

**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. SQ15-000165**

Senator Carr, Kim provided in writing

***HELP debt***

**Question**

"In QON ED0725\_15 the department says that, if the Government's higher education package is not passed by the Senate, HELP debt not expected to be repaid would grow from a current 17% to 22% in 2016-17.

- (a) What are your estimates on how this debt would grow under the Government's package?
- (b) Has the department said that it will "stabilise at 25 per cent"? Is that correct?
- (c) What assumptions have you used in calculating that figure?
- (d) Can you predict it with any accuracy?"

**Answer**

a) The Portfolio Budget Statements (PBS) include relevant performance benchmarks on new debt not expected to be repaid (DNER). The performance information published in the 2014-15 Budget statements provides for potential growth in new DNER to 23 per cent by 2017-18. These are performance indicators not forecast projections, and actual growth is likely to be well within these rates.

(b) In response to D0726\_15, the department advised the proportion of new debt not expected to be repaid is expected to stabilise at 25 per cent.

(c) Estimates are based on advice received from the Australian Government Actuary (AGA).

(d) Estimates are subject to behavioural assumptions and the availability of data on factors which influence DNER.