



**Sharon Grierson MP**  
Federal Member for Newcastle

**14 February 2005**

## **NELSON WASHES HIS HANDS OF NEWCASTLE UNIVERSITY**

Member for Newcastle, Sharon Grierson, today said the Federal Government should take its fair share of the responsibility for the financial problems plaguing Newcastle University, and admit its higher education policies are woefully inadequate.

The University today announced that its 2004 end of year deficit was \$28 million, and its projected shortfall for 2005 was \$15.5 million.

Responding to questions in Parliament today, Minister for Education Brendan Nelson, washed his hands of Newcastle University by refusing to even accept the Government's role in its current problems, let alone offer any form of assistance. "It's as if the Minister thinks higher education is not his responsibility," Ms Grierson said. "He should remember that the rundown of regional universities all around Australia, including Newcastle, began and is continuing under his Government's stewardship."

"It was his Government which cut Newcastle University's regional status, denying it access to \$3.75 million in funding. It is his Government which is clawing back a \$13.0 million overpayment made by the Department of Education Science and Training (DEST). In all, the Government has ripped \$120 million out of the University since 1996."

"To now simply blame management is just an insult to the University, its students, and the Newcastle community," she said. "In the light of the University's financial situation, I call on the Government to waive the repayment of the \$13.0 million and to restore the University's regional status."

"Novocastrians will be concerned that the University, one of the cornerstones of our community, has been so run-down by the Government that it now finds itself in this perilous situation," Ms Grierson said.

The University is Newcastle's second biggest employer, and it has flagged staff cuts to stabilise its financial position. "The University is intrinsically linked to our economy and to our future," Ms Grierson said. "Obviously, the Government has no idea how important institutions such as this are to regional areas."

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