

Senate Committee: Education and Employment

QUESTION ON NOTICE

Supplementary Budget Estimates 2016 - 2017

Outcome: Skills and Training

Department of Education and Training Question No. SQ16-000887

Senator Hanson-Young, Sarah provided in writing

Student debts

Question

Will students who were lumped with unfair debts have them wiped automatically?
Are the unfair debts incurred through unscrupulous recruitment and incentivisation techniques expected to be repaid at the same rate as usual student debts?
What modelling is used to predict how debts will be repaid? Is different modelling being used in the wake of the roting of the sector?

Answer

VET FEE-HELP debts found to have been incurred in contravention either of the *Higher Education Support Act 2003* or Australian Consumer Law can be cancelled or remitted. As circumstances vary from case to case, this process is not automatic.

Debts are repaid under the same repayment provisions unless they are remitted.

The Australian Government Actuary advises the department on the likely rate of debts not expected to be repaid and updates this advice on an annual basis. It is not possible to disaggregate outstanding VET student debt from the total outstanding HELP debt.