

Senate Committee: Education and Employment

QUESTION ON NOTICE Additional Estimates 2016 - 2017

Outcome: Skills and Training

Department of Education and Training Question No. SQ17-000094

Senator Cameron, Doug asked on 01 March 2017, Proof Hansard page 136.

Completion rates

Question

Mr Lovelock: Given the infancy of the scheme, it would be difficult for us to correlate the system completion rate, and most of these apprentices—75 per cent, in fact, of the apprentices—in receipt of a loan are still in training.

Senator CAMERON: So 25 per cent have dropped out then?

Mr Lovelock: I would need to take on notice whether that is because they have completed or whether they have ceased training.

Senator CAMERON: Could you then provide details of how many have subsequently dropped out. Can you provide details of the average debt held by participants that have dropped out?

Mr Lovelock: Yes.

Senator CAMERON: And what is the total debt held by people who have dropped out of their apprenticeship? Do you have those figures?

Mr Lovelock: I do not have those with me. I will take that on notice.

Senator CAMERON: Do you have them?

Mr Lovelock: I am not sure, but it is certainly a figure that we can give you.

CHAIR: And you have taken it on notice.

Answer

Departmental records indicate that as of 15 March 2017, 8552 people with trade support loans have ceased their current apprenticeship for reasons other than a successful completion or death.

This cohort has received loans of a combined value of \$37.86 million.

The average loan paid to these people is \$4427.

A person is required to repay the loan through the tax system once their income is above the minimum repayment threshold and they have debts that are at least six months old, even if the Australian Apprentice is still undertaking, or did not successfully complete their apprenticeship.

A 20 per cent discount will be granted where a person successfully completes their apprenticeship. The discount applies to the amount borrowed and does not include any indexation that has been applied or repayments that have been made.