

Senate Committee: Education and Employment

**QUESTION ON NOTICE
Additional Estimates 2014 - 2015**

Outcome: Higher Education Research and International

Department of Education and Training Question No. SQ15-000098

Senator Rhiannon, Lee provided in writing.

Higher Education reform costs

Question

1. How much money would the government save from:
 - a. Not extending Commonwealth supported places to private providers, and
 - b. Not extending Commonwealth supported places to sub-degree qualifications.
2. Please provide a breakdown in the cost increase between the concessions associated with interest charges and bad and doubtful debts or any other costs? How much of this increase is due to the increase in the average value of HELP debt and what the assumptions about fee increases underpins these calculations.

Answer

1. a) Extending demand driven Commonwealth supported places (CSPs) to bachelor courses at private universities and non-university higher education institutions is estimated to cost \$367.2 million over 2014-15 to 2017-18. This includes the impact on the Higher Education Loan Programme (HELP).

b) Extending demand driven CSPs to sub-bachelor courses at all accredited higher education institutions is estimated to cost \$378.8 million over 2014-15 to 2017-18. This includes the impact on HELP.
2. The estimated HELP expense associated with these measures over 2014-15 to 2017-18 is \$102.1 million, reflecting changes in both student numbers and average loan values.

Disclosing Government estimates of student contributions or the assumptions underpinning these would signal estimates to the market in a way which might lead either to collusion or suboptimal market operations.