

Senate Standing Committee on Education and Employment - Education

**QUESTIONS ON NOTICE
Budget Estimates 2014-2015**

Outcome 2 - Schools and Youth

Department of Education Question No. ED0274_15

Senator Carr asked on 4 June 2014 , Hansard page 5

Question

Indexation at CPI

Mr Cook: In some cases indexation around AGSRC was as low as two per cent, which is below CPI. But it was quite variable over the last 10 years. Senator KIM CARR: How often was in below CPI? Mr Cook: I said that in some cases it has been. I would have to take on notice how often that would be. Senator KIM CARR: Would you? I would be really interested to see how often it is below CPI. Ms Paul: Sure. We will do the run of years. Senator KIM CARR: And the higher education indexation rates, are they higher than CPI or lower than CPI? Ms Paul: Why don't we take that on notice and do you a run of years. Senator KIM CARR: And the preschool programs—higher or lower? Ms Paul: I don't know, so why don't we take it on notice and give you a run of years for each program. Senator KIM CARR: I would be interested to know what the effect is of the changes in indexation rate—upper or lower, in terms of program. Ms Paul: Okay. Senator KIM CARR: And the effect of those changes, just in those areas alone. Ms Paul: That is fine.

Answer

AGSRC indexation has been lower than the CPI seven times from 1993 to 2013 as follows:

	CPI *	AGSRC Weighted Average %	Difference
Mar-1995	3.7	2.0	-1.7
Jun-1995	4.5	2.0	-2.5
Sep-1995	5.1	2.0	-3.1
Dec-1995	5.1	2.0	-3.1
Mar-1996	3.8	2.5	-1.3
Jun-1996	3.1	2.5	-0.6
Sep-2008	5.0	4.7	-0.3
<i>* Source: Australian Bureau of Statistics</i>			