

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2006-2007 BUDGET ESTIMATES HEARING

Outcome: 2

Output Group: 2.5 – Funding for Higher Education

DEST Question No. E076_07

Senator Wong provided in writing.

Question:

How much revenue is generated annually for DEST from the 20 per cent administration charge on FEE HELP loans?

What is this figure across the forward estimates?

Under which output group and budget line is this revenue recognised?

Answer:

Estimated revenue from FEE-HELP Loan fees

All revenue generated from the administration charge on FEE HELP loans forms part of the student's debt which, when collected through the taxation system, is paid into the Commonwealth Official Public Account and is not available to DEST.

The estimated revenues from FEE-HELP loan fees as at the 2006-07 Budget are as follows:-

	2005-06	2006-07	2007-08	2008-09	2009-10
	\$m	\$m	\$m	\$m	\$m
FEE-HELP loan fees	18.447	24.955	30.283	33.191	35.967

The revenue is recognised as part of the line "HELP loan fees and indexation on HELP receivable" in table 2.3 on page 30 of the 2006-07 Portfolio Budget Statements. This in turn forms part of the line "Total administered revenues" in table 3.1.2 on page 66. The revenue is not available for DEST to use so it is not assigned to an output.