

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

4 – 6 June 2013

Question: BET 77

Topic: Spending on Education

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Senator WATERS asked:

Senator WATERS: Lastly, the OECD states, in its latest economic survey of Australia:

... sustaining broad-based increases in living standards calls for policies to improve vocational and higher education outcomes to meet future skill needs ...

How does Australia's spending on education compare with its peers?

Dr Gruen: We are the wrong people, I am afraid. It should be the Fiscal Group.

Senator Wong: If we can take it on notice, we will get back to you. Can I just clarify, so we make sure that we refer it to the right people—the stranded assets question is about coalmines?

Senator WATERS: Yes. If we have to keep 60 to 80 per cent of our coal reserves in the ground to avoid two degrees, as those reports I cited contend, how much of our current coal reserves will become wasted assets or stranded capital? I am also interested, then, in the effect of the growing coal seam gas industry and whether that will mean that even fewer coalmines can open or expand.

Dr Gruen: That is a question for Fiscal Group.

Senator Wong: We will take it on notice. I suspect, to be frank, that the answer might be that you are asking them to engage in a hypothetical, so I doubt that officials will respond. But we will see what we can find.

Senator WATERS: I am interested in any thoughts that they can share on that point. Thanks very much.

Answer:

In 2010, Australia's expenditure on tertiary institutions (higher education plus VET diplomas and advanced diplomas), from public and private sources, was 1.6 per cent of GDP, which was equal to the OECD average.

Source: OECD *Education at Glance 2013* Table B2.2

Note: International comparative data are based on the level of education rather the type of institution. The data quoted above excludes VET data relating to certificates I to IV. Expenditure on certificates is distributed among the lower secondary, upper secondary and post-secondary non-tertiary categories and is not published separately.