

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. SQ15-000440

Senator Carr, Kim provided in writing.

Estimates of HELP loan debt

Question

In regards to estimates of HELP loan debt:

- (a) In Budget Paper Number 1, the Government says that the “fair value” of HELP debt is estimated to be \$30.2 billion at 30 June 2015. It is expected to reach \$62.7 billion by 2028-19.
- (b) Can you confirm that?
- (c) How can that be explained?
- (d) Why will it double, when the number of HELP borrowers is not expected to double – far from it – though it will grow? So what factors will lead to this doubling?

Answer

(a - b) Budget Paper Number 1 states that the fair value of the HELP receivable is estimated to be \$30.2 billion at 30 June 2015 and expected to reach \$62.7 billion by 2018-19.

(c - d) The expected growth in the fair value of the receivable reflects an expected increase of participation in higher education, supported by expansion of access to student loans under the Government’s higher education policies and a continued increase in average loan values.