

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Additional Estimates Hearing 2011-12
15 February 2012

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

TOPIC: HECS-HELP and student debt

REFERENCE: Written Question - Senator Mason

QUESTION No.: AI-193

What was the total expense to the Budget of the HECS-HELP contingent loan scheme for the 2011 calendar year, and where is this expense identified in the relevant Portfolio Budget Statements and/or Budget Papers?

In relation to the one student that the Department has confirmed owes taxpayers over \$400,000 – without discussing the personal specifics of that particular student – what circumstances and how many courses of study have given rise to the accumulation of such a large HECS-HELP debt by that student?

(a) What is currently the second largest individual HECS-HELP debt?

ANSWER

It is not possible to identify the total expense to the budget of HECS-HELP for a calendar year. This is due to:

- the HELP program consisting of 5 elements, only one being HECS-HELP;
- the debts from each of these schemes being combined in to one accumulated HELP debt;
- repayments of accumulated HELP debt not being apportioned between the individual schemes making up that amount;
- financial and actuarial treatments being calculated and applied only for financial years.

The total expense for HELP during the 2010-11 Financial Year can be found on page 293 of the DEEWR 2010-11 Annual Report.

Further information regarding HELP administered expenses can be found on pages 45 and 47 of the DEEWR Portfolio Additional Estimates Statements 2011-12, and on page 69 of the DIISRTE Portfolio Additional Estimates Statements 2011-12.

The client with the largest HELP debt was studying from 1998 – 2010, during which time the client was enrolled in different universities across the country at the same time, undertaking different courses. Further breakdown or examination of the way the debts were incurred or accumulated may lead to the individual client being identified, and for that reason the ATO and DIISRTE are unable to make further comment.

In relation to question 2(a), the second highest HELP debt is \$272,617.