

**Senate Standing Committee on Education Employment and Workplace Relations**

**QUESTIONS ON NOTICE  
Supplementary Budget Estimates 2011-2012**

**Outcome 3 - Tertiary, Skills, International and Indigenous Strategy**

**DEEWR Question No. EW0666\_12**

**Senator Rhiannon provided in writing.**

**Question**

**Demand Driven funding**

Why did the government decide to bring on the Demand Driven funding legislation before the reporting date for the Base Funding Review?

**Answer**

The introduction of demand driven funding for bachelor level courses is to assist in the achievement of the Government's attainment target that by 2025, 40 per cent of Australian 25 to 34 year olds will have a bachelor level or above qualification. This attainment target was recommended by the Bradley Review of Australian Higher Education.

The Government commenced implementing this policy in 2010 and 2011 by increasing the over enrolment limit to 10 per cent. Demand driven funding for bachelor level courses commences in 2012. These arrangements ensure that progress towards the target commences within a timeframe that does not jeopardise its achievement.

The base funding review delivers on another Government commitment arising from the Bradley Review of Australian Higher Education. That commitment was to

*commission a review of the base funding levels for learning and teaching in higher education to ensure that funding levels remain internationally competitive and appropriate for the sector, together with work on options for achieving a more rational and consistent sharing of costs between students and across discipline clusters*

The passage of the *Higher Education Support Amendment (Demand Driven Funding System and Other Measures) Bill 2011* does not prevent the Government from considering and implementing any recommendation arising from the base funding review.