

Senate Committee: Education and Employment

**QUESTION ON NOTICE
Budget Estimates 2015 - 2016**

Outcome: Higher Education Research and International

Department of Education and Training Question No. SQ15-000305

Senator Carr, Kim asked on 03 June 2015, Proof Hansard page 58

Write off 100,000 HECS debts (net amount)

Question

Senator SINODINOS: Based on those numbers, if we are talking about writing off 100,000 HECS debts of that size, are we talking closer to the \$2 billion you mentioned before? Is that right?

Mr Griew: That is right. But I stress that the gross amount has shifted from '80 per cent will be repaid over a decade' to 'We are just giving it to the universities and not asking for any of it back from the students.'

Senator KIM CARR: Well, what is the net amount, then?

Mr Griew: The amount that will be expensed will still be substantial. But I would have to take on notice

Answer

Assuming that debts would be written off only upon graduation for 20,000 graduates per year, with the first students commencing study in 2017, it is estimated that the total cost of this proposal over ten years is likely to be in the order of \$4 billion. This assumes there is no growth in the number of students undertaking STEM courses.

Also refer to Question No. SQ15-00303.