



Deputy Secretary
Dr Subho Banerjee

Mr Tony Simovski
A/g Executive Director
Office of Best Practice Regulation
Department of the Prime Minister and Cabinet
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Email: helpdesk-OBPR@pmc.gov.au

Dear Mr Simovski

Regulation Impact Statement for final assessment

I am writing in relation to the attached Regulation Impact Statement (RIS) prepared for the new VET income contingent loan scheme. Thank you for your recent first pass final assessment of the RIS. Further to your assessment, I am satisfied that the RIS addresses the issues raised in your letter of 30 September 2016. Changes made to the RIS as a result of your letter include:

Status of RIS

The RIS now includes a section identifying the status of the RIS at each decision point.

Impact analysis

Further to the changes made in response to your second pass early assessment, the RIS now includes:

- Additional data on numbers of students and providers impacted by various elements of the Options, including at an activity level for the individual cameos
- More information on how limiting eligible courses and introducing course loan caps may change provider and student behaviour (including the potential for upfront fees)
- Additional information and estimates on the number of expected VET FEE-HELP grandfathered students
- A brief summary of impacts on government in administering the new scheme
- More explicit references to when data, modelling or information is not available.

Consultation


The RIS now includes a short section on key issues where stakeholder groups tended towards different views in response to the discussion paper.

Conclusion

The RIS now includes a section comparing each of the three options against the design principles outlined in the discussion paper, and recommends the best option based on greatest net benefit.

Accordingly, I am satisfied that the RIS now meets best practice consistent with the Australian Government Guide to Regulation. I submit the RIS to the Office of Best Practice Regulation for formal assessment.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Subho Banerjee', written over the printed name.

Dr Subho Banerjee
Deputy Secretary, Skills and Training
Department of Education and Training

4 October 2016