

## EDUCATION, SCIENCE AND TRAINING

### SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2004-2005 BUDGET ESTIMATES HEARING

**Outcome:** 2

**Output Group:** 2.5 – Assistance for post school students including those with special needs.

#### **DEST Question No. E091\_05**

Senator Carr provided in writing.

*Refers to media release Min 713/02*

#### **Question:**

In Parliament the Minister indicated that the \$377 million in additional HECS paid next year is likely to grow to \$500 million as more universities decide to increase HECS. Did the Department provide advice to the Minister suggesting this would be the case? If so, which universities that have not already made a decision do you consider likely to increase fees?

Based on i) the \$94 m and ii) the \$125 m (ie 1/4 of \$500m) what would the average HECS fee paid or debt incurred be for students commencing in 2005 (weighted according HECS band)?

#### **Answer:**

*Increases in HECS paid*

DEST estimates of additional revenue are based on individual University decisions which have been reported in the media. Universities are autonomous in making this decision and DEST has no advance indication of what the decision may be and has made no assumptions in relation to those universities that have not yet announced their intentions for 2005.

The figure of \$377 in the Minister's media release of 26 May 2004 (MIN 713/02) was a preliminary estimate.

The Minister's media release of 1 June 2004 (MIN 718/04) announced that universities can expect to receive an additional \$663 million in HECS revenue, based on a more detailed analysis by DEST.

i) Average 2005 HECS bands for commencing students based on \$94 million additional revenue

AVERAGE BAND 1	AVERAGE BAND 2	AVERAGE BAND 3
\$4,360	\$6,252	\$7,432

ii) No data is available regarding \$125 million additional revenue.