



## The Hon Gayle Tierney MP

Minister for Training and Skills  
Minister for Higher Education

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Professor Duncan Maskell  
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Dear Professor Maskell

I am pleased to provide the final signed copy of the Partnership agreement between the Government of Victoria and University of Melbourne (compact). The signing of this compact represents a significant milestone and reflects the Victorian Government's commitment to a strategic partnership with each Victorian university.


Last year brought unparalleled challenges to Victorian universities and I appreciate the commitment and resilience your institution has shown. I recognise that University of Melbourne has worked closely with the Victorian Government over the last year and thank you for this regular engagement. This compact reflects the close partnership that we have built and demonstrates the importance of working together for the benefit of the State of Victoria. The focus of the compacts is intentionally on shared areas of interest that are specifically relevant for the State, noting that the Commonwealth Government retains primary responsibility for funding and policy for higher education and universities.

The Victorian Higher Education State Investment Fund (VHESIF) is highlighted in the compact as a short term initiative for collaboration. The VHESIF marks an unprecedented investment from the Victorian Government in our local universities to support jobs and the State's economic rebound. Universities form an essential part of the Victorian economy and the VHESIF's \$350 million investment is a significant opportunity for the Government to partner with universities to assist in Victoria's recovery from the COVID-19 pandemic. As a direct response to the pandemic, please note that the VHESIF is time limited in nature, meaning there are no further funding commitments beyond the term of the VHESIF.

The compacts also set some exciting longer-term objectives and priorities for the Victorian Government and Victorian universities to collaborate on over the coming years. These priorities do not represent funding commitments, but rather are strategic in nature and intentionally broad to capture our many areas of shared policy interest and mutual benefit. To progress these broad areas of collaboration, further detailed work is needed to determine how we will take them forward. I look forward to continuing this next stage of work together to achieve positive outcomes for Victoria.

I am pleased to formalise our strategic partnership and I look forward to publicly sharing these documents at vic.gov.au, as I anticipate the benefits being widespread for the State of Victoria.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Gayle Tierney', with a long, sweeping horizontal stroke extending to the right.

**The Hon Gayle Tierney MP**  
Minister for Training and Skills  
Minister for Higher Education

16 March 2021

Cc: The Hon Tim Pallas MP, Treasurer

PROTECTED: Sensitive

# Partnership agreement

Government of Victoria and  
University of Melbourne

FINAL VERSION



# 1. Purpose and context

This partnership agreement frames the ongoing relationship between the Victorian Government and University of Melbourne and sets out agreed areas of common interest and mutual benefit.

This partnership reflects the common interest of all Victorian universities and the Victorian Government to work together for the prosperity of Victoria. While Victorian universities are global organisations with international reach and national significance, this agreement recognises the importance of their foundation in the State of Victoria.

This agreement builds on the existing core value exchange between all Victorian universities and the Government of Victoria. As organisations, the Victorian Government and Victorian universities represent significant employers to the Victorian economy. Working together, we have a joint responsibility to invest in and develop not only the skills and capabilities of our workforces, but to build the skills and capabilities needed across the Victorian economy. Collaboratively, Victorian universities and the Victorian Government play a critical role in growing innovation and research and development (R&D), with expenditure on R&D highly and positively correlated with economic growth. University students, including both domestic and international, make a significant contribution to Victoria's economic activity and prosperity.

Universities contribute significant value to the State of Victoria by:

- Providing high quality skills, training and education for the State and building knowledge and skills for Victoria's workforce, and the workforce of the future
- Drawing students, knowledge workers and resources into Victoria and enhancing the State's international reputation by ensuring that international students studying in Victoria have an exceptional experience
- Driving knowledge creation, leading new ways of thinking and supporting innovation
- Supporting students to undertake research using evidence from Victoria and other jurisdictions, which helps to inform policy development and delivery, including social recovery reforms
- Hosting significant infrastructure and facilities that enable R&D activities contributing to a diverse and sustainable economy
- Contributing to economic development, particularly through collaborations with industry that boost productivity, trigger innovation, create jobs, attract foreign direct investment and foster start-ups
- Building, sustaining and driving the prosperity of local and regional communities and economies
- Increasing the connection between research institutions, industries, services and communities to help build a safer, more resilient and just society.
- The Government of Victoria contributes significant value to the higher education sector of Victoria by:
  - Promoting higher education in Victoria, nationally and internationally
  - Preparing young people for higher education through school education and providing pathways through Vocational Education and Training (VET).
  - Providing support for international students
  - Being a significant employer of university graduates and shaping and fostering other industries in the economy that employ university graduates
  - Creating cultural and economic hubs that foster innovation
  - Developing significant infrastructure across the State

- Encouraging R&D in priority industry sectors that benefit the economic prosperity of the State and improve outcomes for Victorians, including by facilitating connections through the Victorian Government Trade and Investment offices
- Connecting universities with Victorian Government organisations, industry and civil society to identify and unlock opportunities for shared value creation
- Advocating to the Commonwealth and other States and Territories on shared objectives.

This rich value exchange between universities and the Government of Victoria has already led to a series of existing agreements and joint collaborations, including both strategic and contractual arrangements. This agreement is not intended to duplicate or amalgamate these and is not legally binding, nor is it an indication of specific commitments to funding or approvals. This is a broader partnership agreement that sits alongside existing arrangements to frame the overarching strategic partnership.

## 2. Principles

Principles for how the Government of Victoria and all Victorian Universities will work together

- Work towards mutually beneficial outcomes
- Approach common challenges in a collaborative and forward-thinking manner
- Engage on the best way to utilise intersecting resources, especially during Victoria's economic recovery
- Consult and engage with each other before taking major action in priority areas for collaboration
- Share information, including data and project opportunities, where appropriate to progress shared objectives and priorities and maintain appropriate confidentiality when doing so
- Minimise the administrative burden when engaging with each other
- Continue to ensure commercial arrangements are objective and at arm's-length
- Attract and leverage private (such as industry) and Commonwealth investment in Victoria's higher education sector
- Work closely with industry to ensure initiatives meet their needs
- Apply a transparent approach to engagement
- Renew the Partnership Agreements every 2-3 years to ensure priorities remain valid and to reflect organisational changes and economic conditions, with the next renewal due in June 2023.

## 3. Shared objectives

Key common objectives that the Government of Victoria will work on with all Victorian Universities

- A vibrant and diverse university sector with world-leading education, research and engagement outcomes.
- Stronger alignment of education pathways with industry demand where the Victorian Government is a significant employer, to deliver a skilled workforce that meets the needs of employers.
- A strong, inclusive post-COVID-19 economy and society, including realising key infrastructure, social, health and human service opportunities, pursuing new industry and trade opportunities and fostering equitable participation for key affected cohorts.
- Collaboration and connections between higher education and Victoria's priority industry sectors, including through the development of Priority Precincts and National Employment and Innovation Clusters in metropolitan Melbourne and regional Victoria.
- Research that brings demonstrable new productivity, commercial, social, health and environmental benefits to Victoria.
- Victoria's global engagement, including through bi-directional exchange of people, research and ideas, transnational education, investment and opportunities for collaboration.
- A more integrated tertiary education system which benefits Victorians through clear post-secondary pathways, forges closer partnerships between universities and TAFEs, directly contributes to the COVID-19 recovery and critical projects and sectors, and aligns higher education with broader changes and aspiration in the Victorian and national tertiary system.

## 4. Priorities for collaboration

Priority areas for collaboration between the Government of Victoria and University of Melbourne. These are especially relevant to the mission of University of Melbourne.

### Short term areas of collaboration

- A six month payroll tax deferral valued at approximately \$110 million across all Victorian Universities, to provide short term cash flow relief during the COVID-19 pandemic.
- The Victorian Higher Education State Investment Fund, for which the State Government of Victoria is contributing \$350 million to fund university capital works, applied research and research infrastructure projects that boost productivity and support Victoria's economic recovery following the COVID-19 pandemic. Each project funded through the Victorian Higher Education State Investment Fund will be governed by an individual project funding agreement that will document the agreed outputs and outcomes that University of Melbourne will deliver.
- Appropriate welfare support for international students experiencing hardship due to the impacts of COVID-19, and initiatives which support the return of existing and new international students to Victoria and maintain Victoria's position as a destination of choice for higher education.

UoM is collaboratively engaged across multiple areas within the Victorian Government. The deepening and expanding of this engagement aligns with the ambitions outlined in UoM's Advancing

Melbourne 2030 strategy, particularly delivering greater impact to society through research translation, partnerships and engagement.

This alignment is reflected in the following dimensions:

- **Impact** – UoM seeks to understand more fully the major opportunities and challenges Victoria faces, and through combined knowledge, convening power and networks, harness collective capabilities to develop solutions and outcomes of significant benefit to society. The opportunity for close partnership between UoM, government and other partners will support the entire process of identification, co-design, co-delivery and implementation.
- **Place/Precincts** – UoM's focus on the development of Innovation Precincts has strong alignment with the Victorian Government's Precinct strategy and priority sectors for investment. Shared place-based strategies are a pivotal component of the development of a knowledge economy, and the ecosystem approach amplifies the longer-term spillover benefits. Innovation Precincts bring together multiple dimensions of applied research, industry partnerships, novel education and workforce development connected with growth sectors, innovation, commercialisation and new company formation, and community engagement. Innovation Precincts serve as a magnet for global talent attraction of knowledge workers and a launchpad for our emerging brightest minds, destined to build Victoria's future.
- **Global leadership** – UoM strives for globally-competitive excellence in both the quality and attractiveness of its educational offerings in an international market, and by undertaking world-class research that addresses problems of global significance. Aligned to this ambition is UoM's objective to establish major strategic partnerships with global industry leaders that consolidate its areas of competitive advantage and enhance its ability to deliver targeted impact objectives. This aligns strongly with the Victorian Government's International Investment strategy, including the attraction of foreign direct investment and leading companies. Leveraging UoM's scale and reputation as one of the world's top universities enables engagement with global philanthropic funders to attract investment to UoM's 'mission-directed' projects that deliver significant societal impact.
- **Commercialisation and Job Creation** – In addition to enhancing the growth of existing companies, UoM is aligned to the Victorian Government's objective of fostering new business creation, by enhancing Victoria's commercialisation activities and knowledge, by fostering attraction and integration of venture capital into our innovation ecosystems, and by addressing any gaps in infrastructure or value chains that slow the formation and viability of local start-ups. UoM also seeks to transform the skills development of its students so that they are not only workforce-ready, but also entrepreneurial, and able to create their own jobs and establish businesses of the future. UoM's degrees contribute to Victoria's social and economic recovery, by supporting professionals to pivot between career paths.
- **Minimising the impact of COVID-19** - The Peter Doherty Institute, a joint venture between the University of Melbourne and Royal Melbourne Hospital continues to play a pivotal role in minimising the impact of COVID-19. The institute has clinicians treating patients in hospitals; scientists continuing to perform tests on suspected cases; epidemiologists working closely with Victorian and Commonwealth Governments on policy; and researchers working on antibody tests, treatments and a vaccine.



## Immediate and Longer-Term Priorities

Immediate and longer-term priorities for collaboration between UoM and the Victorian Government are designed to enable and accelerate the aforementioned areas of shared interest. Most bring together many, if not all, of these elements simultaneously.

### 1. Innovation and Business Precincts

UoM is a cornerstone institution in the Parkville Precinct and supports Victorian Government objectives for Precinct development in a variety of priority sectors. The partnership with the Victorian Government will aim to deliver capital, research infrastructure and programmatic initiatives across the Melbourne Biomedical Precinct that will cement the Precinct as Australia's premier health and medtech destination. UoM also seeks to ensure that Melbourne Connect — developed in partnership with the Victorian Government — fully realises its vision to become Australia's premier digital innovation precinct.

UoM remains committed to the Victorian Government's vision for the Fishermans Bend Precinct of 80,000 new jobs and 80,000 residents by 2050. Ongoing partnership with the Victorian Government will ensure that UoM's new Fishermans Bend campus meets shared objectives and attracts industry and talent to Fishermans Bend.

UoM has substantial and ongoing investments in the Southbank Precinct, and has regional presence across the Goulburn Valley via its Shepparton and Dookie campuses. Continued collaborative engagement with the Victorian Government will enrich and maximise UoM's contribution to these Precincts and Regions.

### 2. Economic and Social Impact

The partnership represents a game-changing opportunity to deliver near-term economic impact in areas that are also aligned to shared longer-term objectives.

The collaboration between UoM and the Victorian Government will pursue shared priority objectives under the following themes:

- Attracting and Securing Major Industry Partnerships
- Accelerating Applied Research and Translation
- Facilitating Commercialisation, Venture Capital and New Business Creation
- Strengthening Victorian Education and Workforce Development
- Support for Diversity, Inclusion and Disadvantaged Cohorts
- Attracting Foreign Direct Investment to Victoria
- Securing Commonwealth R&D Funding for Victoria

### 3. Economic and Social Impact

UoM has developed effective mechanisms of collaborative engagement with several Victorian Government Departments. This engagement is exemplified by:

- UoM's MOU with Invest Victoria, where both parties have agreed to work jointly to maximise economic value creation for Victoria in areas aligned to both organisations' strategic priorities.
- UoM's agreement with the Department of Education and Training to expand its provision of employment-based teacher education.
- Collaboration between the Department of Health (DoH) and UoM to foster innovation in Victoria's public health system, including the long-running strategic partnership with the North Division of DoH.
- Through partnership with the Peter Doherty Institute, UoM has engaged in a secure data sharing agreement with DoH to facilitate improved detection, surveillance and control of COVID-19 in Victoria, and to enable the integration of departmental epidemiological data with genomic data.



# 5. Mechanisms for ongoing engagement

Practical ways in which the Government of Victoria and all Victorian Universities will engage and work together in partnership

- Victorian Government officials (coordinated through the Department of Education and Training) and Vice-Chancellors meet regularly to discuss ideas, share information and address shared challenges and issues. Information and knowledge garnered from this engagement is shared with relevant Departments across Victorian Government and within universities, as appropriate.
- A forum is held periodically where Vice-Chancellors can engage directly with relevant Victorian Government Minister(s)
- To take forward initiatives of mutual benefit, existing working groups that align to the priority areas identified in the Partnership Agreements will be used wherever possible, with new working groups developed only if essential. This includes bilateral groups between the Victorian Government and individual universities to progress their priorities for collaboration as well as multi-lateral groups for shared objectives. All working groups should include relevant Departments from across Victorian Government and appropriate officials from within universities to ensure a joined up approach.

**Signed for and on behalf of University of Melbourne**

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Professor Duncan Maskell  
Vice-Chancellor and President

On the 14<sup>th</sup> day of January 2021

**Signed for and on behalf of the State Government of Victoria**

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The Hon. Gayle Tierney  
Minister for Higher Education

On the 16 day of February 2021

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Tim Pallas MP  
Treasurer

On the 28 day of January 2021