

Senate Committee: Education and Employment

QUESTION ON NOTICE

Supplementary Budget Estimates 2016 - 2017

Outcome: Skills and Training

Department of Education and Training Question No. SQ16-001126

Senator Cameron, Doug provided in writing

Setting loan caps

Question

What evidence was used to allocate different types of qualifications to different loan limit categories of \$5,000, \$10,000 or \$15,000? These are very round numbers.

Answer

- The VET Student Loan caps were derived from a combined analysis of the 2015 qualification prices set under the NSW Smart and Skilled program and the average VET FEE-HELP tuition data from 2010 to 2013 before the fees dramatically increased.
- VET FEE-HELP data from 2014 onwards was excluded from the analysis as this is when providers began to significantly exploit the scheme through inflated charging and is therefore not a valid or reliable measurement of average course fees.
- VET FEE-HELP tuition fee data was extracted from the Higher Education Information Management System (HEIMS). The NSW Smart and Skilled qualification prices were extracted from the protected spreadsheet, available on the NSW Department of Industry website at https://www.training.nsw.gov.au/smartandskilled/prices_fees.html.
- The analysis shows in both cases the average tuition fee by Field of Education is \$10,000. It also shows the lowest cost is around \$3000 and the highest cost is around \$16,000.
- This analysis formed the basis for setting the three loans caps of \$5000; \$10,000 and \$15,000 under VET Student Loans.