

EDUCATION, SCIENCE AND TRAINING

**SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE
2007-2008 BUDGET ESTIMATES HEARING**

Outcome 2 - HIGHER EDUCATION

DEST Question No. E146_08

Senator Stott Despoja provided in writing.

Question:

What is the Government's assessment of concerns from the sector that the current calculation of indexation is insufficient for keeping track of rising costs – particularly the view that the Safety Net Adjustment for wages is not an accurate measure of inflation because it does not account for the real increase in salaries?

Answer:

Indexation calculation

The *Review of Indexation Arrangements in the Higher Education Sector* in 2005 considered this issue.

The Government accepted the *Review* findings that the current indexation arrangements are appropriate.