

Public Funding of Teaching and Training in Universities:

A View from the South

Ross Williams



Regulation versus Funding Formulae

- Standards
- Society's needs
- Diversity
- Federal/state harmonisation



Public Funding: Undergraduate Programs

- External benefits
- Social rates of return: 15–18 per cent for 4 year degree
- Coursework programs net revenue raiser for government



Funding formulae to encourage diversity

- Direct public funding to universities
- Direct funding to students
- Hybrid Models
- Should public share of funding vary by discipline?



Australian Model for Undergraduates: 2005+

- Law: Maximum “price” is \$9490, comprising direct govt grant of \$1472, HECS payment of \$6414, max top-up is \$1604;
- Medicine: Maximum “price” is \$23,065, comprising direct govt grant of \$15,047, other payments as for Law.
- OECD notes Australia as an outlier



Research and Research Training

- High social rates of return
- Pure vs applied research
- Key role of infrastructure in sciences
- Link to advanced undergraduate



Performance Measures

- “all performance mechanisms distort the process they purport to evaluate” ...to some degree
- Coursework
- Research
- Key role of peer evaluation – keep it simple

