

Senate Committee: Education and Employment

**QUESTION ON NOTICE
Supplementary Budget Estimates 2015 - 2016**

Outcome: Higher Education Research and International

Department of Education and Training Question No. SQ15-000748

Senator Carr, Kim provided in writing

Admin fees for Help Students

Question

Has the Department undertaken any analysis of the impact of proposal floated by the Mitchell Institute at Victoria University that all students with any form of HELP assistance be charged an administrative fee (as is currently the case with the 20% - 25% fee charged to some VET FEE-HELP students) to fund the expansion of the demand driven model to sub-degree qualifications and non-university, including for-profit private providers?

At what level would the fee need to be set in order to cover the additional costs associated with the expansion of HELP?

Does the analysis take into account the impact of the imposition of such a fee on the overall cost of operating HELP and in particular what impact it will have on bad and doubtful debt not only as a result of expanding HELP but also from the increased average debt as a direct result of the imposition of the fee?

Does the analysis take into account the equity implications of such a proposition whereby students who are in a position?

Does the Department agree that such a measure would be a policy attempt to replace the Government's 2014 plan to impose real interest rates on student HELP debts?

Answer

Yes, the Department has undertaken analysis of this proposal. This analysis was undertaken to inform Government deliberations, and is therefore not available for public release.