

Senate Committee: Education and Employment

QUESTION ON NOTICE Budget Estimates 2017 - 2018

Outcome: Skills and Training

Department of Education and Training Question No. SQ17-000575

Senator Cameron, Doug asked on 31 May 2017, Proof Hansard page 40.

Sage and Nexus

Question

Senator CAMERON: Now we have got you, Mr Banerjee, in relation to Sage and Nexus, how much in total has been paid to each of these providers in the last five years?

Dr Banerjee: I have information immediately in front of me for Sage in 2016 and 2015, which I will read out to you now, and then I will take the five-year profile on notice. For Sage in 2016, the actual payments were \$26,634,000 and in 2015 were \$32,608,000.

Senator CAMERON: Quite a lot of money. Often there is a difference between what a VET FEE-HELP provider has estimated and the reported student liabilities. Was there a difference in this case that has left an outstanding refund owing to the department?

Dr Banerjee: I will just check that. As you say, the department undertakes a reconciliation process for payments. In the previous arrangements under VET FEE-HELP, providers provided an estimate in advance and then that was reconciled against actual numbers as they were recorded through the IT system. The process is as you describe. I would have to take on notice the exact numbers for Sage in that reconciliation process, but I can do that.

Senator CAMERON: So you do not know if there is money owing?

Dr Banerjee: I do not currently in front of me, but I can take that on notice.

Answer

The Australian Careers Institute Pty Ltd, trading as Sage, was approved to offer VET FEE-HELP in April 2014.

For 2014–2016 the Australian Careers Institute Pty Ltd has reported \$63.3 million for VET FEE-HELP and has an outstanding debt to the Australian Government of \$2.9 million.

The Department of Education and Training has a standard process to reconcile all advance payments made to providers against student loans reported by providers.

Nexus Institute Pty Ltd is not an approved VET FEE-HELP provider.