

21 October 2014

Senator Bridget McKenzie
Chair, Senate Education and Employment Legislation Committee
PO Box 6100
Parliament House
Canberra, ACT 2600

Dear Senator McKenzie

I am writing to respond formally to the questions taken on notice during my appearance before the Senate Education and Employment Legislation Committee hearing into the Higher Education and Research Reform Amendment Bill (2014) held in Melbourne on 10 October.

The draft Hansard transcript confirms my understanding that I agreed during my appearance to provide responses to two questions from Senator Carr. Please find these below:

Question: Can you confirm that the growth in Commonwealth funding from 2007 through 2013 in the case of the University of Newcastle was 66.31 per cent?

Response: Based on the University's annual accounts, the University of Newcastle's analysis indicates growth in Commonwealth funding from 2007-13 as follows:

	2007	2013	% change
All Commonwealth funding to UON (excluding one-off capital grants)	\$245,637,000	\$456,132,000	75.6%

Contained within 'All Commonwealth funding' is all Commonwealth Grant Scheme funding and other grants including Indigenous Support, Equity Support, Disability Support, Workplace Productivity and Reform, Learning and Teaching Performance, Transitional Cost and Higher Education Partnership and Participation Funding. Also included are all HELP programs, including HECS-HELP, FEE-HELP and SA-HELP, and all Research Block Grants and Scholarships. Not included are "one-off" capital funds including the Capital Development Pool and the \$26.4 million received for a capital project co-funded by the Education Investment Fund, the University's NeW Space city campus.

In seeking to contextualise this increase, the Committee may wish to be aware that the University recorded growth of approximately 31 per cent in its Commonwealth supported student enrolments across the 2007-13 period, which reflects the University's response to the introduction of the demand-driven system of student funding.

Indexation of Commonwealth Grant Scheme funding accounts for 17.8 per cent of the total growth in Commonwealth funding.

Question: What component of the University of Newcastle's estimated reduction in Commonwealth revenue from 2016 will be attributed to the reduction in Research Training Scheme funding?

Response: In 2014, the University of Newcastle received \$15.2 million in funding under the Research Training Scheme. It is the University's estimate, therefore, that the 10% reduction will deliver a cut of \$1.52 million in the steady state, assuming no growth in research students. The University recognises that any material reduction in funding will be contingent on the impact of higher program costs (payable through the HELP loan system) on student demand from 2016.

I wish to take this opportunity to thank the Committee for the opportunity to appear before you in Melbourne. If the Committee requires any further information regarding the University of Newcastle's submission or positions in relation to the Higher Education and Research Reform Amendment Bill, please contact me.

Yours sincerely,

Andrew Parfitt
Deputy Vice-Chancellor (Academic)

Cc: Professor Caroline McMillen, Vice-Chancellor and President