

FEBRUARY 2023

**Submission to the
Education & Employment Committee
on the
Education & Other Legislation Amendment
Bill 2022**

**Abolishing Indexation &
Raising the Minimum
Repayment Income for
Education and Training Loans**

Prepared by: Zoe Davidson
QUT Student Guild, President 2023



INTRODUCTION

The QUT Student Guild (QSG) welcomes the opportunity to present a submission for the Education and Other Legislation Amendment Bill. This submission is of incredible importance to tertiary education students having an unequivocal opportunity to voice their position on matters that materially affect their education, with the payment of their studies being a central matter.

QSG profoundly supports the abolishment of indexation and rising the minimum repayment income for education and training loans. QSG has been a strong champion of student voice since its formation and aims to serve Queensland of University (QUT) students through 4 key themes: community, advocacy, inclusion, and welfare. QSG is energized for what the amendments to the Bill would provide to QUT students – precisely, reducing the impacts of cost of living and lifting engagement of students in university-based activities.

QSG recognises the Australian HECS repayment system does not affect all fee-paying students, particularly international students. Whilst there will be elements of this submission which therefore are not reflective of all students' thoughts when it comes to repayment structures, it must be recognised that all students suffer real consequences from the lifeless state of engagement experiences and the living crisis more generally.

In construction of this QSG submission, QSG constructed a survey sent to members of the QUT community. Comprised of students, alumni, and staff, the survey pin-pointed areas of distress which cost-of-living has placed onto their subsequent education. With 196 responses, the data identified these four key themes; exuberant rent increases, limited financial access to fresh groceries, transportation costs and loss of social confidence. This survey will be referred to as the 'QSG Cost of Engagement survey' throughout the submission.

For the Bill amendments to genuinely change the financial and welfare prospects for tertiary students in Australia, it is of utmost importance that students are placed within conversations regarding their educational experience. Students are the primary stakeholder in education; students are the experts at being students. There is significant pressure currently imposed onto students by the economic climate, desperately affecting living conditions, standard of education and mental wellbeing. The Education and Employment Committee must take this into account.

EXECUTIVE SUMMARY

This submission provides justification on affording students with economical and welfare fitness and expanding educational opportunities in relation to the Bill.

Providing students with physiological needs (i.e., water, food, shelter) is the first step to Australia receiving high-quality graduates from tertiary institutions, that behold all self-actualisation characteristics desired by an employer [1]. It is senseless to strive for countless graduate opportunities when students categorically battle to survive whilst studying. If we do not provide students with opportunities to economically succeed, we cannot expect them to seize opportunities post-education.

It has become increasingly evident through the continual cost of living strain; vulnerable students cannot afford basic living essentials. Items like rent and groceries are being considered non-essential when expenses students face in completing their studies, such as compulsory safety equipment/uniforms or technological programs/devices, have become a 'usual' cost in many faculties [2].

The higher education repayment system fails students. The lack of flexibility desperately required to gain financial and welfare-based footing is non-existent and lack humanization. The yearly index applied on higher education training loans is mindlessly strengthened with a tactless reduction of the minimum repayment income. The thoughtlessness in these federal government decisions sends students into unfathomable debt faster and harsher.

With the minimum repayment threshold decreasing by over \$7,000 in 5 years, tertiary students are being pushed to repayment earlier [3]. This, coupled with a repayment rate of \$240p.a. at 1%, and indexed at approximately \$1847 (if inflation remains at 7.8% [4]), constitutes a scary narrative: students can never get ahead of their HECS debt when they remain low-income earners in a burning economy. The perpetrating reduction of the minimum repayment and the damaging consequence of indexation sends students backwards, not forwards into the world.

[1] <https://doi.org/10.1108/IJQSS-02-2020-0016>

[2] <https://www.abc.net.au/news/2023-01-27/consumer-price-index-categories/101863456>

[3] <https://www.ato.gov.au/Rates/HELP,-TSL-and-SFSS-repayment-thresholds-and-rates/>

[4] <https://honisoit.com/2022/10/education-is-a-public-good-new-greens-bill-to-scrap-student-debt-indexation/>

The corpus amount of financial stress such debts place on students, along with the continual re-budgeting of groceries, rising rent costs and living cost, has a direct impact on the wholistic success of graduates [5].

Students used to prioritise their education over income – a decision that our parents and grandparents made without a second thought. In 2023, QSG believes it would be rare to find a student who makes what we see is a thoughtless and irresponsible choice when affording to live is becoming so hard. Any chance to earn income today, is prioritised over any opportunity to engage in studies beyond mandatory assessment, yet alone making friends.

QSG argues students are stuck in a conundrum; work additional hours but forgo all opportunities beyond the classroom... or take up such opportunities but fear homelessness with little income. There is no right answer to this conundrum, or even how to completely stop it. The only way to start slowing this down, is to afford students with economic and welfare fitness needed to be able to achieve more than a passing GPA.

[5] <https://www.rba.gov.au/speeches/2023/sp-so-2023-02-01.html>



Cost of living Struggle

The state of cost-of-living, has seen students leave university, develop mental illnesses and in cases for QUT Students, eliminate entire food groups out of their diet.

As it stands, over 450,000 Australian students under the age of 22 are being excluded from Centrelink Youth Allowance [6], purely based off their parents/caregiver's income. Students begin tertiary education as early as 17 years old, but it's not until their 22nd birthday which they are seen as a dependent by Centrelink; a factually incorrect assumption.

In QSG Cost of Engagement survey, 87% of students noted even when living at home, their weekly expenses are not proportionate to their weekly income, with the mean of their expenditure sitting between \$200 to \$600 (Appendix A). Students rebel against the notion they remain dependent after their secondary education from their parents. It is a common understanding that even on two parental incomes at medium wage in 2023, that the Australian cost-of-living crisis demands families rely heavier on young adults to support themselves greater. With this realisation, the mental and emotional distress this place on families can force students to support themselves financially or even move away from home for their own welfare [7].

What the Centrelink system fails to provide, is the ability for students to obtain Commonwealth Rent Assistance payments that accurately match the realities of renting in Australia. Leaving home for some students is a necessary option to prioritise their mental, emotional and physical health, as well as be provided with an opportunity, much like their parents, to explore young adulthood [8]. An analysis of 45,000 rental properties in 2022 found that 0% were affordable for people on Youth Allowance: sending students to the streets, for reasons other than a protest [9]. Youth Allowance more generally, is also the only payment that has a rate for living at home (with parents/caregivers) – this practice is behind the times (Appendix B) [10].

[6] <https://changetheage.asn.au/wp-content/uploads/2022/10/Locked-out-of-youth-allowance-student-poverty-and-centrelink-in-Australia-1.pdf>

[7] <https://www.theguardian.com/australia-news/2022/mar/19/how-australias-skyrocketing-cost-of-living-is-pushing-people-into-poverty>

[8] <https://www.abc.net.au/news/2022-04-07/financial-stress-family-violence-increase-cost-of-living/100970852>

[9] <https://www.anglicare.asn.au/wp-content/uploads/2022/04/Rental-Affordability-Snapshot-National-report.pdf>

[10] <https://www.servicesaustralia.gov.au/how-much-youth-allowance-for-students-and-apprentices-you-can-get?context=43916>



At QSG, foodbank & welfare support structures have received a steep increase in interest in 2023, with the subsequent diversification of inventory and access. In 2022, more than 3,300 students were provided welfare support from QSG, a near 40% increase of students up taking these auxiliary services (Appendix C). With inflation rates continuing to surge, students are seeking greater financial support as they continue to suffer the consequences of a post-Covid economy [11].

Adding pressure to the cost-of-living space, is the number of paid placements issued to students; supposedly 'mandatory' to fulfilling the requirements of the course by their tertiary institution and/or accreditor. With over 200,000 students engaging in unpaid fulltime placements each year, lasting anywhere between 4-18 weeks, students are becoming burnt out, and being forced to rely on the little savings they can establish before providing free and valuable labour in exchange for 'practice' [12]. The specific wording used by Fair Work under Student Placements, summaries students undergoing vocational placements 'can be unpaid', however only highlights this is at the discretion of the host (not the educational or training institution) [13]. The conversation of unfair paid placements dates back years [14], but is still awaiting results from the House even when great solutions are brought forward [15]. There clearly isn't a desire for the Australian Government to prioritise student health.

Even if students do not need to engage in paid placements, 88% of QSG Cost of Engagement survey respondents are required to purchase additional materials for their studies to be successful at university. The largest cohort of this data being Business & Law and Health faculties (Appendix D).

[11] <https://www.afr.com/work-and-careers/education/inflation-makes-rising-student-debt-a-political-hot-potato-20220707-p5azv5>

[12] <https://onlinelibrary.wiley.com/doi/full/10.1111/ajr.12855>

[13] <https://www.fairwork.gov.au/tools-and-resources/fact-sheets/unpaid-work/student-placements>

[14] <https://www.smh.com.au/education/calls-for-teaching-and-nursing-students-to-get-paid-for-placements-20160524-gp278w.html>

[15] https://www.aph.gov.au/e-petitions/petition/EN4474?fbclid=IwAR2mwcR5S6BIn51LAP0BR3zDE_LS3rgthorlWh_EhLaf0itV7Z5U9b4nGk

With additional costs associated, it is essential financial support offered to different types of students are diversified to include part-time students who too, are struggling. Subject to means testing, the number of units a student chooses to undertake, has no business in the data used to form a decision about whether financial assistance should be provided to an individual, given the mutual acknowledgement of working full-time, is still not enough to pay the bills [16]. Students who suffer on minimum wage, have family commitments, health conditions or more simply have conflicting priorities, should be equally considerable for Centrelink's Newstart and/or Youth Allowance assistance.

The grave effects of cost-of-living is issuing students with a sentence to choose either their passion, or money in their account – life or death if you will. The policy in the above areas imposed by the Federal Government must start to keep up with the reality of young people's experiences.

[16] <https://www.smh.com.au/national/the-full-time-workers-picking-up-second-jobs-to-combat-cost-of-living-pressures-20221129-p5c21n.html>

RECOMMENDATIONS WHICH WILL DECREASE EFFECTS OF THE COST OF LIVING CRISIS FOR HIGHER EDUCATION STUDENTS:

1. Lower the age of independence from 22 to 18.
2. Adjust rent assistance to reflect the cost of living.
3. Ensure there is financial support for students engaging in higher education studies.
4. Mandate paid placements for students.
5. Allow part-time students to have access to Newstart and Youth Allowance, subject to means testing.

Faulted Repayment System

Despite the simple fact the term 'indexation' fails to be highlighted (yet alone warned about) by Higher Education providers, Australian Government auxiliary sites like Study Assist, fail to even mention the 'indexation' [17]. It is not until students meticulously either check their HELP debt through the Australian Taxation Office (ATO) or student unions like QSG which bring the term to students attention, that students start to become aware of the additional debt-inflicting agendas imposed onto their studies [18].

The effects of indexation will follow students to their death, in two senses: 1) the cost of living on mental health and 2) the application of indexation means it's taking longer for students to be debt-free. Irrespective of the interest-free nature of HELP loans, at the median wage based off a 3-year Business degree at QUT, students will be 108 years old to have only paid off their HELP loan (Appendix E). To just meet an annual repayment of \$1875 (i.e., the average cost of a unit in 2022), students need to be earning at least \$64,652 annually, taking them a gnarly 24 years to hit \$0 owed. What forementioned calculations fail to incorporate though, is indexation. Whilst indexation cannot be forecasted, what Australian students and society has learnt, is the unpredictable nature of inflation causes national concern [19]. Honi Soit, University of Sydney Student Magazine, notes a potential increase of \$1847 to HELP debt in 2023 if inflation reaches 7.8% by 1 June 2023 [20]. Even though mandatory repayments can decrease the level of HELP-accrued debt, indexed-debt will suffocate this payment.

[17] <https://www.studyassist.gov.au/paying-back-your-loan/loan-repayment>

[18] https://www.instagram.com/reel/CoGck4sgTEI?utm_source=ig_web_copy_link

[19] https://www.aph.gov.au/About_Parliament/Parliamentary_departments/Parliamentary_Library/pubs/BriefingBook47p/RisingInflationAndMacroeconomicBalance

[20] <https://honisoit.com/2022/10/education-is-a-public-good-new-greens-bill-to-scrap-student-debt-indexation/>



What's the most concerning factor here, is the fact many students are already paying back their loans, but despite their payments, the odds are stacked against them. Indexation means payments barely make a dent and is also taken out of their weekly income, already not enough to make ends meet as it is. The continual and senseless lowering of the minimum repayment causes mass concerns for students who already budget every cent. With the minimum repayment threshold decreasing by over \$7,000 in the past 5 years, students are being unwillingly forced to pay back their loans earlier [21]. Additionally, students are also accounting for increased electricity, food, water, health, internet and rent bills, whilst simultaneously trying to establish a work/life balance. The constant budgeting paycheque after paycheque does not offer students 'real world experience' – it offers them 'real world recession'.

Some will argue HELP debt doesn't really matter – after all, there is no interest, and you can always talk to the Government to reduce your payments. But what many young people don't realise, is debt can impact borrowing power. And since HELP debt repayment is tied to income, it's most likely to affect low-income earners who are already doing it tough. Young Australians don't need any more barriers to home ownership.

[21] <https://www.ato.gov.au/Rates/HELP,-TSL-and-SFSS-repayment-thresholds-and-rates/>

RECOMMENDATIONS WHICH WILL REPAIR THE FAULTED REPAYMENT SYSTEM FOR HIGHER EDUCATION STUDENTS:

1. Abolish indexation.
2. Rise the minimum repayment threshold.

Australian Graduate Skills & Knowledge

At current, tertiary students across Australia struggle to have their needs met – both from a financial perspective, but also from a welfare one too. From the release of NSSS survey results [22], through to an upcoming referendum to see First Nation voices embedded into Australian Parliament [23], students need further support to be able to thrive.

As it stands, TEQSA (Tertiary Education Quality and Standards Agency), the regulating and assurance body within Australia, fails to order decisive features essential to student success. Their scope broadly involves fees, general directories, academic requirements, complaints, grievance handling processes, access to learning materials and personal safety and security [24]. What TEQSA fails to provide for students across Australia, however, is acknowledging and imposing a National Duty of Care to be assembled which will ensure student voice is active and participatory in addressing these key areas. With the progressive climate of the state of education and activism, silenced voices from the LGBTQIA+, parents/carers, Ethnocultural, international, regional/remote disabled communities and more must be welcomed to participate in education conversations directly affecting them.

[22] <https://www.nsss.edu.au/>

[23] <https://fromtheheart.com.au/what-is-a-voice-to-parliament/>

[24] <https://www.teqsa.gov.au/students/what-can-students-expect-providers>



The National Union of Students (NUS) in their University Accords Submission [25] note that students “need a mandated and regulated Code to enshrine, embed and empower the voices of students”. Their solid recommendation to introduce a Duty of Care reflective of New Zealand’s Education (Pastoral Care of Tertiary and International Learners) Code of Practice 2021 [26], is one that QSG proudly supports. Implementation of a code similar would see universities mandate a student-centric approach to learning, teaching and cultural opportunities across the sector and deepen consultation with students.

With consultation, students’ competency and understanding of the skills, knowledge and capabilities are developed for real-world success. Part of this development is self-advocation for one’s own rights. As is, there is no federal legislation imposing student voice on academic topics within universities, only on financial matters, such as the use of SSAF [27]. It is vital and within the Federal Government’s scope to ensure that education, learning and teaching matters involving students is consulted on in a proper and fair way, embedded in university policy.

[25] <https://drive.google.com/file/d/1mzNrWglSB9KZB5NYK0kAgspq8SFhCtdc/view>

[26] <https://www.nzqa.govt.nz/providers-partners/tertiary-and-international-learners-code/>

[27] <https://www.education.gov.au/higher-education-loan-program/approved-hep-information/student-services-and-amenities-fee>

RECOMMENDATIONS WHICH WILL QUALITY-CHECK AUSTRALIAN GRADUATE SKILLS & KNOWLEDGE FOR HIGHER EDUCATION STUDENTS:

1. Legislate that all universities should incorporate a National Duty of Care with student voice at the centre.
2. All faculties or academic units within a university should have a minimum number of elected student representatives on their principal decision-making body. This should be enriched in policy.

Engagement with Universities

Across the tertiary sector, there is a national discussion on student engagement, full of concern and worry – and it's not coming from just university administration... it's coming from students too. With tertiary institutions continuing to develop the ideal of 'blended' models of engagement in the classroom, it's important to not forget about how this impacts the total experience of being a student outside the classroom as well.

As students need to financially exist whilst simultaneously engaging in university life, it's becoming clear both factors cannot exist concurrently. The truth is, it's becoming harder for students to take time out of their lives to engage in memory-making activities that our lecturers, parents, carers and older-colleagues reminisce over: club events, parties at the on-campus bar or networking opportunities the university hosts.

Central to these programs and services, are the student unions, guild's and associations which are run by students, for students which are typically the host for these student opportunities. These not-for-profits have the most grounded knowledge of what students are experiencing; and their thoughts, opinions and ideas are the least recognised and under-acknowledged divisions by their connected university.

At QSG, our sole mission is to 'make student lives better'. With being only granted 25% of SSAF to run our services (approximately \$2.2m in 2023), 75% of SSAF (approximately \$6m) is being controlled by non-students and individuals poorly placed to really listen to student needs. With QSG's oversight of over 130 clubs involving approximately 70% of the QUT student population, a free grocer feeding over 900 students a year, transport vouchers which assist nearly 500 students or funding critical groups like the Queer or Disability Collective who advocate for silenced voices, the lack of legislation poses a real threat to students welfare. For programs like those at QSG, the services developed by students, for students, must continue to grow as these are the successful programs which pose the most reach and realistic help that is required.



Respondents of the QSG Cost of Engagement survey were asked how the rise of cost-of-living affected their studies and life beyond the campus. Student responses outline the necessity for prioritising student welfare in whatever way possible:



“Travel to and from campus is expensive, with fuel, parking, and public transport...”

[QUT student, 1-2 years, living alone]

“I can’t eat. I just skip meals and try to pretend I’m too busy to be social with others”

[QUT Student, 1-2 years, living with roommates]

“My rent increased by an extortionate amount. Putting fuel in my car became a luxury. Couldn’t buy lettuce?”

[QUT Student, 4+ years, living alone]

“In an unstable environment due to domestic violence and other factors so when uni starts back and I have to travel 3+hours just for 1 class a day I will (hopefully) be couch surfing between extended family who live only 2+hours away from uni. Cost of living has meant I can’t get a place of my own even in a share house to build a somewhat stable environment for myself (which would help me mentally and physically by lessening the severity of my health conditions).”

[QUT student, 3-4 years, living at home]

“I was meant to move out and start my family with my partner, but we haven’t been able to because of the rise in cost of living. So I still live with my parents... Our rent has increased exponentially from \$380 to \$480 per week, and it is unaffordable for us, so we are moving out.”

[QUT alumni, 3-4 years studying]

“With rent and other items going up, it has made me worried of the future where the cost of living, indexation and the repayment barrier has arranged itself where I am not able to save money for rainy days, or worse, not be able to save money entirely.”

[QUT student, 1-2 years, living in student accommodation]

“I go out less, can’t afford to drive or pay for parking at uni... meaning I’m going to class less and not getting my money’s worth”

[QUT student, 4+ years, living alone]

“Cost of public transport, food and beverages increase forced me to select more online classes, therefore I don’t meet my fellow students often.”

[QUT student, 2-3 years, living alone]

“I have skipped meals. I put up with my unreliable car. I make do with a basic phone and the cheapest internet plan. I use my five-year-old laptop, even though it's slow and the screen hinge is broken. I've put off seeing family who live outside of Brisbane.”

[QUT alumni, living with roommates]

“All the stress and anxiety has been reflected in my studies with some poor grades costing me even more as I have to repeat a unit due to stress.”

[QUT student, 1-2 years, living at home]

“It's created more stress, no confidence [because] wanting to be part of anything costs”

[QUT Student, 3-4 years, living at home]

“I now have to avoid getting fresh fruit and vegetables, and also avoid using the aircon unless I am going to freeze/sweat to death as my electric bill went up so much”

[QUT Student, 2-3 years, living alone]

“It's so saddening to see that the next generation doesn't deserve to live a stable life simply because of when they were born. The government should be encouraging us to study and be educated. I am in a very prestigious field and yet I'm unsure if I'll ever be debt free. I should have just entered the work force immediately.”

[QUT Student, 4+ years, living in student accommodation]

“I have been required to take on more hours at my non-related degree specific job to make ends meet, resulting in less time dedicated towards positioning myself for internships”

[QUT Student, 1-2 years, living at home]

“I've had to skip out on medication and other healthcare costs which has greatly affected my studies due to my physical and psychological conditions that require routine care, but is just not affordable at the moment.”

[QUT Student, 3-4 years, living in student accommodation]

“Knowing that I will probably not be able to afford things like a car, birthdays and Christmas is emotionally really hard. No matter how much I work, there's never enough money left over.”

[QUT Student, 2-3 years, living at home]

“I never opted into a university experience that wasn't compulsory”

[QUT Alumni, 3-4 years studying]

“Yes. I have had to cut down on routine healthcare costs like physiotherapy that help me manage my chronic illnesses which has lead to increased pain and discomfort, affecting my studies and day to day wellbeing. I've cut down on food and skipped medication to stay on top of my spending as everything is so expensive at the moment.”

[QUT Student, 3-4 years, living in student accommodation]

RECOMMENDATIONS WHICH WILL IMPROVE ENGAGEMENT WITH UNIVERSITIES FOR HIGHER EDUCATION STUDENTS:

1. Mandate a federal restriction that all student unions should receive 50% SSAF.
2. Student organisations (unions, guilds, associations) should be empowered by university management to create ongoing initiatives and plans which educate students about their financial rights.



CONCLUSIVE THOUGHTS

Conclusively, student's need economic and welfare support to be able to engage fully in the educational opportunities placed in front of them. Without university, state and federal support in the form of policy and legislation, higher education students continue to sink further into debt, and have their future prospects taken away from them.

QSG has established the following recommendations within this report that must be deeply considered by the reader:

Decrease the effects of the Cost of Living crisis:

1. Lower the age of independence from 22 to 18.
2. Adjust rent assistance to reflect the cost of living.
3. Ensure there is financial support for students engaging in higher education studies.
4. Mandate paid placements for students.
5. Allow part-time students to have access to Newstart and Youth Allowance, subject to means testing.

Repair the Faulted Repayment System:

1. Abolish indexation.
2. Rise the minimum repayment threshold.

Quality check Australian Graduate Skills & Knowledge:

1. Legislate that all universities should a National Duty of Care with student voice at the centre.
2. All faculties or academic units within a university should have a minimum number of elected student representatives on their principal decision-making body. This should be enshrined in policy.

Improve students Engagement With Universities:

1. Mandate at a federal restriction that all student unions should receive 50% SSAF.
2. Student organisations (unions, guilds, associations) should be empowered by university management to creating ongoing initiatives and plans which educate students about their financial rights.

APPENDIX A

QSG Cost of Engagement Survey General Data

Category/Field	Status	Respondents
Enrolment Status	Alumni	31
	Current Enrolled Student	159
	Leave of Absence	6
Years Studying at QUT (less alumni)	1-2	47
	2-3	47
	3-4	44
	4	56
Residential Status	Home	86
	Alone	27
	Student Accommodation	11
	With Roommates	70
Do you feel like your weekly income is proportionate to your weekly expenses?	No & Circumstantial	65
	Yes	4
Weekly Expenditure	Less than \$200	6
	\$200 – \$400	31
	\$400 – \$600	25
	\$600 – \$800	1
	\$800 – \$1000	1
	More than \$1000	1
Receiving Financial Aid	No	120
	No, but eligible	5
	Yes	71

APPENDIX B

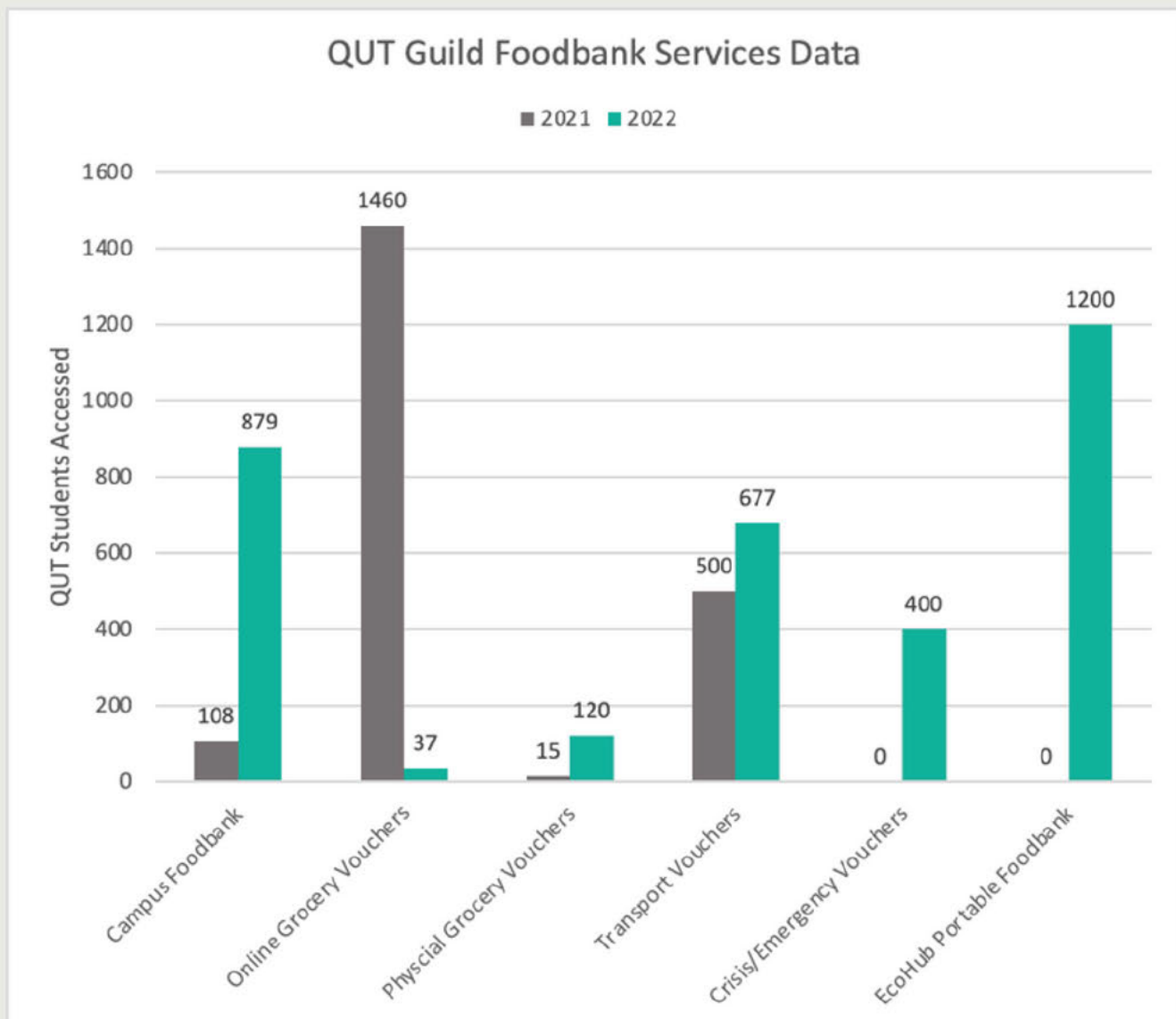
Centrelink Youth Allowance & Rent Assistance Distributions

	18 or older and live at your parent's home	18 or older and need to live away from your parent's home
Youth Allowance	\$389.40	\$562.80
Rent Assistance (maximum)	\$151.60	\$151.60
Collective Centrelink Assistance p/week	\$541	\$714.40
Collective Centrelink Assistance p/day	\$77.28	\$102.05

APPENDIX C

QUT Guild Foodbank & Other Services Statistics

Overall, students at QUT are going hungry for any food support services on offer. In 2022, QUT Guild saw approximately 3313, versus 2083 in 2021 – a 1230 increase in students looking for welfare support. Whilst 2021 saw Brisbane (QLD) universities suffer wide-spread lockdowns due to Covid-19, early 2022 was hit with flooding in the central business region.



APPENDIX D

QSG Cost of Engagement Survey Additional Costs Against Faculty Data

Double degree identifying students were added to both faculties in the below calculations.

Faculty	Number of Survey Respondents	% Of Survey Respondents
Business & Law	58	30
Health	57	29
Creative Industries, Education, Social Justice	40	20
Science	29	15
Engineering	23	12

APPENDIX E

Repayment Calculation

Average cost of Bachelor Business Degree[1]: \$45,000

Number of units: 24

Average cost per unit: $\$45000/24 = \1875

Income Bracket to break $\$1875$ p/unit = \$64,652

Number of years to be earning \$64,652 to pay off degree at minimum repayment threshold in 2023 (2.5%): 24 years

2023 Median personal income: \$52,338 (up 1.8% on 2018-19)

Therefore, a graduate would need to be earning above the median wage in order to pay off the loan[2].

Repayment of degree, set at income equivalent to median wage (1% repayment) = \$523 p/year.

Number of years to pay off degree at 1% repayment: $\$45000/523 = 86$ years.

Age of average graduate: 22

Age of complete repayment of loan at 1% repayment: $86 + 22 = 108$ years old.

[28] <https://www.qut.edu.au/courses/bachelor-of-business>

[29] <https://www.abs.gov.au/statistics/labour/earnings-and-working-conditions/personal-income-australia/2015-16-2019-20>