instruments ahead of commencement in 2027. However, the Guidelines shouldn't duplicate existing regulatory obligations or introduce ambiguity into established admissions practices.

Universities are already required to comply with the Higher Education Standards Framework, and the Minister has signalled that the *TEQSA Act* will be amended to make compliance with those Standards an ongoing condition of registration. Repeating these obligations in the Guidelines is unnecessary.

The introduction of ambiguous terminology, including "still undergoing secondary education" also creates uncertainty for university admissions processes. These matters are better addressed through universities' application of the Threshold Standards to their individual circumstances.

UA recommends removing redundant references to Standards compliance and clarifying the admissions provisions to preserve flexibility in university admissions practices.

UA considers this particularly important for Aboriginal and Torres Strait Islander students. Universities must retain the flexibility to recognise students' circumstances, experiences and potential through admissions processes that consider interviews, preparation courses, educational backgrounds and available academic support.

Admissions decisions may also draw on Year 11 results and non-traditional school-based credentials for both First Nations and non-First Nations students. UA is concerned that restrictions on offers to secondary school students could inadvertently affect Indigenous admission programs. These programs distinguish between outreach and advice about potential entry pathways and formal offers of admission.

The Department should clarify that the provisions don't inadvertently constrain legitimate alternative admissions pathways or outreach activities, particularly those designed to support Aboriginal and Torres Strait Islander participation.

Clinical placements and practicums

UA supports the transfer of placement requirements from Funding Agreements to the Guidelines. However, previous amendments to Funding Agreement provisions have reduced clarity by removing illustrative examples.

Our members have identified practical challenges in complying with these requirements as student participation becomes more diverse. For example, students who are incarcerated or otherwise involved with the justice system may face restrictions that affect their ability to undertake placements or participate in study. Placement capacity constraints can also affect universities' ability to guarantee access, particularly in regional areas.

The Guidelines should also clarify whether these requirements apply to Commonwealth supported students or all students and use consistent terminology throughout.

Placement requirements must also recognise student welfare and safety. For Aboriginal and Torres Strait Islander students, culturally safe placements are essential, alongside practical support for travel, accommodation, costs and caring responsibilities.

Guidance should address the prevention of and response to racism, mechanisms for students to raise concerns, and ways to accommodate cultural obligations while meeting professional requirements. Placements with Aboriginal Community Controlled Health Organisations should be planned jointly with those organisations and adequately support those organisations' capacity to supervise students.

UA recommends that the Guidelines require universities to "ensure reasonable and culturally safe access" to placements, supported by practical implementation guidance that recognises circumstances outside providers' control.

Information provision

UA is concerned by the increasing use of information provision requirements in legislation and policy without sufficiently clear limits on the scope of information that may be requested.

UA recommends amending the provision to require higher education providers to supply information only where reasonably requested by the Department. This would introduce an appropriate reasonableness qualification while preserving the Department's ability to obtain information necessary to administer the Commonwealth Grant Scheme.

This qualification is particularly relevant to information concerning Aboriginal and Torres Strait Islander students. The Department should limit requests to information necessary for the stated purpose and use existing reporting systems wherever possible. Information about Aboriginal and Torres Strait Islander students must also be handled in ways that protect student privacy, particularly where small cohorts create risks of identification.

First Nations higher education leaders should be involved in deciding how information relating to Aboriginal and Torres Strait Islander students is interpreted and used.