

## EDUCATION, SCIENCE AND TRAINING

### SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2004-2005 SUPPLEMENTARY ESTIMATES

**Outcome:** 2

**Output Group:** 2.4 – Funding for Higher Education

#### **DEST Question No. E455\_05**

*Refers QoNs E076\_05, E078\_05, E080\_05*

Senator Carr provided in writing.

#### **Question:**

38% of the fee-paying load in higher education in 2002 was in courses costing over \$50 000.

- a) By how much on average have universities raised their fees since 2002 (including for 2005)?
- b) What are DEST's projections about the proportion of fee-paying domestic students who will be in courses with a total cost of over \$50 000 in 2005?
- c) Have discussions been held with Treasury on the implications for doubtful debt levels of raising the \$50 000 cap by various amounts?
- d) What are the estimates for a lifting of the cap to:
  1. \$60 000
  2. \$70 000
  3. \$80 000
  4. \$100 000
- e) Has Treasury indicated that there is a limit for the level of loan that it is prepared to make available under FEE-HELP?
- f) What is that limit?
- g) What does DEST believe is the upper limit that can be borne, given that, at a certain point, doubtful debt will become unbearably large and the scheme no longer self-sustaining?

#### **Answer:**

##### *FEE-HELP*

a) DEST has not calculated the average increase in the fees charged for courses of study. This would be a resource intensive exercise.

b) DEST does not have a projection of the proportion of fee-paying domestic students who will be in courses with a total cost of over \$50 000 in 2005. DEST's HELP estimates model does not rely on such a projection. It uses a sector wide FEE-HELP take-up rate for fee-paying students.

c, d, e, f and g) Any discussions that may, or may not have occurred with Treasury about options for changing the FEE-HELP limit would be by their nature confidential Budget related discussions.