

2.4.5 Potential Growth

The total Commonwealth education expenditure for 1989-90 was approximately \$20 billion, which is 4.8% of the gross domestic product (GDP). (Canada spends 6.2 % of GDP)

Combined Commonwealth and State expenditure on schools (K-12) for 1991-92 was estimated to be \$9.84 billion. Twenty-three percent of this amount was operating expenditure and the remainder went to staff salaries or building infrastructure.

Private sector expenditure has not exceeded 0.4% of the GDP, but is expected to rise with growth of private sector contributions to higher education, including overseas students' fees, increased TAFE fees; and the stimulation of industry-funded training through initiatives of the National Education and Training Reform Agenda.

The Commonwealth Government funds approximately 11% of total recurrent and capital expenditures on government schools in the States and Territories (1992). TAFE gets Commonwealth Government funding for approximately 9% of recurrent costs and for some 66% of capital costs. Increases of 5% per annum have been suggested as a future requirement. In 1989 the Commonwealth Government spent \$1,570 million (recurrent) on TAFE training. Eighty percent of this (\$1,240 million) involved 'entry level' training. University education has a Commonwealth Government commitment of 3.3% growth per annum.

Industry-funded training expenditure in 1990 was approximately \$1,470 million. Fees for external providers represented \$470 million, with TAFE accounting for approximately 7% of the externally provided market.

Special Budgets for 1993

The report *Higher Education Funding for the 1994-96 Triennium* (DEET 1993)¹ lists key elements of the 1993 budget for higher education as including:

¹ DEET: Department of Employment, Education and Training