

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2005-2006 ADDITIONAL ESTIMATES HEARING

Outcome: 2

Output Group: 2.1 – Funding for Vocational Education and Training

DEST Question No. E908_06

Senator Wong provided in writing.

Refers to DEST Question No E808_06.

Question:

In answer to Question No. 808_06, DEST advised that “the indexation rates used in the forward estimates for the *Skilling Australia’s Workforce Act 2005* are Wage Cost Index One for Recurrent funding and Wage Cost Index Six for Capital funding.”

(a) What is the proportion, and dollar value, of the total funding indexed at:

- Wage Cost Index One (recurrent funding) and
- Wage Cost Index Six (capital funding)

(b) What were these index rates in 2005 and 2006?

Answer:

Wage Cost Index One and Wage Cost Index Six rates for 2005 and 2006.

(a) Proportion and dollar value of total funding indexed at WCI 1 and WCI 6 for 2006

	Total Funding (\$m)	Estimated Dollar value of Indexation (\$m)	Proportion of Total Funding
WCI 1 (Recurrent)	994.801	21.886	82.62%
WCI 6 (Capital)	209.306	5.023	17.38%
Totals	1,204.107	26.909	100%

(b) Index Rates for 2005

Year	WCI 1 (Recurrent) %	WCI 6 (Capital) %
2005 (actual)	2.20	2.20

The 2006 indexation rate is expected to be set in October 2006.