

## Senate Standing Committee on Education Employment and Workplace Relations

### QUESTIONS ON NOTICE Additional Estimates 2010-2011

#### Outcome 3 - Higher Education

DEEWR Question No.EW0916\_11

Senator Mason asked on 24/02/2011, Hansard page 123 - 124.

#### Question

#### GRADUATES MOVING OVERSEAS WITH OUTSTANDING HELP DEBTS

Senator MASON—I think there is an understanding that this is an issue. I accept that, yes. Do we know how many graduates who leave for overseas still have a HECS or FEE-HELP debt? It is pretty hard to police and track these things. Mr Warburton—I am not sure that we could get you that data. Mr Hazlehurst—The ATO of course administers these debts on our behalf, in effect, so we would need to seek some information from them about whether they keep amongst their records an identified group of former Australian students who are now residing overseas in respect of whom there is a HECS liability. Senator MASON—Can you find out, Mr Hazlehurst? Do what you can. Mr Hazlehurst—We can certainly look into that, yes. Senator MASON—I am very interested in this, Minister. Senator Chris Evans—Until we get microchips or whatever in people's ears, though, some of these things are not as easy as it may seem. Senator MASON—I know it is not easy. I am not suggesting that it is easy. But even if it is a ballpark figure, I would be interested. Senator Chris Evans—Someone assured me that as many people from Britain escape their debts in Britain by coming to live here as escape their debts here to live in Britain. I do not know whether you find that reassuring. Senator MASON—Given what has happened recently with higher education, it may in fact be the converse. Senator Chris Evans—We will see what we can get you. I am interested in the answer myself. Senator MASON—Yes, it is interesting. Do we know the proportion of people that come back? It is probably too difficult. Ms Paul—People that have their debt interrupted? Senator MASON—Yes. Ms Paul—Have their repayment interrupted? Senator MASON—Yes. Ms Paul—We can ask. We will ask. There may be records of that.

#### Answer

It is not possible to accurately calculate the number of HELP debtors who reside overseas or have had their debt repayments interrupted due to relocating overseas. Unless there is a continued obligation to lodge a return, people who have either permanently relocated overseas or are working overseas for significant periods are not required to inform the ATO of their residency.

The HELP debt is an income contingent liability and is not recoverable until an assessment of their income tax return is made and their HELP Repayment Income is above the compulsory repayment threshold. This threshold is currently \$44,912.