

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2006-2007 BUDGET ESTIMATES HEARING

Outcome: 2

Output Group: 2.4 – Funding for Higher Education

DEST Question No. E055_07

Senator Wong asked on 1 June 2006, EWRE Hansard page 28.

Question:

Can you tell me then what the assumed rate of wage increase was, therefore, for 2005-06? I want to unpack how you get to 1.9 per cent and 2 per cent.

Answer:

Higher Education Indexation Factor (HEIF) – Wage Increase for HESA Grants

The HEIF is made up of 75% Safety Net Adjustment (SNA) and 25% Consumer Price Index (CPI).

For 2006 and 2007, the value of the SNA increase was the same. The variation in the HEIF between those years arises from the levels of CPI growth forecast for those two years.