

EDUCATION, SCIENCE AND TRAINING

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

Outcome: 2
Output Group: 2.4 – Funding for Higher Education

DEST Question No. E420_06

Senator Stott Despoja provided in writing.

Question:

In regard to the \$9.2m over 4 years for DEST provided in the Budget for implementation of Backing Australia's Future -

- a) Why does DEST need this extra money?
- b) Is this related to an increase in red tape for universities?
- c) If DEST needs extra funding, is it likely that universities' compliance/reporting costs would also have increased?
- d) What is the extra financial burden on universities? Has DEST done any research on this?
- e) Is the \$250,000 provided to universities for implementation of BAF enough to cover all implementation costs?
- f) Will universities have to use funds designated for research or teaching to implement the extensive changes and to meet new reporting requirements resulting from the BAF policy? If yes, how much?

Answer:

Backing Australia's Future

- a) Funding is required to support the additional workload in the Department associated with the ongoing implementation, maintenance and administration of the higher education reform initiatives beyond 2004-05. Additional workload includes:
 - Arrangements for new private higher education providers including the management and scrutiny of applications and approvals of those providers;
 - Changes to data specification, quality control and analysis, including the management of Commonwealth Higher Education Student Support Numbers;
 - Introduction and management of the Commonwealth Grants Scheme (including the allocation of new places), the Student Learning Entitlement, the Commonwealth Learning Scholarships, the Learning and Teaching Performance Fund, the Indigenous Support Fund, the Collaboration and Structural Reform Fund and the Workplace Productivity Programme; and
 - Expansion of the student loan programme under the Higher Education Loan Programme (HELP), in particular the introduction of FEE-HELP.
- b) No. Every effort has and is being made to ensure that the reforms do not increase the level of 'red tape' for universities. The Australian Government's data and information collection is driven by its accountability responsibilities for implementing and managing Government policies and programmes. Reporting requirements under *Backing Australia's Future* are for the purpose of proper management and accountability of public funding provided under programmes legislated in the *Higher Education Support Act 2003*.

- c) Higher Education providers have a range of accountability obligations to the Commonwealth, before and after the implementation of the reforms. The Commonwealth will provide \$7.8 billion to the Higher Education Sector in 2005-06. It is reasonable to expect that the use of these funds is fully reported and accounted for.
- d) The Department has not done any research on the financial burden on universities of the implementation of reforms under *Backing Australia's Future*.
- e) The \$250,000 per university was a contribution to each University to assist with their ability to participate in the Higher Education Information Management System project. Through the Higher Education Information Management System project, the Department is implementing alternative means to collect data from universities that decreases the burden of the collection process, so that universities can focus their efforts on improving the quality and timeliness of data.
- f) See e) above.