

## Senate Standing Committee on Education and Employment

### QUESTIONS ON NOTICE Supplementary Budget Estimates 2013-2014

#### Outcome 3 - Higher Education, Research and International

Department of Education Question No. ED0236\_14

Senator Rhiannon asked on 20 November 2013, Hansard page 123

#### Question

##### Discount for HECS loans

Senator RHIANNON: Have you done any modelling of the impacts of reducing or removing the upfront discount for HECS loans? Do you have statistics on the kinds of students that utilise the discount? pg 124 Mr Griew: This is a bit like the question you asked about the efficiency dividend. The projected savings are in the public domain. That is our estimate of the impact. We could take on notice what characteristics the students who have previously taken advantage of that have. Senator RHIANNON: Please take that question on notice. What proportion of students utilising the discounts were recipients of Youth Allowance? Could you include that in the questions you are taking on notice. Mr Griew: If we can answer that we will. I am not sure that we can. Mr Warburton: No, we do not have that data. The data we have on utilisation of the discount does not have with it any information on income support status, as far as I am aware. Senator RHIANNON: Take that on notice just in case. Mr Warburton: I will confirm that on notice.

#### Answer

Analysis of students who paid their HECS-HELP contributions upfront and received the discount in 2011 shows a high proportion are from medium to high socio-economic status (SES) areas according to the Socio-Economic Indexes for Areas (SEIFA) Education and Occupation Index.

##### Analysis of upfront HECS-HELP discount

| SES by postcode | Students paying upfront with Discount |
|-----------------|---------------------------------------|
| Low SES         | 12.30%                                |
| Medium SES      | 42.70%                                |
| High SES        | 43.60%                                |
| Unknown         | 1.40%                                 |
| Total           | 100.00%                               |

The Department does not have information on the proportion of students utilising the upfront discount for HECS-HELP loans who were recipients of Youth Allowance.