



Australian Government
Department of Education

Calculation of Research Training Program allocations

This document is a practical guide on the calculation of Research Training Program funding for the 2024 to 2026 grant years





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The document must be attributed as the (Calculation of Research Training Program allocations).

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Overview

For the 2024 to 2026 grant years, funding for the Research Training Program (RTP) is allocated to eligible Higher Education Providers (HEPs) based on their relative performance in earning research and development (R&D) income and Higher Degree by Research (HDR) student completions, over the 2 most recent years of data available.

The funding formula to calculate the RTP is set by the [*Higher Education Support \(Commonwealth Scholarships\) Guidelines 2025*](#).

The calculation of RTP can be broken down to the following steps:

1. Calculating a HEP's weighted HDR student completions
2. Calculating a HEP's share by funding driver
3. Calculating a HEP's grant amount
4. Applying the rounding methodology.

Data used

R&D income

R&D income is collected as part of the [Higher Education Research Data Collection](#) (HERDC) and comprises 2 categories for the purposes of calculating RTP:

1. **Competitive income** – R&D income classified as Category 1 in HERDC
2. **Engagement income** – R&D income classified as Categories 2, 3 and 4 in HERDC.

The 2 most recent years of available R&D income is summed together. For example, when calculating 2026 RTP allocations, the 2023 and 2024 data years collected through HERDC is used to calculate the competitive income and engagement income for each HEP.

A time series of [R&D income](#) used to calculate RTP funding is available.

Weighted HDR student completions

HDR student completions are collected as part of the [Higher Education Student Data Collection](#) (HESDC). For the purposes of calculating RTP allocations, weightings are applied to HDR student completions according to the level of the HDR, the cost type of the HDR, whether the student completed an eligible research internship (Research Doctorate students only), and the student's Indigenous or non-Indigenous status.

The two most recent years of data is summed together to form the weighted HDR student completions funding driver. For example, when calculating the 2026 RTP, the 2023 and 2024 data years collected through HESDC is used to calculate the weighted HDR student completions share for each HEP.

Table 1: Weightings for HDR completions

HDR level	Cost type	Completed an eligible research internship	Non-Indigenous student	Indigenous student
Research Doctorate	High	Yes	6.70	11.40
		No	4.70	9.40
	Low	Yes	4.00	6.00
		No	2.00	4.00
Research Masters	High	N/A	2.35	4.70
	Low	N/A	1.00	2.00

Funding pools

RTP funding is distributed to HEPs from a fixed funding pool. The funding pools for the RTP from 2024 to 2026 are listed below:

- 2024 = \$1,198,261,746
- 2025 = \$1,247,390,481
- 2026 = \$1,258,195,455

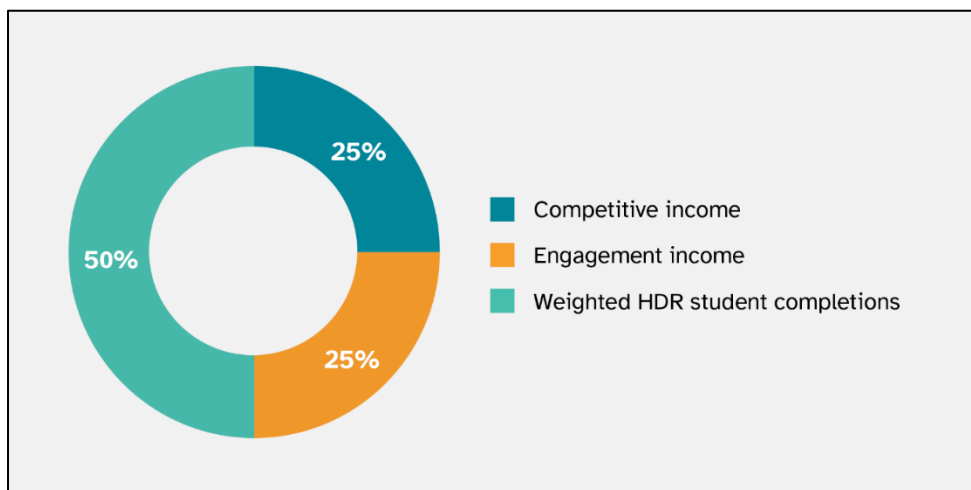
Funding drivers

RTP grant amounts are allocated based on a HEPs share of each funding driver relative to other HEPs. Each funding driver accounts for a proportion of the overall RTP funding pool.

The RTP is comprised of 3 funding drivers:

1. **Competitive income** – 25% of the funding pool
2. **Engagement income** – 25% of the funding pool
3. **Weighted HDR student completions** – 50% of the funding pool.

Figure 1: Proportion of RTP funding pool allocation by funding driver



Part 1: Calculating a HEP's weighted HDR student completions

Calculation steps

Step 1 – Categorise HDR student completions for the 2 most recent years by the HDR type to fill out the 'HDR student completions' column in the working example table below.

Step 2 – Using the weightings for HDR student completions table in the 'Data used' section above, multiply the HDR completions by the weightings for each student and course type. See the 'Weighting' and 'Weighted HDR student completions' columns in the working example table below.

Step 3 – Sum the total of weighted HDR student completions by each student and course type. In the worked example, the total weighted HDR student completions is 1,211.25.

Worked example

Table 2: Calculating a HEP's weighted HDR student completions

Student classification	HDR course type (level – cost – eligible internship)	HDR student completions	Weighting	Weighted HDR student completions
Non-Indigenous	Research masters – high cost	41	2.35	96.35
	Research masters – low cost	28	1	28
	Research doctorate – high cost – eligible internship	7	6.7	46.9
	Research doctorate – high cost – no eligible internship	156	4.7	733.2
	Research doctorate – low cost – eligible internship	2	4	8
	Research doctorate – low cost – no eligible internship	130	2	260
Indigenous	Research masters – high cost	2	4.7	9.4
	Research masters – low cost	3	2	6
	Research doctorate – high cost – eligible internship	1	11.4	11.4
	Research doctorate – high cost – no eligible internship	0	9.4	0
	Research doctorate – low cost – eligible internship	2	6	12
	Research doctorate – low cost – no eligible internship	0	4	0
Total		372	N/A	1,211.25

Part 2: Calculating a HEP's percentage share of each funding driver

Calculation steps

Step 1: Calculating a HEPs competitive income share

A HEP's competitive income share is calculated by the sum of that HEP's Category 1 income for the 2 most recent years divided by the sum of Category 1 income for all eligible HEPs for the 2 most recent years of data. For example, if the grant year is 2026, Category 1 income data from 2023 and 2024 (the 2 most recent years) will be used to calculate the share.

Step 2: Calculating a HEPs engagement income share

A HEP's engagement income share is calculated by the sum of that HEP's Category 2, 3 and 4 income for the 2 most recent years divided by the sum of Category 2, 3 and 4 income for all eligible HEPs for the 2 most recent years of data.

Step 3: Calculating a HEPs weighted HDR student completions share

A HEP's weighted HDR student completions share is calculated by the sum of that HEP's weighted HDR student completions for the two most recent years of weighted HDR student completions divided by the sum of weighted HDR student completions for all eligible HEPs for the two most recent years.

Worked example

Where the HEP has research income and weighted HDR student completions in the 2 most recent years comprising:

- Competitive income: \$36,000,000 and \$44,000,000
- Engagement income: \$30,000,000 and \$40,000,000
- Weighted HDR student completions: 1,600 and 2,000

And the total R&D income and weighted HDR completions for all eligible HEPs in the 2 most recent years is:

- Competitive income: \$1,900,000,000 and \$2,100,000,000
- Engagement income: \$3,400,000,000 and \$3,600,000,000
- Weighted HDR student completions: 55,000 and 65,000

Step 1 – Calculate the HEP's competitive income share

$$= \frac{(\$36,000,000 + \$44,000,000)}{(\$1,900,000,000 + \$2,100,000,000)}$$

$$= \frac{\$80,000,000}{\$4,000,000,000}$$

$$= 2\% \text{ share}$$

Step 2 – Calculate the HEP's engagement income share

$$= \frac{(\$30,000,000 + \$40,000,000)}{(\$3,400,000,000 + \$3,600,000,000)}$$

$$= \frac{\$70,000,000}{\$7,000,000,000}$$

= 1% share

Step 3 – Calculate the HEP's weighted HDR student completions share

$$= \frac{(1,600 + 2,000)}{(55,000 + 65,000)}$$

$$= \frac{3,600}{120,000} = 3\% \text{ share}$$

Part 3: Calculating a HEP's RTP grant amount

Calculation steps

Step 1 – A HEP's competitive income component is calculated by multiplying 25% of the RTP funding pool by the HEP's share of competitive income.

Step 2 – A HEP's engagement income component is calculated by multiplying 25% of the RTP funding pool by the HEP's share of engagement income.

Step 3 – A HEP's weighted HDR student completions component is calculated by multiplying 50% of the RTP funding pool by the HEP's share of weighted HDR student completions.

Step 4 – The 3 amounts calculated above are added together to determine a HEP's grant amount.

Equation 1: Calculating a HEP's RTP grant amount



Worked example

Step 1 – Calculate the HEP's competitive income component where the total RTP funding pool is \$1,000,000,000

$$\begin{aligned} &= 25\% \times \$1,000,000,000 \times \text{competitive income share} \\ &= 25\% \times \$1,000,000,000 \times 2\% \\ &= \$250,000,000 \times 2\% \\ &= \$5,000,000 \end{aligned}$$

Step 2 – Calculate the HEP's engagement income component where the total RTP funding pool is \$1,000,000,000

$$\begin{aligned} &= 25\% \times \$1,000,000,000 \times \text{engagement income share} \\ &= 25\% \times \$1,000,000,000 \times 1\% \\ &= \$250,000,000 \times 1\% \\ &= \$2,500,000 \end{aligned}$$

Step 3 – Calculate the HEP's weighted HDR student completions component where the total RTP funding pool is \$1,000,000,000

$$\begin{aligned} &= 50\% \times \$1,000,000,000 \times \text{weighted HDR students completion share} \\ &= 50\% \times \$1,000,000,000 \times 3\% \\ &= \$500,000,000 \times 3\% \end{aligned}$$

= \$15,000,000

Step 4 – Calculate the HEP's RTP grant amount

= \$5,000,000 + \$2,500,000 + \$15,000,000

= \$22,500,000

Part 4: Applying rounding to calculate a HEP's RTP grant amount

Calculation steps

Step 1 – The RTP grant amount for each HEP is rounded down to the nearest dollar.

Step 2 – The rounded down RTP grant amount is subtracted from the unrounded RTP grant amount. The difference in cents between a HEP's rounded down and unrounded RTP grant amount is its remainder. The sum of all remainders is the unallocated dollars.

Step 3 – Each HEP is ranked in descending order based on their remainder's closeness to 100 cents.

Step 4 – One dollar is assigned to each HEP's rounded RTP grant amount in order of ranking until all unallocated dollars are exhausted. Each HEP's RTP grant amount is equal to the rounded down RTP grant amount plus any whole dollars.

Worked example

Where there are 3 HEPs with the following RTP grant amounts:

- HEP A: \$8,250,000.61
- HEP B: \$7,500,000.92
- HEP C: \$5,750,000.47
- *Total: \$21,500,002.00*

Step 1 – Round the RTP grant amount for each HEP down to the nearest dollar.

- HEP A: \$8,250,000.61 rounds down to \$8,250,000
- HEP B: \$7,500,000.92 rounds down to \$7,500,000
- HEP C: \$5,750,000.47 rounds down to \$5,750,000
- *Rounded down total: \$21,500,000.00*

Step 2 – Subtract the rounded down RTP grant amount from the unrounded RTP grant amount. The sum of all remainders is the unallocated dollars.

- HEP A: $\$8,250,000.61 - \$8,250,000 = 0.61$
- HEP B: $\$7,500,000.92 - \$7,500,000 = 0.92$
- HEP C: $\$5,750,000.47 - \$5,750,000 = 0.47$
- *Unallocated dollars: $(0.61 + 0.92 + 0.47) = 2.00$*

Step 3 – Rank HEPs in descending order based on their remainder's closeness to 100 cents.

- HEP B: 92 cents
- HEP A: 61 cents
- HEP C: 47 cents

Step 4 – Assign one dollar to each HEP's rounded RTP grant amount in order of ranking until all unallocated dollars are exhausted. Calculate each HEP's RTP grant amount by adding the rounded down RTP grant amount and any whole dollars assigned.

Assigned dollar:

- HEP B: \$1
- HEP A: \$1
- HEP C: \$0

Final RTP grant amount:

- HEP A: $\$8,250,000 + \$1 = \$8,250,001.00$
- HEP B: $\$7,500,000 + \$1 = \$7,500,001.00$
- HEP C: $\$5,750,000 + \$0 = \$5,750,000.00$
- *Total:* $\$21,500,002.00$