

## EDUCATION, SCIENCE AND TRAINING

### SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2003-2004 BUDGET ESTIMATES HEARING

**Outcome:** 2

**Output Group:** 2.5 – Assistance for post school students including those with special needs

#### DEST Question No. E077\_04

Senator Carr asked on 10 June 2003

#### Question:

- a) Why did the Government decided to cap the FEE-HELP loan at a maximum of \$50 000.
- b) Wouldn't it make more sense to cap the level of fees that an institute could charge?
- c) Dr Nelson has indicated that he might consider raising the \$50 000 limit. How high?
- d) What will happen to students whose fees exceed the limit?
- e) How will they pay?
- f) Or will the courses in question in reality be inaccessible to them?

#### Answer:

##### *The \$50 000 cap*

- a) On the basis that sixty four per cent of domestic undergraduate fee-paying courses at public institutions cost less than \$50,000.
- b) Capping the level of fees that institutions may charge for non-Commonwealth supported courses would undermine diversity in the higher education sector and introduce regulation that is not currently imposed.
- c) This is not a matter for the Department to comment on.
- d) If fees exceed the \$50,000 limit students will not be able to obtain a Commonwealth income contingent loan for the excess amount.
- e) This is not something the Department can comment on.
- f) An analysis of 2002 data reported to DEST indicates that the majority of fee-paying courses available to domestic students cost less than \$50,000 and, thus, for the first time the majority of courses will be fully accessible to students on a Commonwealth income contingent basis under FEE-HELP.