

Enhancing Investment in Australian Higher Education

**Dr Carolyn Allport
National President**

**National Tertiary Education Union
(NTEU)**





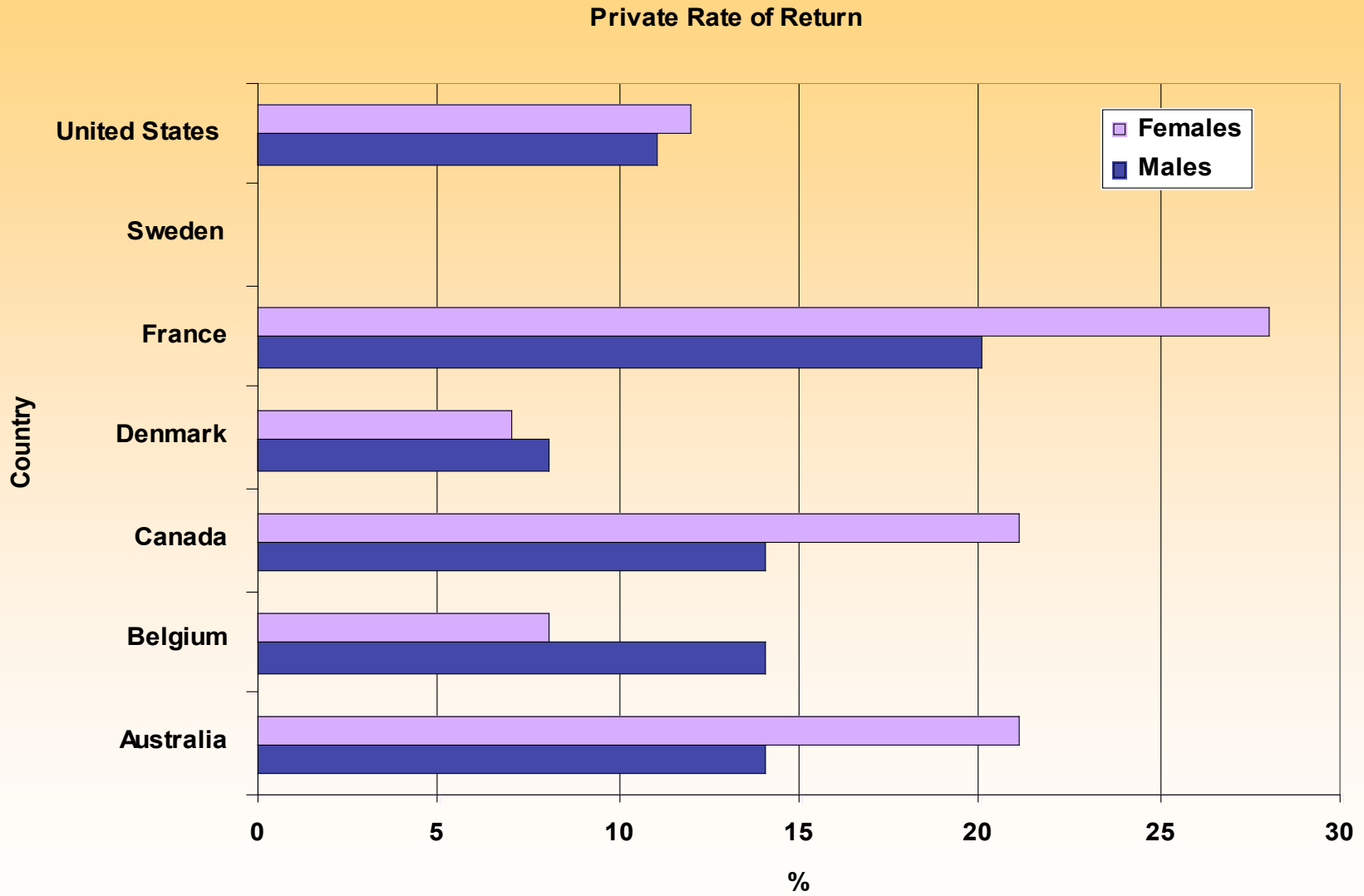
Higher Education is a good investment.

Rates of Return

Recipient	Rate of Return	Nature of Return
Students	Private	Higher Income relative to non-graduates
Community	Social	Higher economic growth and income. NOTE: Estimates do not normally include social and cultural benefits
Government Budget	Fiscal	Increased revenue due to higher incomes.



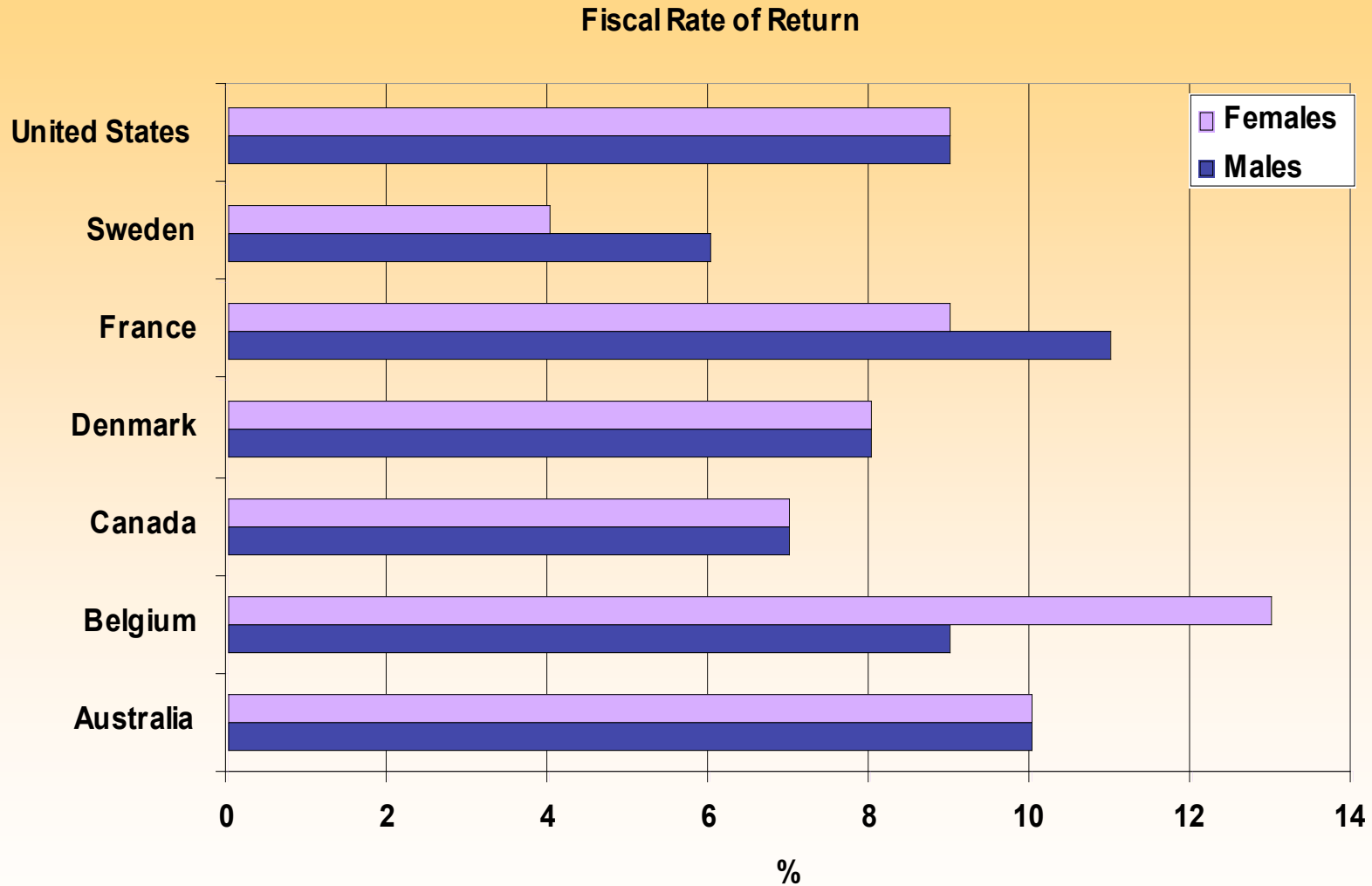
OECD Estimates of Private Rates of Return.



Source: OECD (1999) Table A4.3 page 112



OECD Estimates of Fiscal Rate of Return.

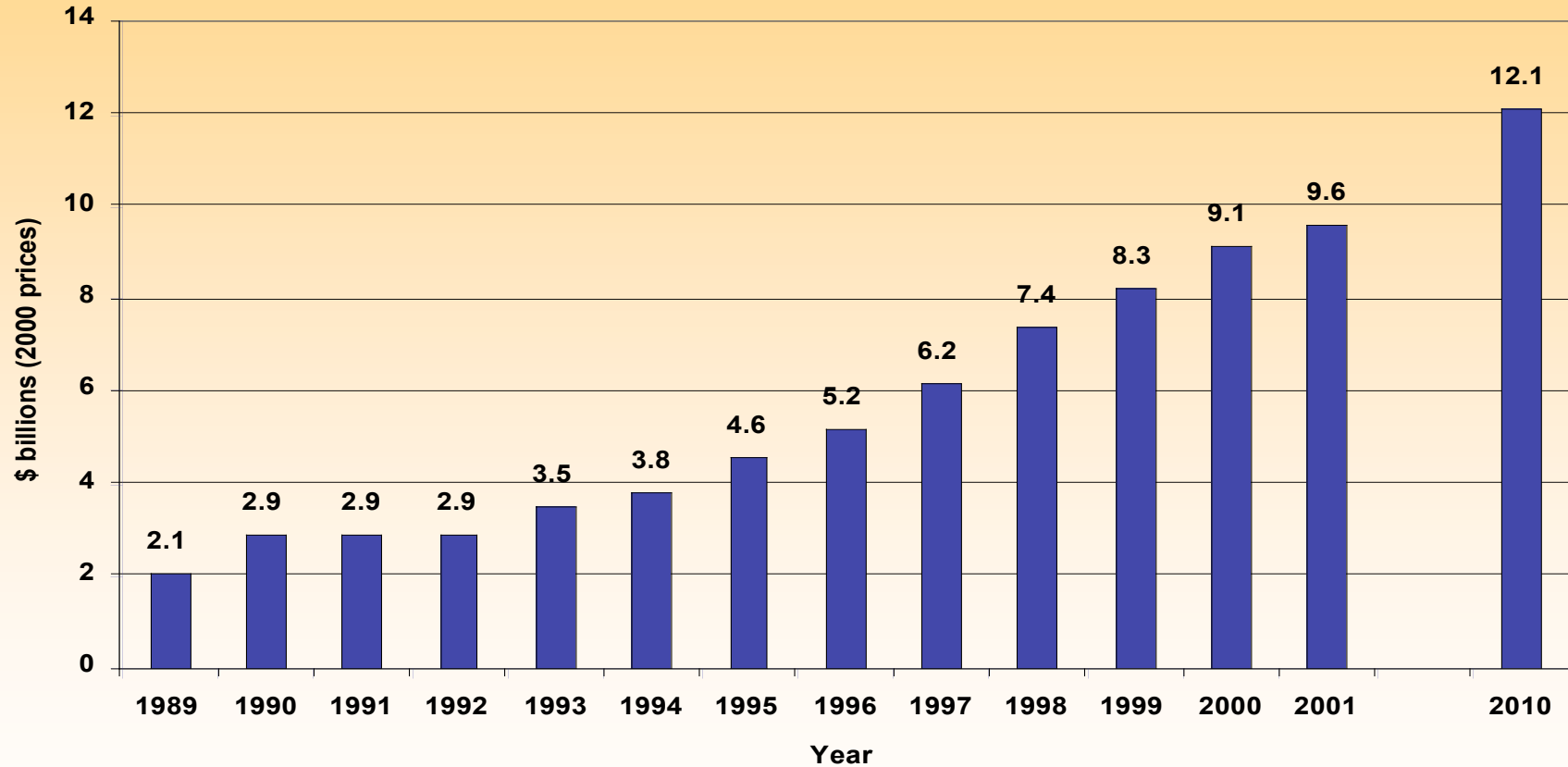


Source: OECD (1999) Table A4.3 page 112



Higher Education's Contribution to the Budget Bottom Line

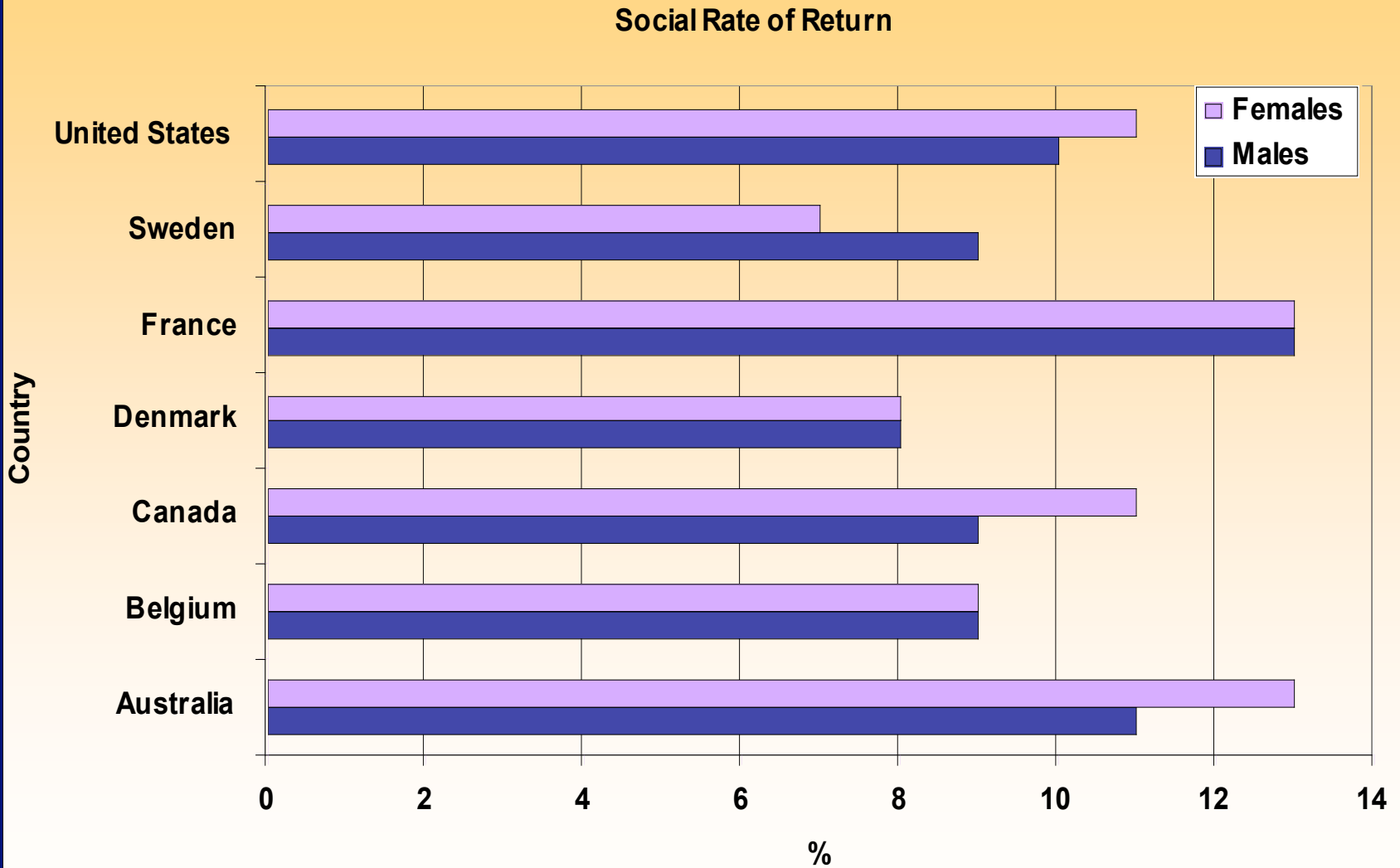
Real Net Benefit to the Government Budget from Higher Education



Source: David Johnson and Roger Wilkins (2003) *The Net Benefit of Higher Education: A "Balance Sheet" Approach* Economic Papers Vol 22 No. 2 Table 2 page 11.

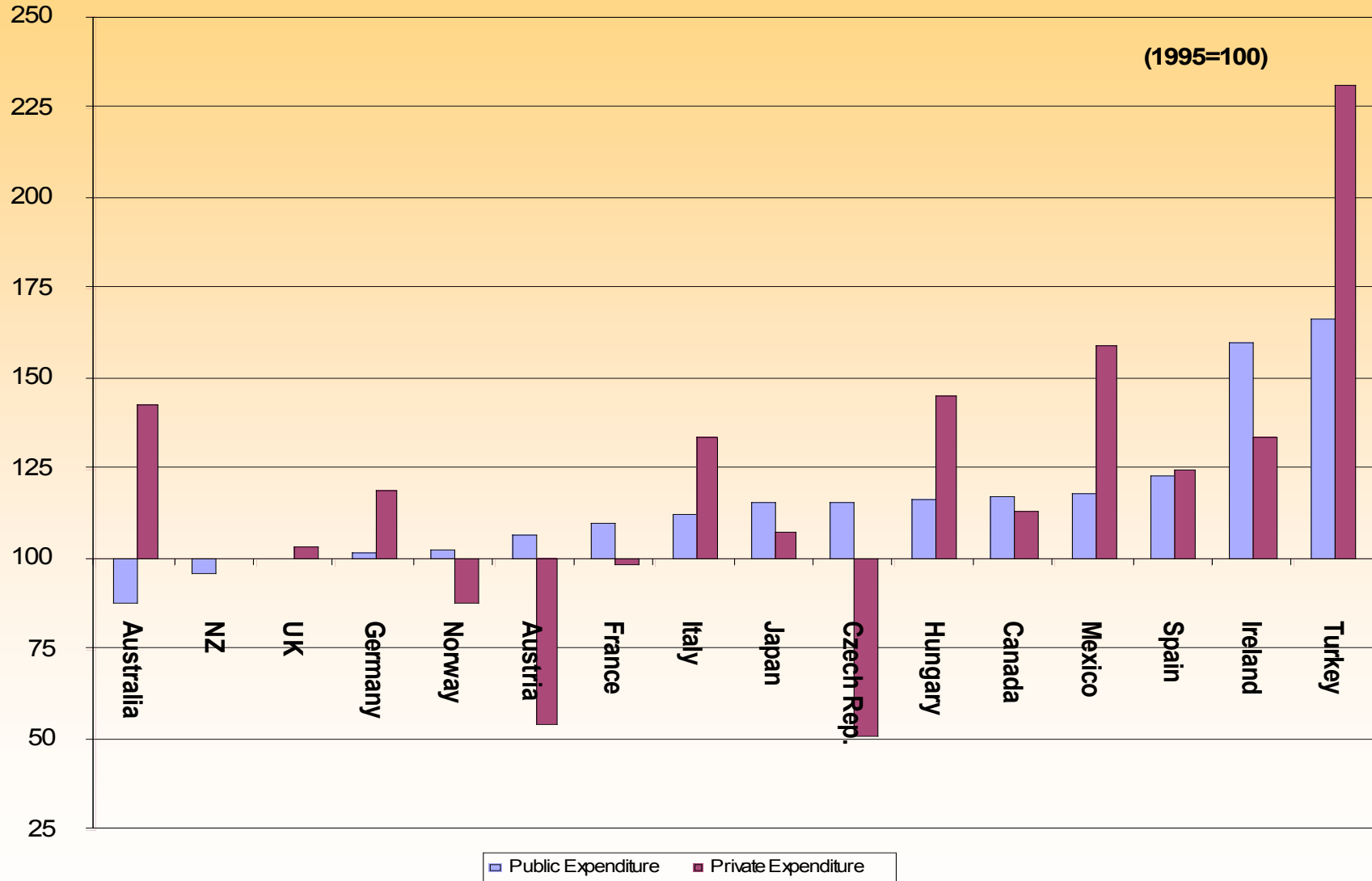


OECD Estimates of Social Rates of Return.



Source: OECD (1999) Table A4.3 page 112

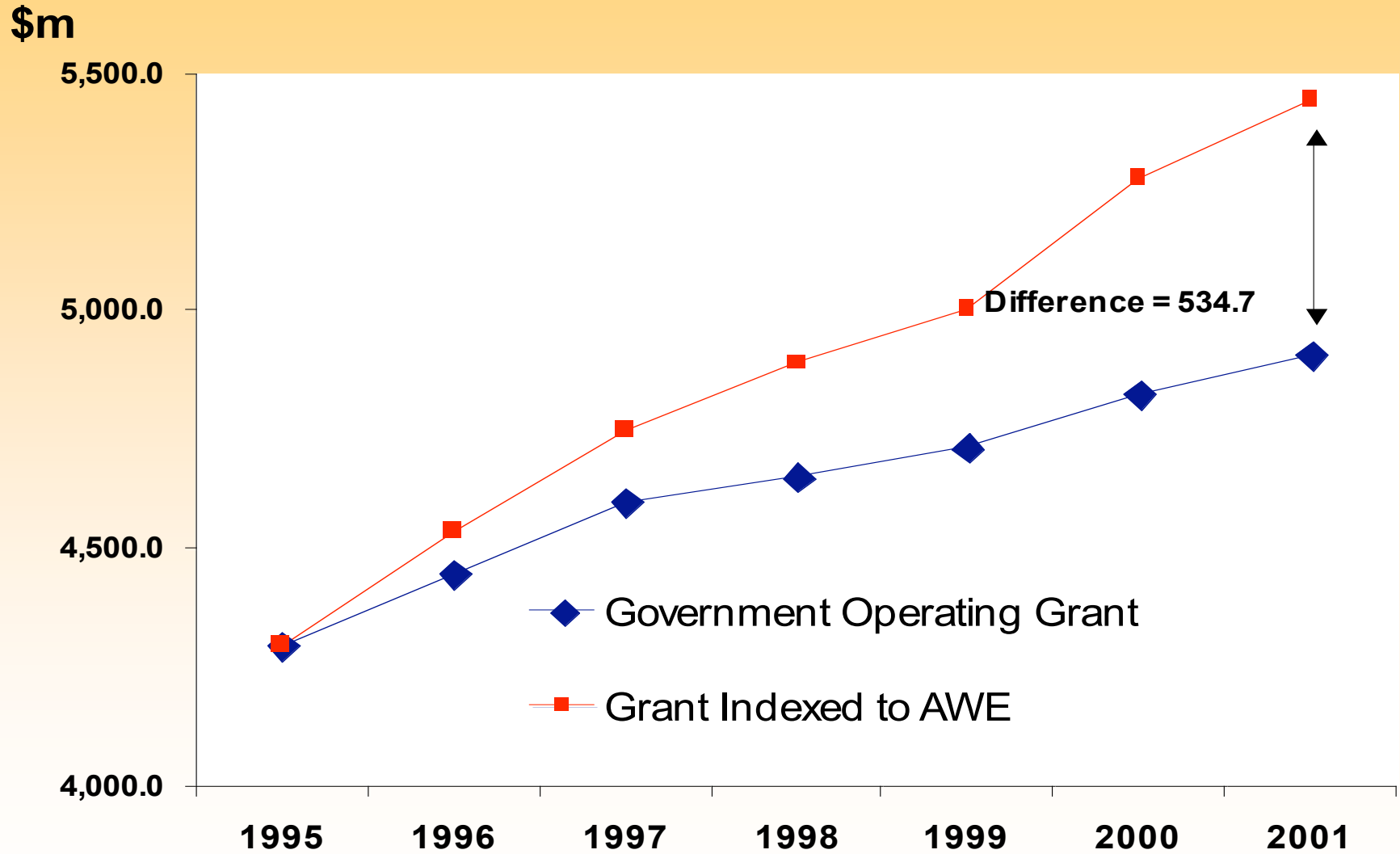
Index of change in public and private expenditure on tertiary institutions between 1995 and 1999 (1995=100)



Source: Education at a Glance: OECD Indicators 2002



University Base Grants: Actual Funding Compared to an AWE Index

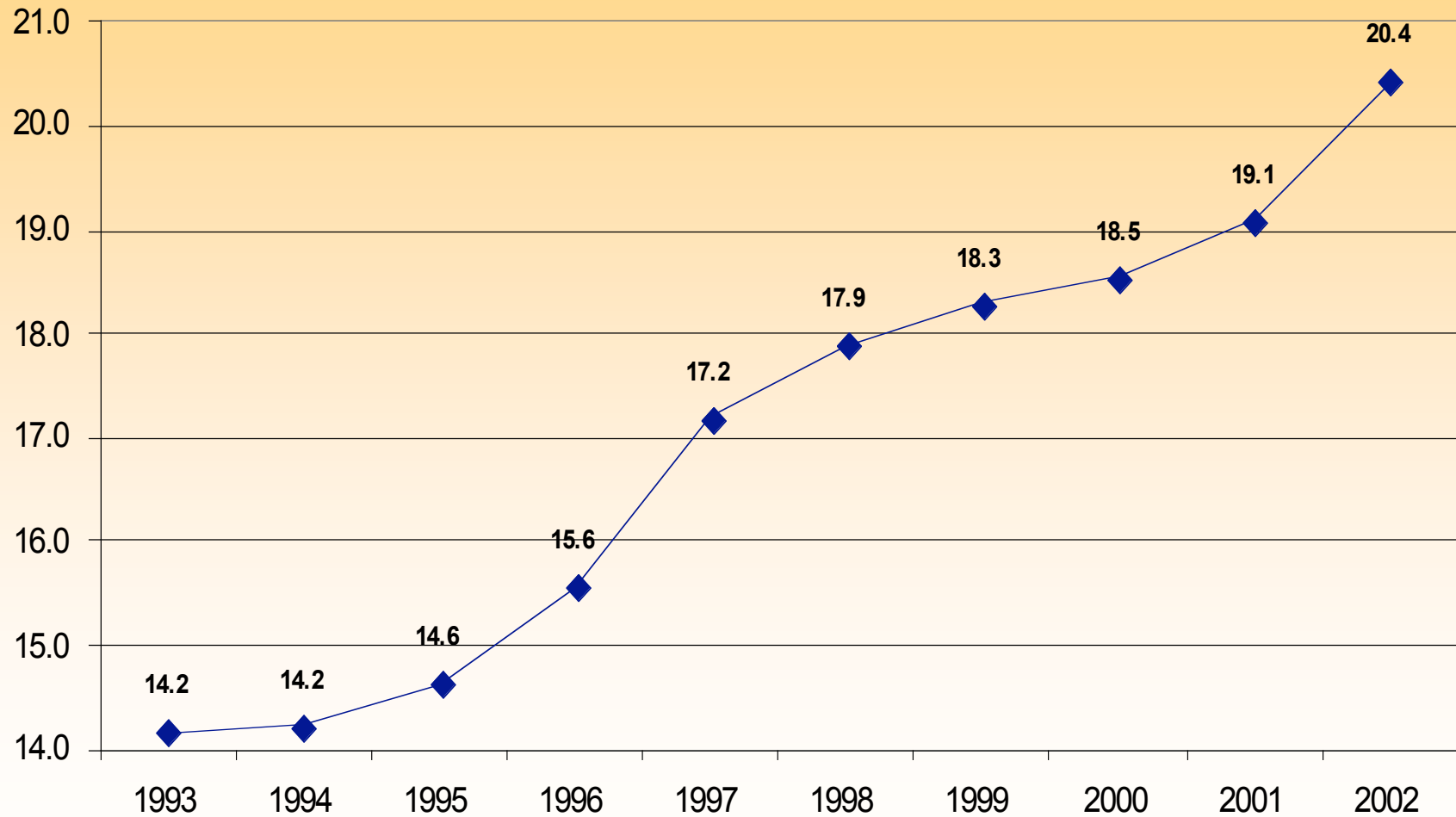


Source: Burke and Phillips, *Funding Issues for Higher Education*, Monash University, October 2001



Student to Staff Ratios 1993 - 2002

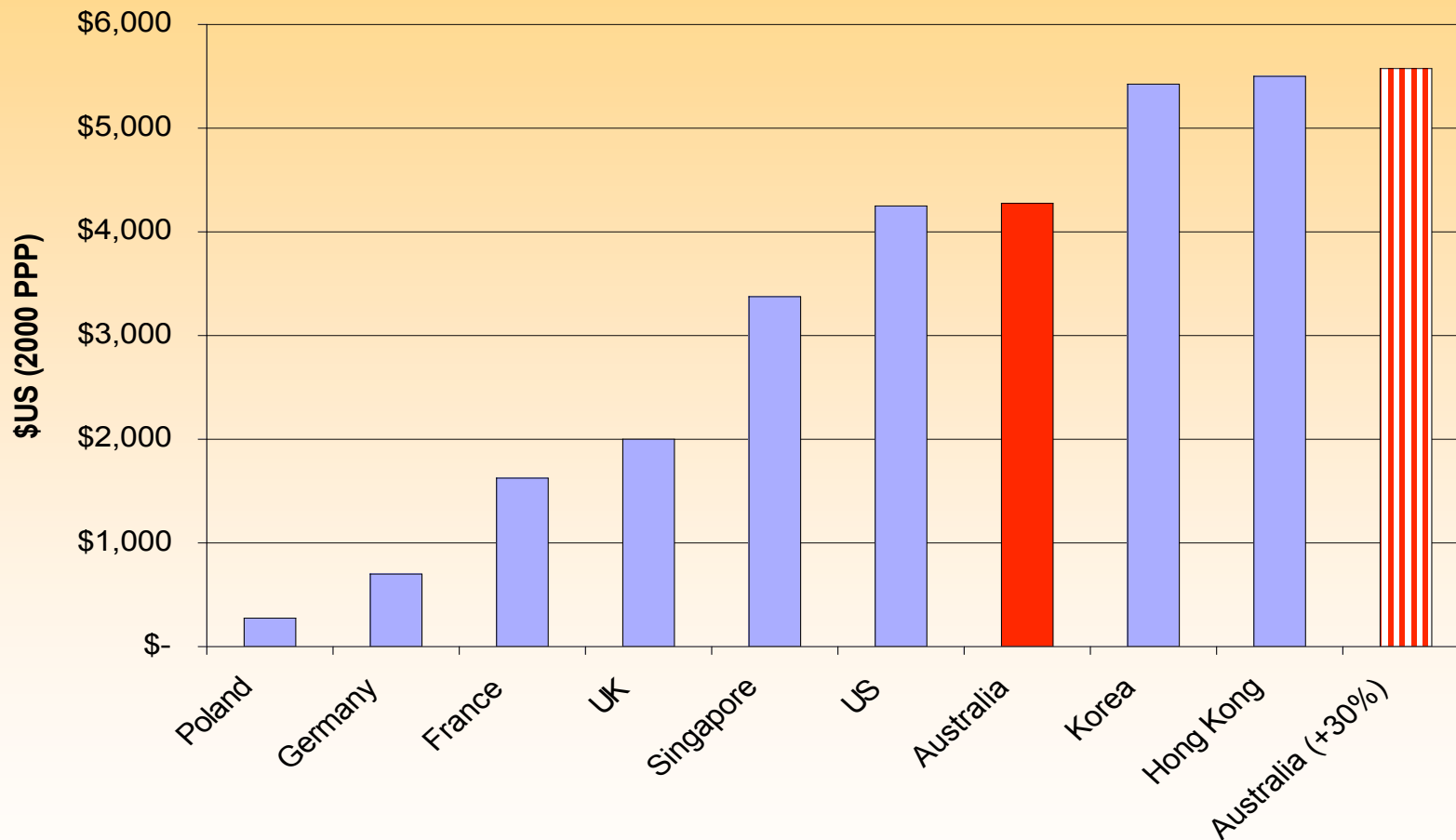
Student to Staff Ratios 1993 - 2002



Source: AVCC Higher Education Statistics 2003

Students already pay too much

Comparitive level of tuition, other fees and other educational expenses in public universities for a medium cost course *



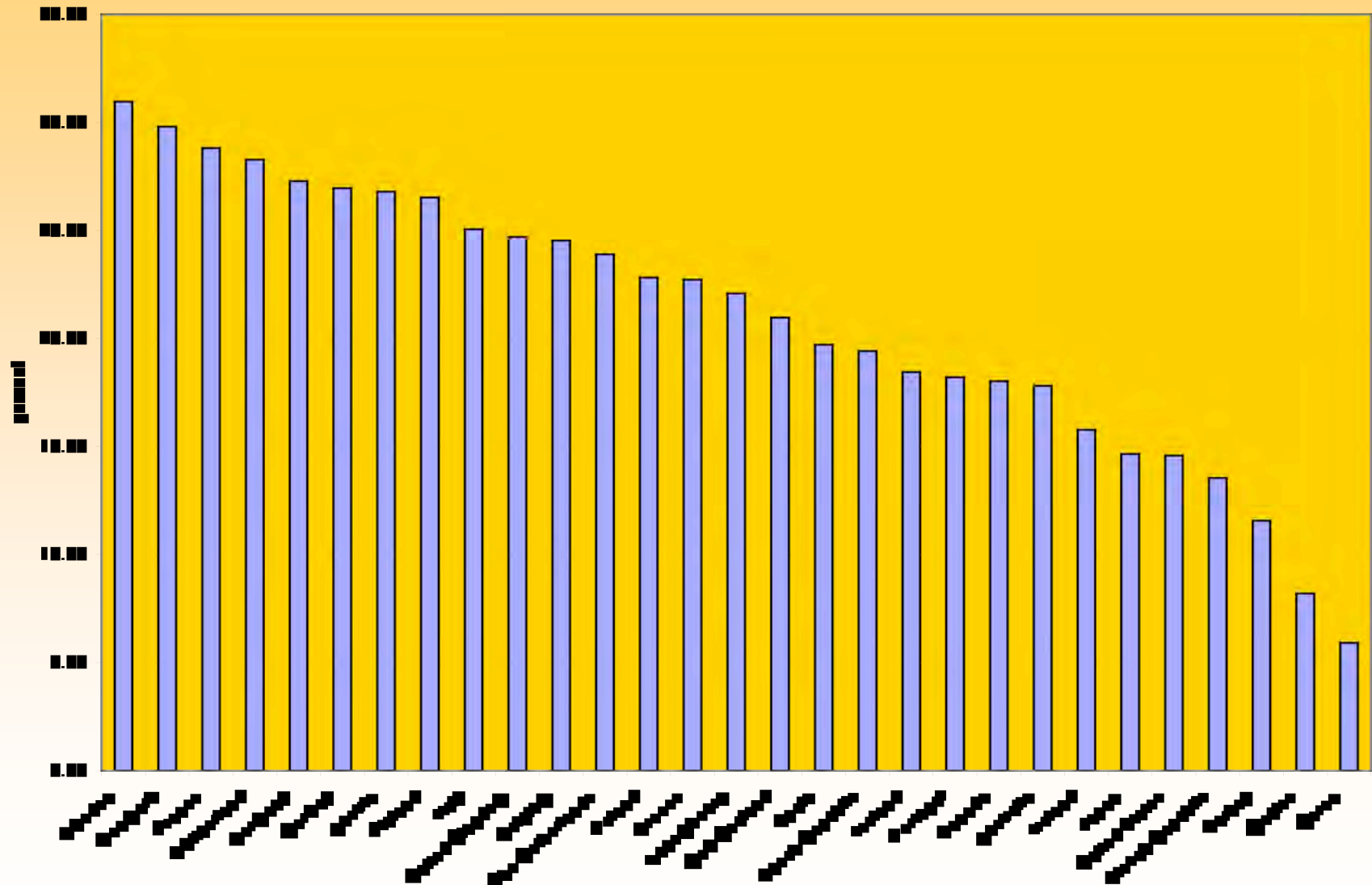
Source: International Comparative Higher Education Finance and Accessibility Project
 (www.gese.buffalo.edu/org/IntHigherEdFinance)

NOTE: *medium cost course include a HECS Band 2 for Australia – for other definitions refer to the source for the Table





Social Expenditure as % of GDP- OECD Countries (1999)



Source: OECD, Taxing Wages, 2000-2001