Opening Statement to Senate Education and Employment Committee
Inquiry into the Higher Education and Research Reform Amendment Bill 2014
Andrew Dempster, Head of Corporate and Government Affairs

Thank you for the opportunity to be heard by the Committee today.

May I start by lending Swinburne's support to the submission made by Universities Australia, particularly those elements which appeal for reconsideration of the 20% cut to CGS funding and reconsideration of the change to indexation of HELP debt.

[illegible] is likely that fee increases in 2016 will be exacerbated by the design of the Higher Education Loan Program, which ensures that students incur no costs for their tuition at the point of purchase. The fact that students can defer their payments for many years means that students are less sensitive to price at the time they commence their studies.

Another feature of the Bill which will exacerbate inflationary outcomes is that there will be no upper limit on the amounts that students can borrow either for undergraduate or postgraduate degrees from 2016.

Effectively, this will be a bit like giving young people access to a credit card without a credit limit.

A number of policy options have been proposed to moderate likely fee increases. Swinburne has proposed an annual student loan limit as one means of exerting downward pressure on price.

[illegible] analysis for the Committee.

There are of course no easy answers in this debate and no single perfect solution.

However, our proposed policy response, the introduction of an annual HECS-HELP loan limit, would:

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