

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

**QUESTIONS ON NOTICE
Budget Estimates 2010-2011**

Cross Portfolio

DEEWR Question NoEW0320_11:

Senator Mason asked on 2/06/2010, Hansard page 55.

Refers to previous DEEWR Question No: EW0319_11.

Also refers to subsequent DEEWR Question No:EW0321_11.

Question

Allocation of Funding under the Higher Education Endowment Fund.

MYEFO

Mr Storen—No. I am pretty sure that the Treasury document around MYEFO would have disclosed the same numbers, so the mid-year estimates adjustment accounted for that line. Senator MASON—Can we just go to the previous question that I asked about? That line, the \$608 million and the \$304 million, \$304 million and \$304 million—had the planned disbursements changed by the time of that document, in other words, by the time of the supplementary report? Ms Paul—I would probably imagine so. I am not sure; we may have to take that on notice, too

Answer

- At the 2007-08 Budget, in the former Department of Education, Science and Training portfolio, there was a Government decision to establish an expense measure¹ of \$304m under the heading '*Realising our Potential – Higher Education Endowment Fund*'.
- The funding was to commence in 2008-09 and end in 2011-12.
- The \$304m reflected the expected maximum annual draw down at the time of the measure and was subject to future variations.
- DEEWR took responsibility for the spending profile as part of the AAO changes of December 2007.
- At the 2008-09 Budget,² there was a Government decision to re-allocate the total amount of funding that had originally been allocated to 2008-09 to 2009-10.
- The Education Investment Fund forms part of the Nation Building Funds. The Appropriation Source to set up the funds was the *Nation Building Funds Act 2008*.
- The Department of Finance and Deregulation (DoFD) controls these funds (including the EIF asset) and these are recorded in DoFD's Portfolio Budget Statements and annual report.
- DEEWR only provides for payments to be made from the EIF Special Account

¹ 2007-8 DEST Portfolio Budget Statements page 65.

² 2008-09 DEEWR Portfolio Budget Statements page 26.

- (as outlined in the *Nation-building Funds Act 2008*).
- The 2009-10 DEEWR PBS also included funding under the former Higher Education Endowment Fund (HEEF).
 - As identified in the 2009-10 MYEFO³ and DEEWR Portfolio Additional Estimates⁴ documents, the estimated HEEF expense was removed, associated with it being rolled into the EIF.

³ Mid-Year Economic and Fiscal Outlook 2009-10, page 56.

⁴ DEEWR Portfolio Additional Estimates Statements 2009-10, page 26.