

Senate Committee: Education and Employment

**QUESTION ON NOTICE
Supplementary Budget Estimates 2016 - 2017**

Outcome: Skills and Training

Department of Education and Training Question No. SQ16-001091

Senator Cameron, Doug provided in writing.

repayment rates under the VET Student Loans Program

Question

Has the department done any modelling on the expected repayment rates under the VET Student Loans program?

- a. What proportion of students do you expect never to repay their VET Student debt?
- b. What is the aggregate value of this debt each year over the next ten years?

Answer

The Department of Education and Training uses the Australian Government Actuary (AGA) analysis for calculations of debt not expected to be repaid. They are applied at an aggregate level to the HELP model.

- a. As published in the 2016–17 Portfolio Budget Statements, the estimated proportion of new debt not expected to be repaid is 18 per cent.
- b. It is not possible to disaggregate outstanding VET student debt from the total outstanding HELP debt.