

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

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

Cross Portfolio

DEEWR Question No.EW0321_11

Senator Mason asked on 2/06/2010, Hansard page 56.

Refers to previous DEEWR Question No:EW0319_11.

Also refers to previous DEEWR Question No:EW0320_11.

Question

Education Infrastructure Fund Expenses at 2009-10 MYEFO.

PROPOSED EXPENSES

Mr Storen—It is \$121 million. Senator MASON—Why the difference? These are large sums of money. Ms Paul—These are large projects. Ms Randall was talking about the way they were being phased to meet milestones. Ms Randall—Yes. Ms Paul—I can take this on notice, but would they be quite chunky in their profile? Ms Randall—They are. Some of this is estimation of when we will spend funding for grants that have not been determined; when the grants are determined that also shifts money around in the forward estimates. Ms Paul—We can give you examples of something that has been re-profiled. Senator MASON—I am sure my staff are watching, so can you repeat the title of the document that you have? That might help us—I am sure it will help you. Mr Storen—It is the Portfolio Additional Estimates Statements 2009-10, Education, Employment and Workplace Relations Portfolio. The page reference is 26. We have said that we will take it on notice, but we will also see what else we can do to provide further explanation of this. Senator MASON—I do not like mistakes of this magnitude. It is a lot of money. Ms Paul—To be fair to us, it was a transitional year. Not only bringing the department together was a challenge, in terms of financial statements and PBSs, but changing from HEEF to EIF was, too. I take your point entirely, and we will do our best to make it very clear.

Answer

The changes in the EIF expenses profile are summarised below:

- Available funding in 2010-11 was reduced by \$175 million and available funding in 2011-12 was reduced by \$25 million and is now available 2013-14.
- A small number of institutions requested that funding for projects be re-profiled from 2009-10 to 2011-12. The timing of EIF payments is linked to the successful completion of milestones and if, for example, a project experiences delays, the EIF payments will also be delayed.
- In addition to the reporting under Program 3.1 (Higher Education Support)¹, EIF funding is now also reported under Program 3.5 (VET National Support).²
- The 2009-10 PBS also included funding under the former Higher Education Endowment Fund, whereas the 2010-11 PBS accounts for the HEEF appropriation being rolled into the EIF at 2009-10 MYEFO.³

¹ DEEWR 2010-11 Portfolio Budget Statements page 88.

² DEEWR 2010-11 Portfolio Budget Statements page 100.

- As indicated in the 2009-10 MYEFO, the government reduced the allocation of EIF funds available to Round 3 and the Sustainability Round by \$200 million (\$175 million in 2010-11, \$25 million in 2011-12). These funds were re-profiled to 2013-14 and are available for future investment (see Table 2.3.1 on page 88 of the DEEWR PBS).

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