

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
 Industry, Innovation, Science, Research and Tertiary Education Portfolio
 Additional Estimates Hearing 2011-12
 15 February 2012

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

TOPIC: Demand Driven Higher Education – \$35.7 billion Teaching and Learning in Universities

REFERENCE: Written Question – Senator Rhiannon

QUESTION No.: AI-181

The Australian Govt is providing some \$35.7 billion for teaching and learning over the next 4 years:

What is the expected breakdown of what that money will fund on the ground eg. How much of that money is expected to pay teachers wages; resources; professional development such as teaching skills etc?

ANSWER

Table 1 shows the allocation of \$35.7 billion in Higher Education Support Act (HESA) Teaching and Learning Grants over the period 2011-12 to 2014-15. Teaching and Learning Grants are provided to universities without stipulating funding to be spent on particular expenditure items. The Australian Government recognises that universities are autonomous institutions that are responsible for determining their own missions, aspirations and strategies for their achievement.

Table 1: HESA Teaching and Learning Grants 2011-12 to 2014-15, Major Funding Items

Major Items	\$'000
Commonwealth Grant Scheme (CGS)	\$24,082,335
Higher Education Loan Program (HELP)	\$6,984,474
Superannuation Grants - expense	\$1,530,441
Education Investment Fund (EIF)	\$898,400
National Institutes	\$804,840
HE Participation and Partnership Program (HEPPP)	\$714,242
Other	\$392,936
Diversity & Structural Adjustment Fund (SAF)	\$193,531
Learning Scholarships	\$139,738
Total Funding	\$35,740,936

Table 2 shows expenses of higher education providers in 2010 across employee benefits and on-costs, depreciation and amortisation etc. The Department publishes the *Adjusted financial statements for higher education providers as listed in the Higher Education Support Act 2003*, annually.

Table 2: Adjusted Statement of Expenses for Higher Education Providers, 2010

	\$'000	% of Total Exp.
	All Institutions	
Total Expenses from Continuing Operations	20,139,697	100.0%
Employee Benefits and On-Costs	11,700,826	58.1%
Academic Employee Benefits	6,216,528	30.9%
<i>Academic Salaries</i>	4,803,750	23.9%
<i>Academic Contributions to Superannuation and Pension Schemes</i>	703,767	3.5%
<i>Academic Payroll Tax</i>	295,263	1.5%
<i>Academic Workers Compensation</i>	24,331	0.1%
<i>Academic Long Service Leave Expense</i>	112,930	0.6%
<i>Academic Annual Leave</i>	216,633	1.1%
<i>Other Academic Employee Benefits</i>	59,854	0.3%
Non-Academic Employee Benefits	5,484,298	27.2%
<i>Non-Academic Salaries</i>	4,182,955	20.8%
<i>Non-Academic Contributions to Superannuation and Pension Schemes</i>	618,875	3.1%
<i>Non-Academic Payroll Tax</i>	258,650	1.3%
<i>Non-Academic Workers Compensation</i>	21,311	0.1%
<i>Non-Academic Long Service Leave Expense</i>	117,250	0.6%
<i>Non-Academic Annual Leave</i>	226,646	1.1%
<i>Other Non-Academic Employee Benefits</i>	58,611	0.3%
Depreciation and Amortisation	1,267,285	6.3%
Repairs and Maintenance	619,623	3.1%
Finance Costs	120,511	0.6%
Impairment of Assets	141,783	0.7%
Investment Losses	4,322	0.0%
Deferred Superannuation Expense	10,648	0.1%
Other Expenses	6,274,699	31.2%
<i>Scholarships, Grants and Prizes</i>	1,136,182	5.6%
<i>Non-Capitalised Equipment</i>	327,939	1.6%
<i>Advertising, Marketing and Promotional Expenses</i>	202,260	1.0%
<i>Other Expenditure</i>	4,608,318	22.9%
Operating Result Before Income Tax	2,018,769	10.0%
Discontinued Operations	(35,926)	-0.2%
Income Tax Expense	(1,296)	0.0%
Net Operating Result for the Year	1,981,547	9.8%