

Senate Committee: Education and Employment

**QUESTION ON NOTICE
Budget Estimates 2017 - 2018**

Outcome: Higher Education Research and International

Department of Education and Training Question No. SQ17-000668

Senator O'Neill, Deborah asked on 31 May 2017, Proof Hansard page 134

Efficiency dividend

Question

Senator O'NEILL: Could you take this on notice: if individual universities were subject to both the government's five per cent efficiency dividend—that cut—and the loss of their 7.5 per cent contingent funding, how many universities, based on the 2015 figures, would be in deficit?

Mr Learmonth: I will take it on notice, but, when you are talking about having to provide a bit of data for an established survey on costs and to be transparent in your admission measures, it is hard to see too many universities unable to meet those requirements.

Answer

It is not possible to predict the impact of the efficiency dividend and performance contingent funding on the financial results for individual higher education institutions. There are several variable factors at play with universities having other income sources, such as international student fee revenue, and the ability to make a range of decisions to manage their costs within available revenues. However, the Government has guaranteed that, overall, all performance contingent funding will be returned to the sector.