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## **Media release**

### **COSTING OF LABOR POLICY TO CAP VET FEE-HELP LOANS**

Questions have been raised as to whether Labor's policy to cap VET FEE-HELP loans would yield budget savings.

The PBO confirms that its costing of Labor's policy to cap VET FEE-HELP loans would provide a budget saving, improving both the underlying cash and fiscal balances over the 2016-17 Budget forward estimates and over the period 2016-17 to 2026-27.

Parliamentary Budget Officer Phil Bowen explained "the saving reflects lower loan balances and therefore reduced public debt interest payments required to fund the concessional interest subsidy and bad debts associated with these loans".

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