

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry Portfolio
Budget Estimates Hearing 2014-15
2-3 June 2014

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY

TOPIC: Trade Support Loan Guidelines

REFERENCE: Question on Notice (Hansard, 2 June 2014, page 80)

QUESTION No.: BI-40

Senator KIM CARR: Suppose an apprentice generates a debt through this new funding arrangement and then goes on to a diploma or some other higher education qualification, one presumes that they would end up with a double debt, wouldn't they?

Mr Lalor: It is possible for an individual to take out a Trade Support Loan and then some other kind of loan through another scheme as well.

Senator KIM CARR: So one presumes that, once they are over the \$50,300 threshold, they would be paying both?

Mr Lalor: They would be paying off a HELP loan, but they do not pay them at the same time; they stack, if you like, so that they are only paying off one loan at a time.

Senator KIM CARR: And that will be in the legislation, will it?

Mr Lalor: That will be set out in the legislation and rules of the program, yes.

Senator KIM CARR: Actually in the legislation or in guidelines?

Mr Lalor: I would have to take that on notice. I cannot recall off the top of my head.

ANSWER

The *Trade Support Loans (Consequential Amendments) Bill 2014* (Clause 13, Section 6-1 in Schedule 1, page 6) sets an order of repayment which specifies repayment of Higher Education Loan Programme (HELP) debts, and then Trade Support Loan liabilities must be repaid after any HELP debts.

This will ensure that a person will not be required to repay both a Trade Support Loan and a HELP loan concurrently.