

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. SQ15-000419

Senator Carr, Kim provided in writing

HELP loans

Question

"In regards to HELP loans:

(a) Looking at the table on p.50 there isn't a near-doubling in the number of student places, across all the loan categories, which are supported by HELP loans. Furthermore, you don't project net growth (on the current year) in VET FEE-HELP numbers at all. Can you reconcile the two sets of numbers?

(b) Why does projected expenditure rise so much, given that the number of borrowers rises far less markedly?

(c) Are you assuming a marked increase in the amount borrowed by individual students – at least in some parts of the HELP Program? What parts?

(d) Are you assuming a significant increase in undergraduate and other fee levels? What increases are you assuming?"

Answer

(a) – (b) The estimated growth in HELP expenses across the forward estimates reflects continued growth in both student numbers and average loan values across all HELP schemes.

Since the estimate of 225,500 VET FEE-HELP places for 2014–15 was published in the 2014-15 PAES, estimates have been revised downwards due to lower than expected provision of state subsidised places as indicated in the actual 2014 data. As a result there are now 128,000 VET FEE-HELP places estimated for 2015–16.

(c) – (d) The department is unable to disclose Government estimates of student contributions or the assumptions underpinning these as this may influence the operation of the market.