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Implications of the Proposed Low SES Participation Target for Australian University Enrolments

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The John Curtin Institute of Public Policy
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for

Australian Technology Network of Universities



Final Report

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Executive Summary

The Rudd Government has proposed that by 2020, 20% of university domestic undergraduate enrolments should be students from low SES backgrounds. This has been announced as a national target. However, the relative balance of effort and achievement required by each university to achieve this national target is unclear.

This report examines the efficacy of the target in view of the existing postcode-based measure of 'low SES background', current enrolment trends and projected requirements to meet the stated target on the basis of a series of alternative participation pathway scenarios.

Background

In 2008, there were 86,581 low SES students enrolled in Australia's 38 universities (the so-called "Table A Providers"). This represented 16.3% of the domestic undergraduate enrolment of 532,503 students. The proportion of low SES students to total enrolment has remained constant in recent years, with the comparable figures for 2003 being 86,234 students or 16.5% of the total enrolment. Therefore, a participation rate of 20% represents an ambitious target in view of recent experience.

In this context low socio economic (SES) background ("low SES") is defined by the so-called postcode method, namely that it consists of "those students whose permanent home address postcode falls within the lowest 25 per cent of postcodes as coded by the ABS SEIFA Index of Education and Occupation."

To reach the new target participation rate of 20%, universities will have to increase their enrolments of low SES students to 139,200 by 2020 – an increase of 52,000 students over 2008 levels. To achieve this gain, the low SES share of the increase in total enrolments (i.e. the access rate applied to the overall increase) will need to be 32% – almost double current access rates and over 50% higher than the target rate.

Further, the proportion of low SES enrolments varies significantly across the 38 universities, university groupings and between the States and Territories. This can be seen in Table 1 below.

In terms of four common university groupings (as reported on in the Bradley Review), the Group of Eight (Go8), the Australian Technology Network (ATN), universities founded in the 1960s and 70s (1960s-70s) and those founded after 1988 (Post-1988), only the Post-1988 group of universities as a whole already meet the 20% target (20.9% of total enrolments in 2008), while the 1960s-70s group almost meet it (19.3%). The ATN universities had a 14.7% share of low SES enrolments, while the Go8 had 9.9% low SES enrolments. There is significant variation within each grouping.

Proportions of low SES students also vary significantly by State/Territory and this appears to be the most important determinant of participation rates overall. Tasmania (with 31% low SES enrolments); South Australia (20.6%) and Queensland (19.4%) are either already at or close to the government's 20% participation target. NSW (16.8%), NT (15.5%), Victoria (13.8%), and WA (11.2%) are below it, while the

ACT (4.7%) is well below it. This disparity is quite important as universities in Australia collectively source around 90% of domestic undergraduate students from the local jurisdiction.

TABLE 1: Low SES Participation Rates by University Grouping and State/Territory, 2008

	Low SES	All students	Low SES %
Grouping			
ATN	14,054	95,512	14.7%
Go8	14,719	148,482	9.9%
1960s-70s	29,781	154,191	19.3%
Post-1988	28,027	134,318	20.9%
State/Territory			
NSW Total	28,563	170,051	16.8%
VIC Total	17,436	126,444	13.8%
QLD Total	20,367	104,965	19.4%
WA Total	5,848	52,349	11.2%
SA Total	8,041	38,970	20.6%
TAS Total	3,795	12,107	31.3%
NT Total	694	4,469	15.5%
ACT Total	664	14,094	4.7%
Multi-State Total	1,173	9,054	13.0%
TOTAL	86,581	532,503	16.3%

Participation Pathways: Scenarios for meeting the 20% target

There are various pathways through which the increased participation of low SES students can be achieved. This report has analysed four such options, calculated against a 'Baseline Case', in which the current low SES participation rate of 16.3% is maintained, but with a higher overall undergraduate population of 696,000 in 2020. Four scenarios for increasing the participation rate to 20% were then modelled:

- **Scenario 1 – Institutional target:** All universities have 20% low SES participation.
- **Scenario 2 – System-wide target:** Each university has an equal percentage increase in low SES enrolments from their current base in 2008, in order to reach a system-wide target of 20% by 2020.
- **Scenario 3 – State-weighted target:** Each State and Territory is assigned a percentage increase target which sums to a national total of 20% low SES enrolment by 2020. The State target is weighted against the 20% national target on the basis of the percentage of State population living in the bottom 25% of the Australian population (the low SES postcodes) compared to the national average (25%).
- **Scenario 4 – Band-weighted target:** A differential progressive increase in low SES participation by band is applied, so that participation effort increases more for those universities with lower rates in 2008. Institutions with the highest rate of low SES participation are modelled with a 10% increase in low SES enrolments; those with the lowest with a 40% increase.

Findings from the Modelling

Table 2 provides an overview of the findings of the modelling in the case of each scenario. The broad finding is that across both institutional grouping and the States and Territories, Scenario 1 would appear to have the most striking implications for participation in Australia, particularly in the case of the Go8 and ATN universities and those States and Territories with lower current levels of low SES enrolment such as WA and the ACT. Scenarios 2 to 4 tend to even out the burden of enrolment, but all meet the national target of a 20% share of places by low SES students.

Across all scenarios, around 31 to 32% of all 'new' places created in Table A providers would need to go to students from low SES backgrounds should the 20% target be reached from the current 16.3% rate of participation.

The distribution of low SES effort differs between institutional groupings and the States and Territories. In particular, Scenarios 2 and 3 reduce the level of this task for the Go8 and ATN somewhat, at the expense of the other groupings. The use of bands (A to D) provides for a somewhat flatter distribution of the load of low SES students across the entire sector and so perhaps a system which takes into account both institutional grouping and State effects would provide a more realistic outcome than that seen under any of the other Scenarios.

TABLE 2: Participation Rates: Analysis by Groupings per Scenario, 2020

Grouping/ State	Baseline Case (Participation)	Projected Participation Rates			
		Scenario 1: Institution Target	Scenario 2: System-wide Target	Scenario 3: State-weighted Target	Scenario 4: Band-weighted Target
GO8	9.9%	20.0%	12.2%	12.0%	13.3%
ATN	14.7%	20.0%	18.1%	18.9%	18.7%
60/70s	19.3%	20.0%	23.8%	23.6%	23.4%
Post-1988	20.9%	20.0%	25.7%	24.7%	24.9%
NSW	16.8%	20.0%	20.7%	18.9%	20.8%
VIC	13.8%	20.0%	17.0%	16.0%	17.5%
QLD	19.4%	20.0%	23.9%	24.5%	23.6%
WA	11.2%	20.0%	13.7%	15.9%	14.3%
SA	20.6%	20.0%	25.4%	28.6%	25.2%
TAS	31.3%	20.0%	38.6%	43.4%	34.5%
NT	15.5%	20.0%	19.1%	21.2%	19.4%
ACT	4.7%	20.0%	5.8%	4.7%	6.6%
Multi-State	13.0%	20.0%	15.9%	13.0%	16.8%
Total	16.3%	20.0%	20.0%	20.0%	20.0%

Much of the discussion around low SES participation in higher education has focused on current versus future rates of enrolments ('participation') without taking into

consideration how this affects 'access', specifically in terms of the share of the increased enrolment between 2008 and 2020 which low SES targets imply. Table 3 outlines a comparison of these impacts by presenting the implied share of the increase in total new enrolments that would have to be set aside for low SES students should the 20% target be met by 2020.

TABLE 3: Implied Access rates: Analysis by Groupings per Scenario

Grouping	Baseline Case (Participation)	Implied Access Rates (Share of increase in enrolment going to low SES students)			
		Scenario 1: Institution Target	Scenario 2: System Target	Scenario 3: State Target	Scenario 4: Band-weighted Target
GO8	9.9%	52.7%	19.6%	18.6%	24.4%
ATN	14.7%	37.2%	29.1%	32.7%	31.5%
1960s-70s	19.3%	22.2%	38.2%	37.6%	36.8%
Post-1988	20.9%	17.2%	41.2%	37.1%	37.9%
Total	16.3%	32.1%	32.1%	31.3%	32.7%

Implications for the ATN Group

The implications for the ATN group of universities are as follows (see Table 4):

- Under the Baseline Case where low SES enrolments remain at 16.3%, this would mean an increase from 14,054 in 2008 to 18,385 in 2020 – an increase of 32% over this period.
- Under Scenario 1 (where all universities have 20% enrolments), the ATN enrol 24,989 low SES students in 2020 – an increase of 78% over 2008 levels.
- Under Scenario 2 (where each university increases its percentage of low SES enrolments equally, sufficient to reach 20% system-wide), the ATN number of low enrolments increases to 22,615 or 18.1% of enrolments. This represents an increase of 61% between 2008 and 2020.
- Under Scenario 3 (where each State and Territory has low SES students roughly proportionate to their low SES population), the ATN increases its low SES enrolments to 23,677 (or 18.9%), an increase of 68% over the period.
- Under Scenario 4 (where universities differentially increase their low SES enrolments based on their shares in 2008), the ATN increases its low SES enrolments to 23,330 (or 18.7%), an increase of 66% from 2008.

Scenarios 3 and 4 are perhaps the most instructive in policy terms, as they reflect the jurisdictional and institutional realities of low SES participation as currently measured by the postcode method. Even though their overall results for the ATN are roughly the same (an increase to almost 19% of enrolments being low SES), this masks significant differences between individual universities.

TABLE 4: Outcomes for Low SES Enrolment at the ATN Universities: 2008 Actual and under Baseline Case and Scenarios 1 to 4

	Low SES Enrolment						2020 Total Enrolment
	2008 Actual	Baseline: 2020 Share = 2008 Share	Scenario 1: Institution Target	Scenario 2: System Target	Scenario 3: State Target	Scenario 4: Differentiated Targets	
UTS	1,778	2,326	4,457	2,861	2,613	3,024	22,286
RMIT	2,320	3,035	4,434	3,733	3,510	3,945	22,172
QUT	3,622	4,738	6,876	5,828	5,975	6,160	34,382
Curtin	1,972	2,580	4,595	3,173	3,660	3,354	22,973
UniSA	4,362	5,706	4,626	7,019	7,918	6,847	23,132
ATN	14,054	18,385	24,989	22,615	23,677	23,330	124,945
Low SES Enrolment as a Share of Total							
UTS	10.4%	10.4%	20.0%	12.8%	11.7%	13.6%	-
RMIT	13.7%	13.7%	20.0%	16.8%	15.8%	17.8%	-
QUT	13.8%	13.8%	20.0%	17.0%	17.4%	17.9%	-
Curtin	11.2%	11.2%	20.0%	13.8%	15.9%	14.6%	-
UniSA	24.7%	24.7%	20.0%	30.3%	34.2%	29.6%	-
ATN	14.7%	14.7%	20.0%	18.1%	18.9%	18.7%	-

Issues for Further Investigation

There is wide divergence of low SES participation across the Australian higher education sector, as assessed on a jurisdictional basis. In addition to the divergence between the States and Territories, there is also a noticeable divergence between the university groupings in terms of their low SES enrolment, especially after taking 'State' effects into consideration. The ATN group generally performs in the 'middle of the pack' in terms of low SES participation – higher than the Go8 but below the "1960/70s" and "Post-1988" groups of universities.

However, this assessment is clouded by the use of the current low SES measure. The true nature of the range and performance of Australian universities in terms of their enrolment of low SES students is dependent on the definition of low SES. Under the current measure, students are classified as low SES if they reside in the bottom 20% of postcodes on the ABS's measure of SES status. But the distribution of such postcodes is uneven across the States and Territories, such that nationwide comparisons of the low SES enrolment rates between universities do not appear to be robust.

This report has undertaken an analysis that allows for this problem and shows that a national target of 20% enrolment can be achieved where 'differential' targets at the institutional level compensate for this problem. It may also be the case that a more refined measurement of low SES status (for instance, an individual student assessment on the basis of their parent's income) may overcome this problem as well as ensuring fairer outcomes for students who are disadvantaged by the current measure. Certainly, the development of a suitable measure of low SES status needs to be undertaken before targets can be set.

1 Introduction

1.1 Background

One of the Rudd Government's key goals for Australian education is to ensure that 40 per cent of all 25 to 34 year olds in Australia hold a qualification at the bachelor's level or above by 2025. Adjunct to this primary target is another commitment by the Rudd Government to ensure that the increase in domestic undergraduate enrolment is accompanied by an increase in the level of participation in higher education by people from lower socio-economic (low SES) backgrounds.

In March 2009 in a speech to the Australian Higher Education Conference, the Deputy Prime Minister, Julia Gillard, announced that in keeping with its commitment to these goals:

the Government will pursue vigorously the ambition that by 2020, 20 per cent of higher education enrolments at undergraduate level should be of people from low socio-economic backgrounds ... The additional low SES enrolments in 2020 required to meet our goal is approximately 55,000.¹

The low SES goal of 20% may appear to be ambitious when compared to almost twenty years of virtual stability in the percentage of domestic undergraduate students coming from low SES backgrounds at between 15 and 16%.

Nevertheless, it is widely acknowledged as being both necessary and appropriate that more students from low SES (and other equity) backgrounds should have the opportunity to participate in higher education.

As the Deputy Prime Minister notes in her speech to the Australian Higher Education Conference, around 52 per cent of the 'poorest quarter of the population' in Australia aspire to participate in tertiary study, including higher education courses. Thus, the relatively low rates of enrolment in higher education by the low SES students are not necessarily indicative of a lack of underlying aspirations.

However, while it is clearly desirable that there be increased participation rates in higher education by all lower SES groups at all universities, the relative balance of effort and achievement required by each university to achieve the 20% national target is unclear. For example, should all universities be expected to attain the 20% target? Will those universities currently with the lowest participation rates be asked to do more than those already on or above the target range?

Answering these and similar questions forms the basis for this report. The report examines, quantitatively, a number of scenarios or pathways by which the higher education sector could feasibly reach the 20% low SES target by 2020, focusing in particular on the distribution of effort between universities. This will in turn inform government and universities about the appropriate focus for access and equity policies.

The report is *not* intended to provide analysis or a critique of the target itself, or of the various policies and programs that might be adopted to increase equity student participation. The Government announced several policy measures aimed at increasing the access of equity groups in higher education in its Budget statement in May 2009², and there has already been some commentary on the target by Vice Chancellors and other commentators³. Instead, this report aims to focus its investigation on several ways in which the target could be met, in terms of the distribution of low SES students between universities and university groupings.

1.2 Key assumptions

It is not absolutely clear from Government statements whether the 20% target or the estimated 55,000 extra enrolments is intended to apply to all higher education institutions, or only the so-called “Table A providers”.⁴ Table A is the key higher education institution classification which comprises Australia’s 37 public higher education institutions (HEI) plus the Australian Catholic University (ACU). These institutions were the focus for analysis of low SES participation in the Bradley Review⁵. For the purposes of this report, we assume the 20% target applies to Table A providers, but that the figure of 55,000 applies to the whole sector.

In 2008, the Table A providers enrolled 532,503 domestic undergraduate students or 94.8 per cent of total domestic undergraduate enrolments. Of this enrolment, 86,581 students or only 16.3 per cent, came from a low socio-economic background (“low SES”), defined as students whose principal place of residence is in a postcode that ranks in the lowest 25% of postcodes on the ABS’s *SEIFA Index of Education and Occupation* (defined and discussed below). These Table A students represented 95.7% of all low SES enrolments in higher education.

Assuming the Table A providers maintain a 95% share of domestic undergraduate enrolments and that the Rudd Government’s 20% target comprising 55,000 low SES enrolments in all HEI’s is met, we estimate that by 2020, Table A providers will be expected to enrol around 139,000 (20%) students from low SES backgrounds – or over 52,000 more than are enrolled today. A corollary of this outcome is that students from low SES backgrounds will make up around 32% of all *new* places created in an expansion of the domestic undergraduate enrolment between 2009 and 2020 – almost double the national access rates of each of the past six years.

1.3 Key terms and definitions

It is helpful, in discussing the low SES target, that we have a clear understanding of the terms used in the national policy discussion. For our purposes here, the key terms are as follows.

At the outset, it is important to recognise that the target only concerns *domestic undergraduate* higher education students – not all students.

Low socio economic (SES) background is defined by the so-called postcode method, namely that it consists of “those students whose permanent home address postcode

falls within the lowest 25 per cent of postcodes as coded by the ABS SEIFA Index of Education and Occupation.”⁶

The Bradley Review noted that there has been criticism of this definition and the Government has since announced that it will develop better measures of low socio economic status based on the circumstances of individual students and their families, rather than on the characteristics of the postcode from which they originate. For now, in the absence of a new measure, this report will work with the postcode definition.

The Government’s 20 per cent low SES target is a **participation rate**, which is itself a function of the rate at which new students enter higher education (i.e. their **access rate**) and their **retention rate** between years. According to the Bradley Review, once low SES students enter university, the likelihood of them completing their course of study is broadly similar to those of the general higher education population – currently the *retention* rate of low SES students is about 97% of all students.⁷ Consequently, increasing low SES *participation* from 16% to 20% is unlikely to be achieved simply by increasing *retention* rates for low SES students. Instead, their *access* rate will have to increase.

In summary, a participation rate of 20% means that one fifth of all domestic undergraduates enrolled in 2020 in Table A institutions should come from a low SES background (as defined above). This will require access rates of greater than 20% between now and 2020, given the current participation rate of approximately 16%.

This report assesses the low SES enrolments of the 38 Table A public universities. On occasions, these are categorised by State and Territory; on others, by their self-selected **university grouping**. We use the four commonly identified groupings:

1. The five universities in the Australian Technology Network (ATN) (Curtin, UTS, RMIT, QUT, UniSA)
2. The Group of Eight universities (Go8) (ANU, Melbourne, Monash, Sydney, UNSW, UQ, UWA, Adelaide)
3. The 11 universities founded in the 1960s and 70s (1960s-70s) (Tasmania, Murdoch, Flinders, Griffith, JCU, Macquarie, Newcastle, New England, Wollongong, La Trobe, Deakin)
4. The 14 post-1988 universities (Post-1988) (ACU, Canberra, ECU, Charles Darwin, Batchelor Institute, Swinburne, Victoria, Ballarat, Sunshine Coast, CQU, USQ, Southern Cross, UWS, Charles Sturt).

In addition and in correspondence to the data reported below in Table 14, we identify four bands (“A”, “B”, “C” and “D”) into which the Table A providers can be sorted, wholly on the basis of low SES participation as a percentage of their enrolment.

These are defined as follows:

- **Band A:** universities with more than 30% low SES participation in 2008 (4 universities in descending order: CQU, Batchelor Institute, USQ, Tasmania);
- **Band B:** universities with 17%-27% low SES participation in 2008 (13 universities: Newcastle, UNE, UniSA, SCU, Wollongong, CSU, UWS, Victoria, Ballarat, Flinders, JCU, La Trobe, Murdoch);
- **Band C:** universities with between 10% and 15% low SES participation in 2008 (14 universities: UQ, Griffith, Adelaide, QUT, Deakin, RMIT, USC, ACU, CDU, Monash, ECU, Curtin, UTS, Swinburne); and
- **Band D:** universities with 4%-9% low SES participation (7 universities: UNSW, Sydney, Melbourne, UWA, Macquarie, Canberra, ANU).

These bands are used to construct a policy scenario where proposed low SES targets are differentiated progressively by band within an overall national target of 20% low SES enrolments.

1.4 Structure of the report

Following this introduction, the report has three main sections. Section 2 describes the current situation for low SES enrolments. Section 3 outlines a number of participation scenarios. Section 4 summarises the main findings, notes the main implications for the ATN, and suggests lines of further investigation in order for the Government's policy target to be sensibly advanced.

2 Current Situation

2.1 The enrolment of students from low SES background

An indication of current participation rates by low SES students in higher education for all higher education providers is given in Table 1 below. This summarises the situation for *all* Australian higher education institutions (HEI), as defined under the current *Higher Education Support Act (2003)*.

This shows that in 2008, there were 90,467 domestic undergraduates enrolled in all HEI who were classified as low SES, or 16.1% of the total enrolment. Unsurprisingly, 'Table A' institutions had a higher percentage of low SES enrolments (16.3%) than other higher education institutions (13.2%). Our report focuses on these 38 'Table A providers', who also provide the overwhelming bulk (94.7%) of university places.

TABLE 1: Total and Low SES undergraduate enrolments, all institutions, 2008

	Low SES enrolments	Total enrolments	% Low SES	% Total
"Table A Providers"	86,581	532,503	16.3%	94.7%
Other institutions	3,886	29,353	13.2%	5.3%
All institutions	90,467	561,856	16.1%	100.0%

Source: Department of Education, Employment and Workplace Relations 2009, *Customised Data Request*, August 2009.

Low SES participation rates vary by type of institution and by State and Territory. Table 2 shows the situation using the four common university groupings: the ATN, the Go8, universities established in the 1960s or 1970s (1960-70s) and universities established after 1988 (Post-1988).

There is considerable variation within the higher education sector in terms of lower SES enrolment, ranging from Central Queensland University where around 46.7% of all students come from low SES (i.e., bottom quartile) postcodes to the Australian National University with just 4.4% of all students coming from low SES areas.

TABLE 2: Low SES participation rates by university grouping, 2008

Grouping	Institution	Low SES	All students	Low SES %	
ATN	University of Technology, Sydney	1,778	17,036	10.4%	
	RMIT University	2,320	16,949	13.7%	
	Queensland University of Technology	3,622	26,283	13.8%	
	Curtin University of Technology	1,972	17,561	11.2%	
	University of South Australia	4,362	17,683	24.7%	
	ATN sub-total	14,054	95,512	14.7%	
Go8	The University of New South Wales	1,878	21,871	8.5%	
	The University of Sydney	1,921	25,113	7.6%	
	Monash University	3,241	26,259	12.3%	
	The University of Melbourne	1,528	20,813	7.3%	
	The University of Queensland	3,489	23,294	15.0%	
	The University of Western Australia	725	12,107	6.0%	
	The University of Adelaide	1,603	11,358	14.1%	
	The Australian National University	334	7,667	4.4%	
		Go8 sub-total	14,719	148,482	9.9%
1960-70s	Macquarie University	818	13,774	5.9%	
	The University of New England	2,877	11,001	26.1%	
	The University of Newcastle	4,580	17,064	26.8%	
	University of Wollongong	2,609	10,987	23.7%	
	Deakin University	2,873	20,922	13.7%	
	La Trobe University	3,283	17,413	18.8%	
	Griffith University	3,301	22,152	14.9%	
	James Cook University	1,936	9,368	20.7%	
	Murdoch University	1,633	9,474	17.2%	
	Flinders University	2,076	9,929	20.9%	
	University of Tasmania	3,795	12,107	31.3%	
		1960s-70s sub-total	29,781	154,191	19.3%
	Post-1988	Charles Sturt University	4,539	19,597	23.2%
Southern Cross University		2,149	9,021	23.8%	
University of Western Sydney		5,414	24,587	22.0%	
Swinburne University of Technology		853	8,407	10.1%	
University of Ballarat		824	3,890	21.3%	
Victoria University		2,514	11,791	21.3%	
Central Queensland University		3,706	7,937	46.7%	
University of Southern Queensland		3,714	11,478	32.4%	
University of the Sunshine Coast		599	4,453	13.4%	
Edith Cowan University		1,518	13,207	11.5%	
Batchelor Institute of Indigenous Tertiary Education		175	398	43.9%	
Charles Darwin University		519	4,071	12.7%	
University of Canberra		330	6,427	5.1%	
Australian Catholic University		1,173	9,054	13.0%	
		Post-1988 sub-total	28,027	134,318	20.9%
TOTAL		86,581	532,503	16.3%	

Among the 38 Table A providers, the unweighted mean of the SES enrolment share is 17.6%, the median is 14.5% and the standard deviation is 9.8%.

In terms of the four institutional groupings outlined above, the Go8 has the lowest share of low SES students compared with its total domestic undergraduate population, at 9.9%. Not one university in the Go8 has a share above the national average, with the University of Queensland having the highest share at 15%.

The ATN group has a collective, weighted, share of low SES students of around 14.7%. This is below the national average of 16.3%, with only one university, the University of South Australia with 24.7% of its students coming from low SES postcodes, having a share above the average.

The universities in the 1960-70s and Post-1988 groups have similar levels of participation amongst students living in low SES postcodes at 19.3% and 20.9% respectively. This does tend to mask a divergence of performance across universities in this group. For instance, Macquarie University (5.9%) and the University of Canberra (5.1%) both have relatively low shares of enrolment from low SES postcodes, while 14 out of the 25 institutions in both these groups have low SES enrolment shares in excess of 20% already.

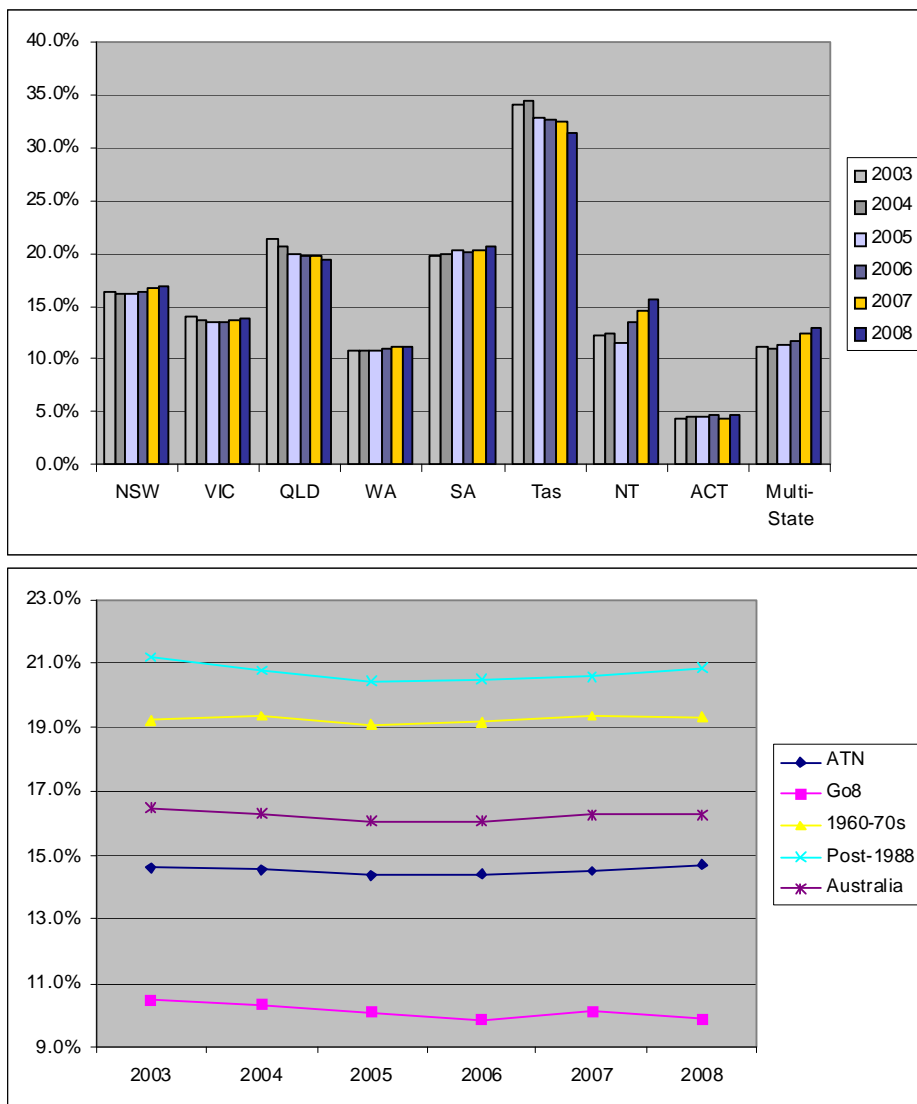
It is important to ascertain the relative importance of the 'State' effect compared to the institution effect. Table 3 shows that some States and Territories have a much higher percentage of low SES students than others. For instance, around 31.3% of students in Tasmania (all attending the University of Tasmania) lived in low SES postcodes, while the next highest ranked State, South Australia, had 20.6% of all students coming from low SES postcodes. Queensland, with 19.4% low SES enrolments, is already close to the proposed target of 20%. By contrast, the other States and Territories have much lower rates of low SES representation, particularly Victoria (13.8%), Western Australia (11.2%) and the Australian Capital Territory (4.7%) who all have levels of low SES participation well below the current national average, to say nothing of the proposed target level.

TABLE 3: Low SES participation rates by State and Territory, 2008

State	Institution	Low SES	All students	Low SES %
NSW	Charles Sturt University	4,539	19,597	23.2%
	Macquarie University	818	13,774	5.9%
	Southern Cross University	2,149	9,021	23.8%
	The University of New England	2,877	11,001	26.2%
	The University of New South Wales	1,878	21,871	8.6%
	The University of Newcastle	4,580	17,064	26.8%
	The University of Sydney	1,921	25,113	7.6%
	University of Technology, Sydney	1,778	17,036	10.4%
	University of Western Sydney	5,414	24,587	22.0%
	University of Wollongong	2,609	10,987	23.7%
	NSW Total	28,563	170,051	16.8%
VIC	Deakin University	2,873	20,922	13.7%
	La Trobe University	3,283	17,413	18.9%
	Monash University	3,241	26,259	12.3%
	RMIT University	2,320	16,949	13.7%
	Swinburne University of Technology	853	8,407	10.1%
	The University of Melbourne	1,528	20,813	7.3%
	University of Ballarat	824	3,890	21.2%
	Victoria University	2,514	11,791	21.3%
	VIC Total	17,436	126,444	13.8%
QLD	Central Queensland University	3,706	7,937	46.7%
	Griffith University	3,301	22,152	14.9%
	James Cook University	1,936	9,368	20.7%
	Queensland University of Technology	3,622	26,283	13.8%
	The University of Queensland	3,489	23,294	15.0%
	University of Southern Queensland	3,714	11,478	32.4%
	University of the Sunshine Coast	599	4,453	13.5%
	QLD Total	20,367	104,965	19.4%
WA	Curtin University of Technology	1,972	17,561	11.2%
	Edith Cowan University	1,518	13,207	11.5%
	Murdoch University	1,633	9,474	17.2%
	The University of Western Australia	725	12,107	6.0%
	WA Total	5,848	52,349	11.2%
SA	The Flinders University	2,076	9,929	20.9%
	The University of Adelaide	1,603	11,358	14.1%
	University of South Australia	4,362	17,683	24.7%
	SA Total	8,041	38,970	20.6%
TAS	University of Tasmania	3,795	12,107	31.3%
	TAS Total	3,795	12,107	31.3%
NT	Batchelor Institute	175	398	44.0%
	Charles Darwin University	519	4,071	12.7%
	NT Total	694	4469	15.5%
ACT	The Australian National University	334	7,667	4.4%
	University of Canberra	330	6,427	5.1%
	ACT Total	664	14094	4.7%
Multi-State	Australian Catholic University	1,173	9,054	13.0%
	Multi-State Total	1,173	9,054	13.0%
AUSTRALIA	TOTAL	86,581	532,503	16.3%

There has been little overall change in low SES participation rates since 2003. Nationally, there was a dip from 16.5% in 2003 to a low of 16.1% and 16.1% in 2004 and 2005 respectively, before a slight increase in the past three years to 16.3% in 2008. Most States and Territories and university groupings have followed this same pattern (see Figure 1). Two exceptions to this trend have been a continuous decline in low SES participation rates in Go8 universities (677 fewer low SES enrolments, representing a drop of 4.6% between 2003 and 2008); and a similarly continuous drop in Queensland (2,255, or 11.1%, fewer enrolments over the 2003-2008 period).

Figure 1: Low SES participation by State and Institutional Grouping 2003-08 (Low SES as % of total)



ATN low SES enrolments over the 2003-2008 period increased marginally from 13,411 in 2003 (14.6% of all enrolments) to 14,054 (or 14.7%) in 2008, an increase of 4.6% over the period. Low SES enrolment shares fell over the 6 years at Curtin and QUT, but rose in the other three universities (see Table 4).

TABLE 4: Low SES participation in ATN Universities, 2003-08 (Low SES as % of total)

	2003	2004	2005	2006	2007	2008
UTS	9.5%	9.6%	9.8%	10.1%	10.0%	10.4%
RMIT	12.5%	12.3%	12.7%	13.0%	13.2%	13.7%
QUT	14.9%	14.5%	13.7%	13.5%	14.1%	13.8%
Curtin	11.4%	11.3%	10.8%	10.1%	10.3%	11.2%
UniSA	23.5%	23.6%	23.9%	24.0%	24.2%	24.7%
ATN	14.6%	14.6%	14.4%	14.4%	14.5%	14.7%
Australia	16.5%	16.3%	16.1%	16.1%	16.2%	16.3%

The divergence in performance between universities is highly dependent on the measure of what constitutes 'low SES' students. As noted in Section 1 above, low SES student figures are based on the postcode of undergraduates, not on their actual circumstances. Hence the distribution of the low SES undergraduate population is highly influenced by general State indices of education and occupation.

The distribution of disadvantage as measured by the ABS SEIFA Index of Education and Occupation is not evenly distributed across States and Territories. Some States and Territories have high proportions of low socio-economic conditions compared to others. This is important in the context of understanding university enrolments of low SES students as measured by this index, particularly in a situation where students tend to remain within their own jurisdiction to attend university. Logically, those States and Territories with lower socio-economic conditions should have larger proportions of low SES students.

Table 5 shows how the current measure of low SES participation affects perceived outcomes. This shows the percentage of population in each State and Territory which is found in the *lowest 25% of the national population based on postcodes*, as measured by the SEIFA, and compares it to the low SES undergraduate population.

TABLE 5: Low SES population and University participation comparisons

	Low SES: Share of State Population	Low SES: Share of University Enrolment	Ratio: Uni/Pop
New South Wales (NSW)	23.5%	16.8%	71.5%
Victoria (VIC)	19.9%	13.8%	69.3%
Queensland (QLD)	30.5%	19.4%	63.3%
South Australia (SA)	35.7%	20.6%	57.7%
Western Australia (WA)	19.8%	11.2%	56.6%
Tasmania	54.1%	31.3%	57.9%
Northern Territory (NT)	26.4%	15.4%	58.7%
Australian Capital Territory (ACT)	0.0%	4.7%	—
Australia	25%	16.3%	65.0%

At the very extreme, the Australian Capital Territory has no postcode, and therefore 0.0% of population, in the bottom quartile of population measured by SEIFA. By contrast, Queensland (30.5%), South Australia (35.7%) and Tasmania (54.1% - over half the State's population) all have shares of low SES population which are markedly above the national average – automatically set at 25%. New South Wales (23.5%) and the Northern Territory (26.4%) are proximate to the national average while Victoria (19.9%) and Western Australia (19.8%) have relatively low SES populations, as defined by the postcode measure.

As most students remain in their State and Territory to go to university⁸, one would therefore expect that universities in SA and Tasmania would have a higher percentage of low SES students, while those in Victoria and WA (and the ACT, of course) would have fewer such students – and indeed this is the case. It is important then to compare the extent to which the universities in each State and Territory reflect the socio-economic composition of their State's population when measured by the postcode proxy.

As stated, nationally, 16.26% of undergraduates are low SES, compared to 25% of the general population, as measured by the postcode method – a ratio of 65% (i.e. 16.26/25). By comparison, the Rudd Government's target for 20% of enrolments to be low SES implies a ratio of 80% (i.e. 20/25). If low SES undergraduates enrolled in universities evenly across Australia, then we would expect the ratio of low SES student/low SES general population in each State and Territory to be the same, i.e. 65% (currently) and 80% (prospectively). However, this is not the case.

Table 5 above shows, for example, that WA universities have 11.2% of their undergraduates who are low SES, compared to 19.8% of WA's general population who are in low SES postcodes, a ratio of 56%. This is well below the national average of 65% and compares to a ratio of 71% for NSW. Although Tasmania and South Australia have an apparently high percentage of low SES undergraduates, they could actually be seen to be 'underperforming', once the high proportion of low SES postcodes in those States and Territories is taken into account. For example, 35.7% of South Australia's population is deemed to be low SES, but only 20.6% of its domestic undergraduates are low SES – a ratio of 58%.

NSW and Victoria have ratios of low SES undergraduates/low SES population above the national average, with Queensland just under the national average. WA and the NT perform on a par with SA and Tasmania – well below the national average.

Finally, by way of comparing the State and institutional grouping effects, we examine the data on the low SES proportions of students in the five ATN universities compared with their respective State's low SES population averages (see Table 6).

Table 6 shows that the ATN group as a whole have an enrolment of 14.7% of students from low SES postcodes, equal to 58.8% of the theoretical 25% equality level, and below the current national ratio of 65%.

There is considerable divergence across State lines. For instance, RMIT University has a low SES enrolment of only 13.7% of its total domestic undergraduate intake, while

the University of South Australia draws nearly one quarter of its intake from low SES households. However, after allowing for the demographic differences between Victoria and South Australia, both institutions take similar shares of low SES students in comparison with their State's low SES population estimate. QUT, by contrast, with an almost identical share of low SES students (13.8%) as RMIT (13.7%), is actually well below RMIT once the 'State' effect is taken into account. There are relatively more low SES postcodes in Queensland than Victoria, therefore, QUT should have a significantly higher proportion of low SES students than RMIT, all things being equal.

TABLE 6: Low SES participation: ATN and State comparisons

	Low SES: Share of State Population	Low SES: Share of University Enrolment	Ratio: Uni/Pop (%)
NSW/UTS	23.5%	10.4%	44.4%
VIC/RMIT	19.9%	13.7%	68.8%
QLD/QUT	30.5%	13.8%	45.2%
WA/Curtin	19.8%	11.2%	56.7%
SA/UniSA	35.7%	24.7%	69.1%
Aust/ATN	25.0%	14.7%	58.8%

2.2 Conclusion

An examination of the 2008 enrolment data for the relevant group of universities (the "Table A providers") indicates that enrolment of low SES students, under the current postcode measure, tends to move in accordance with State and income population factors. There is also strong evidence for clustering of enrolments via the main institutional groupings. For instance, the Go8 universities generally have lower levels of low SES enrolment than universities in the other groupings. But generally, the performance of universities is likely to be an artefact of the chosen measure, i.e., postcode rather than the outcome of any identifiable policy on the part of particular universities. This raises the issue of how this measurement issue impacts on projections for the sector under the proposed expansion in low SES enrolments to 2020.

3 Modelling Alternative Participation Scenarios

In view of recent performance in the higher education sector, the 20% target for low SES participation by 2020 may appear to be ambitious in the context of uniform targets for all universities.

The target established by the Rudd Government for low SES participation by 2020 is part of a wider target to increase levels of participation and attainment at the post-compulsory level. One way of establishing the magnitude of the proposed target for low SES participation is to project enrolment trends in 2020 based on current (2008) shares of the low SES group. This forms the “Baseline Case” outlined below. Flowing from this are four scenarios by which the national 20% target could be met.

3.1 The Baseline Case and Alternative Participation Scenarios

Projected enrolment figures in 2020 were calculated based on statements by the Deputy Prime Minister, Julia Gillard, on this issue. In March, Deputy Prime Minister Gillard stated that the 20% target would require an increase of 55,000 positions for low SES students by 2020 from a current level of 92,000 students, implying a total enrolment of low SES students of around 147,000 by that period⁹. A 20% figure representing 147,000 students implies a total student enrolment of 735,000 (i.e. 147,000 is 20% of 735,000) in 2020. Our ‘Table A provider’ enrolment estimate is derived by applying their 2008 share of all higher education enrolments, 94.77%, to this figure, which equals 696,601. From this, a Baseline Case is calculated for each university by applying current institutional shares of total enrolments in 2008 to the 2020 baseline total of 696,601. This represents growth in total enrolments of 31% over the time to 2020.

The projections for low SES enrolment at each university under the Baseline Case were then calculated by multiplying these total enrolment projections by current institutional enrolment proportions of low SES students in 2008. This yields a total low SES enrolment of 113,262 or 16.3 per cent. Table 7 reports findings by university and State and Territory.

TABLE 7: Baseline Case, Fixed (2008) Shares for Low SES for All Institutions by 2020

State	Institution	Low SES	All students	Low SES %
NSW	Charles Sturt University	5,938	25,636	23.2%
	Macquarie University	1,070	18,019	5.9%
	Southern Cross University	2,811	11,801	23.8%
	The University of New England	3,764	14,391	26.2%
	The University of New South Wales	2,457	28,611	8.6%
	The University of Newcastle	5,991	22,323	26.8%
	The University of Sydney	2,513	32,852	7.6%
	University of Technology, Sydney	2,326	22,286	10.4%
	University of Western Sydney	7,082	32,164	22.0%
	University of Wollongong	3,413	14,373	23.7%
	NSW Total	37,365	222,455	16.8%
VIC	Deakin University	3,758	27,369	13.7%
	La Trobe University	4,295	22,779	18.9%
	Monash University	4,240	34,351	12.3%
	RMIT University	3,035	22,172	13.7%
	Swinburne University of Technology	1,116	10,998	10.1%
	The University of Melbourne	1,999	27,227	7.3%
	University of Ballarat	1,078	5,089	21.2%
	Victoria University	3,289	15,425	21.3%
	VIC Total	22,809	165,410	13.8%
QLD	Central Queensland University	4,848	10,383	46.7%
	Griffith University	4,318	28,978	14.9%
	James Cook University	2,533	12,255	20.7%
	Queensland University of Technology	4,738	34,382	13.8%
	The University of Queensland	4,564	30,472	15.0%
	University of Southern Queensland	4,859	15,015	32.4%
	University of the Sunshine Coast	784	5,825	13.5%
	QLD Total	26,643	137,311	19.4%
WA	Curtin University of Technology	2,580	22,973	11.2%
	Edith Cowan University	1,986	17,277	11.5%
	Murdoch University	2,136	12,394	17.2%
	The University of Western Australia	948	15,838	6.0%
	WA Total	7,650	68,481	11.2%
SA	The Flinders University	2,716	12,989	20.9%
	The University of Adelaide	2,097	14,858	14.1%
	University of South Australia	5,706	23,132	24.7%
	SA Total	10,519	50,979	20.6%
TAS	University of Tasmania	4,964	15,838	31.3%
	TAS Total	4,964	15,838	31.3%
NT	Batchelor Institute	229	521	44.0%
	Charles Darwin University	679	5,326	12.7%
	NT Total	908	5,846	15.5%
ACT	The Australian National University	437	10,030	4.4%
	University of Canberra	432	8,408	5.1%
	ACT Total	869	18,437	4.7%
Multi-State	Australian Catholic University	1,534	11,844	13.0%
	Multi-State Total	1,534	11,844	13.0%
AUSTRALIA	TOTAL	113,262	696,601	16.3%

Modelling Policy Scenarios

There are various pathways by which the increased participation of low SES students can be achieved. This report discusses four such scenarios for reaching the 20% target:

- **Scenario 1 – Institutional target:** All universities have 20% low SES participation.
- **Scenario 2 – System-wide target:** Each university has an equal percentage increase in low SES enrolments from their current base in 2008, in order to reach a system-wide target of 20% by 2020.
- **Scenario 3 – State-weighted target:** Each State and Territory is assigned a percentage increase target which sums to a national total of 20% low SES enrolment by 2020. The State target is weighted against the 20% national target on the basis of the percentage of State population living in the bottom 25% of the Australian population (the low SES postcodes) compared to the national average (25%).
- **Scenario 4 – Band-weighted target:** A differential progressive increase in low SES participation by band, so that participation effort increases more for those universities with lower rates in 2008.

3.2 Scenario 1 – Institutional target

Table 8 reports the projected shares for low SES students under Scenario 1. The imposition of this target results in a higher percentage share of low SES students than under the Baseline case, i.e. 20% compared to 16.3%, which translates into a higher number of low SES students, 139,320 compared to 113,262 under the Baseline Case. Further, we assume that all universities are restricted to a 20% benchmark level. Of course, it is quite likely that universities already above the 20% benchmark may retain their enrolment mix, so the estimates could be conservative under this scenario.

This scenario sees a relatively steep incremental change in low SES participation compared to the Baseline Case. For instance, in both instances 164,098 more students enter the sector in comparison with 2008. Under the Baseline, only 16.3% of this increase is from low SES postcodes, which is all that is necessary to generate the 16.3% share. However, for Australia's Table A providers to reach the 20% target, they must collectively fill 32% of the 164,098 new student places in 2020 with students from low SES postcodes. In the case of several Go8 universities, the access rate required between 2008 and 2020 for them to meet the 20% benchmark rises to over 60%.

TABLE 8: Scenario 1: 20% Low SES Target for All Universities by 2020.

State	Institution	Low SES	All students	Low SES %
NSW	Charles Sturt University	5,127	25,636	20.0%
	Macquarie University	3,604	18,019	20.0%
	Southern Cross University	2,360	11,801	20.0%
	The University of New England	2,878	14,391	20.0%
	The University of New South Wales	5,722	28,611	20.0%
	The University of Newcastle	4,465	22,323	20.0%
	The University of Sydney	6,570	32,852	20.0%
	University of Technology, Sydney	4,457	22,286	20.0%
	University of Western Sydney	6,433	32,164	20.0%
	University of Wollongong	2,875	14,373	20.0%
	NSW Total	44,491	222,455	20.0%
VIC	Deakin University	5,474	27,369	20.0%
	La Trobe University	4,556	22,779	20.0%
	Monash University	6,870	34,351	20.0%
	RMIT University	4,434	22,172	20.0%
	Swinburne University of Technology	2,200	10,998	20.0%
	The University of Melbourne	5,445	27,227	20.0%
	University of Ballarat	1,018	5,089	20.0%
	Victoria University	3,085	15,425	20.0%
	VIC Total	33,082	165,410	20.0%
QLD	Central Queensland University	2,077	10,383	20.0%
	Griffith University	5,796	28,978	20.0%
	James Cook University	2,451	12,255	20.0%
	Queensland University of Technology	6,876	34,382	20.0%
	The University of Queensland	6,094	30,472	20.0%
	University of Southern Queensland	3,003	15,015	20.0%
	University of the Sunshine Coast	1,165	5,825	20.0%
	QLD Total	27,462	137,311	20.0%
WA	Curtin University of Technology	4,595	22,973	20.0%
	Edith Cowan University	3,455	17,277	20.0%
	Murdoch University	2,479	12,394	20.0%
	The University of Western Australia	3,168	15,838	20.0%
	WA Total	13,696	68,481	20.0%
SA	The Flinders University	2,598	12,989	20.0%
	The University of Adelaide	2,972	14,858	20.0%
	University of South Australia	4,626	23,132	20.0%
	SA Total	10,196	50,979	20.0%
TAS	University of Tasmania	3,168	15,838	20.0%
	TAS Total	3,168	15,838	20.0%
NT	Batchelor Institute	104	521	20.0%
	Charles Darwin University	1,065	5,326	20.0%
	NT Total	1,169	5,846	20.0%
ACT	The Australian National University	2,006	10,030	20.0%
	University of Canberra	1,682	8,408	20.0%
	ACT Total	3,687	18,437	20.0%
Multi-State	Australian Catholic University	2,369	11,844	20.0%
	Multi-State Total	2,369	11,844	20.0%
AUSTRALIA	TOTAL	139,320	696,601	20.0%

An analysis of this result by institutional groupings (Table 9) bears this out. For the Go8 to meet the proposed 20% target (Scenario 1), it will have to virtually double its low SES student numbers compared to the baseline outcome. Moreover, the low SES share of the increased student numbers is 52.7%; i.e. more than half of the increase in Go8 student intake between 2009 and 2020 would need to be low SES under this scenario (compared to around 10% currently). Similarly, for the ATN grouping to meet the 20% target, around 37.2% of new student places created from 2009 to 2020 will have to go to low SES students. The other two university groupings are less adversely affected given their pre-existing shares of low SES students.

TABLE 9: Analysis by Groupings: 2008 Data and Projections for 2020 – Scenario 1 Comparison (Impact by Institutional Groupings)

Grouping	2008 Total Enrolment	2020 Total Projected Enrolment	Projected total enrolment increase 2009-2020
GO8	148,482	194,239	45,757
ATN	95,512	124,945	29,433
1960s-70s	154,191	201,707	47,516
Post-1988	134,318	175,710	41,392
Total	532,503	696,601	164,098

Grouping	2008 Low SES Enrolment	Scenario 1: Projected Low SES Enrolment in 2020 ¹	Scenario 1: Projected low SES enrolment increase 2009-2020	Low SES share of projected total enrolment increase, % ²
GO8	14,719	38,848	24,129	52.7%
ATN	14,054	24,989	10,935	37.2%
1960s-70s	29,781	40,341	10,560	22.2%
Post-1988	28,027	35,142	7,115	17.2%
Total	86,581	139,320	52,739	32.1%

Note: Groupings based on definitions in the *Bradley Review*.

The Increase in total enrolment is identical across Baseline and both Scenarios.

Enrolment is total enrolment in a given year, where as “Share of Increase” refers to the increase in low SES enrolment as a percentage of the increase in total enrolment.

1. Scenario 1: Low SES enrolment is equal to a 20% share x. 2020 enrolment for all universities.
2. These shares (the access rates) are calculated from the column immediately to the left; i.e. projected low SES enrolment increase/projected total enrolment increase, for the period 2009-2020.

3.3 Scenario 2 – System-wide Target

Given the results of Scenario 1 compared to the Baseline Scenario - and the fact that several universities are already above the 20% target – there does appear to be a need to consider alternative policy responses to a flat 20%, ‘one-size fits all’ target.

The most immediate adjustment that can be made to Scenario 1 is for the 20% target to be a ‘system-wide’ target, with individual universities being required, or having incentives provided, to increase their current share of low SES enrolments such that the national enrolment exhibits a 20% share. This can be done through a uniform 23% increase in the low SES enrolment share of each university, increasing the overall low SES share from 16.3% to 20%, without altering the current distribution of low SES enrolments between universities.

The impact of this scenario on institutional groupings is reported in Table 10 and the impacts for all universities are reported in Table 11. While the overall level of low SES enrolments remains consistent with that seen under Scenario 1 (139,320), the composition of the *increase* in enrolment has changed. The emphasis in this scenario is now on the 1960s/70s and 1980s/90s institutional groupings to carry more of the task of enrolling low SES students (i.e. to have higher access rates for low SES students) – reflecting their currently higher participation rates of low SES students. For instance, across all 1980s/90s universities, around 41.2 per cent of new enrolments will have to come from low SES backgrounds to raise their proportion by 23% (to 25.7%).

TABLE 10: Analysis by Groupings: 2008 Data and Projections for Scenario 1 and Scenario 2 Comparison (Impact by Institutional Groupings)

Grouping	2020 Enrolment	Projected Increase from 2008	Baseline Share = Share of Increase % ¹	Scenario 1: Low SES Enrolment ²	Low SES Access Rate, %	Scenario 2: Low SES Enrolment ²	Low SES Access Rate, %
GO8	194,239	45,757	9.9%	38,848	52.7%	23,685	19.6%
ATN	124,945	29,433	14.7%	24,989	37.2%	22,615	29.1%
1960s-70s	201,707	47,516	19.3%	40,341	22.2%	47,922	38.2%
Post-1988	175,710	41,392	20.9%	35,142	17.2%	45,099	41.2%
Total	696,601	164,098	16.3%	139,320	32.1%	139,320	32.1%

Note: See Table 9 for general notes.

1. Baseline Scenario: As 2020 share = 2008 share, the 2020 Share and Share of Increase are identical.
2. Scenario 1: Low SES enrolment is equal to a 20% share x 2020 enrolment for all universities while Scenario 2 sees a System-wide target of 20% with proportional increases for universities, based on 2008 shares.

TABLE 11: Scenario 2: System-wide Target of 20% Low SES Enrolment by 2020.

State	Institution	Low SES	All students	Low SES %
NSW	Charles Sturt University	7,304	25,636	28.5%
	Macquarie University	1,316	18,019	7.3%
	Southern Cross University	3,458	11,801	29.3%
	The University of New England	4,629	14,391	32.2%
	The University of New South Wales	3,022	28,611	10.6%
	The University of Newcastle	7,370	22,323	33.0%
	The University of Sydney	3,091	32,852	9.4%
	University of Technology, Sydney	2,861	22,286	12.8%
	University of Western Sydney	8,712	32,164	27.1%
	University of Wollongong	4,198	14,373	29.2%
	NSW Total	45,962	222,455	20.7%
VIC	Deakin University	4,623	27,369	16.9%
	La Trobe University	5,283	22,779	23.2%
	Monash University	5,215	34,351	15.2%
	RMIT University	3,733	22,172	16.8%
	Swinburne University of Technology	1,373	10,998	12.5%
	The University of Melbourne	2,459	27,227	9.0%
	University of Ballarat	1,326	5,089	26.1%
	Victoria University	4,045	15,425	26.2%
		VIC Total	28,057	165,410
QLD	Central Queensland University	5,963	10,383	57.4%
	Griffith University	5,312	28,978	18.3%
	James Cook University	3,115	12,255	25.4%
	Queensland University of Technology	5,828	34,382	17.0%
	The University of Queensland	5,614	30,472	18.4%
	University of Southern Queensland	5,976	15,015	39.8%
	University of the Sunshine Coast	964	5,825	16.5%
		QLD Total	32,773	137,311
WA	Curtin University of Technology	3,173	22,973	13.8%
	Edith Cowan University	2,443	17,277	14.1%
	Murdoch University	2,628	12,394	21.2%
	The University of Western Australia	1,167	15,838	7.4%
		WA Total	9,410	68,481
SA	The Flinders University	3,341	12,989	25.7%
	The University of Adelaide	2,579	14,858	17.4%
	University of South Australia	7,019	23,132	30.3%
		SA Total	12,939	50,979
TAS	University of Tasmania	6,107	15,838	38.6%
	TAS Total	6,107	15,838	38.6%
NT	Batchelor Institute	282	521	54.1%
	Charles Darwin University	835	5,326	15.7%
		NT Total	1,117	5,846
ACT	The Australian National University	537	10,030	5.4%
	University of Canberra	531	8,408	6.3%
		ACT Total	1,068	18,437
Multi-State	Australian Catholic University	1,888	11,844	15.9%
		Multi-State Total	1,888	11,844
AUSTRALIA	TOTAL	139,320	696,601	20.0%

3.4 Scenario 3 – State-weighted Target

As discussed above, there is strong evidence to suggest that low SES enrolment outcomes are in large part driven by the measure chosen – low SES postcodes – and so therefore reflect socio-economic differences between the States and Territories identified in Table 5 above.

Scenario 3 involves a participation pathway that accounts for these differences by weighting the 20% national target by the ratio of the State and Territory's low SES population share to the national average of 25% (i.e., the lowest quartile). For instance, South Australia has 35.7% of its population living in low SES postcodes, so the appropriate State target is equal to $(35.7/25)*20\% = 28.6\%$. So universities in South Australia should collectively meet a 28.6% low SES target on the basis of their current (2008) institutional shares of low SES students relative to the current State share (i.e., a proportional increase). Table 12 reports these relativities for each of the States and Territories.

TABLE 12: Scenario 3: State-weighted Target (Low SES % Share)

Grouping	Population (% of households in low SES postcodes)	2020 Low SES Student Share % (Target)
NSW	23.5%	18.9%
VIC	19.9%	16.0%
QLD	30.5%	24.5%
WA	19.8%	15.9%
SA	35.7%	28.6%
TAS	54.1%	43.4%
NT	26.4%	21.2%
ACT ¹	0.0%	4.7%
Multi-state ²	-	13.0%
Australia	25%	20%

Note: The 2020 target for Low SES Student Share is calculated by dividing the State population share of low SES households by the Australian total (25%) and multiplying this by the overall low SES student enrolment target of 20%.

1. As there are no low SES postcodes in the ACT, the existing low SES share of 4.7% has been assigned to the Territory.
2. Likewise, in the case of the only multi-state university in Australia, the Australian Catholic University, given the uncertainty in relation to its local region, the pre-existing share of 13 % has been assigned to it.

The rationale for choosing State-based targets, as outlined in Table 12, is that there is considerable deviation between the States and Territories with regard to the proportion of households living in low SES postcodes.

In fact, as there are no low SES postcodes in the Australian Capital Territory, the two local universities, the Australian National University and the University of Canberra have necessarily low levels of low SES enrolment (4.7% combined, which is the target

they are assigned in this scenario). Aside from this, the States and Territories range in low SES population shares from 19.8% in WA to 54.1% in Tasmania and this range is reflected in their calculated low SES student targets.

Table 13 reports the outcomes in terms of enrolment targets across the States and Territories and universities under this scenario. The overall findings are not dramatically different from those seen under Scenario 2 which saw a uniform increase in low SES participation rates. This reflects the predominance of State effects, which sees the 1960s/70s and 1980s/90s universities again bear the main costs of adjustment as part of this process, with both requiring to enrol 37% of their projected increase to 2020 from low SES postcodes. Essentially, Scenario 3 like Scenario 2 shifts the focus towards those universities with pre-existing high levels of low SES enrolment.

TABLE 13: Scenario 3: State-weighted Target for Low SES Enrolment by 2020.

State	Institution	Low SES	All students	Low SES %
NSW	Charles Sturt University	6,670	25,636	26.0%
	Macquarie University	1,202	18,019	6.7%
	Southern Cross University	3,158	11,801	26.8%
	The University of New England	4,227	14,391	29.4%
	The University of New South Wales	2,760	28,611	9.6%
	The University of Newcastle	6,730	22,323	30.1%
	The University of Sydney	2,823	32,852	8.6%
	University of Technology, Sydney	2,613	22,286	11.7%
	University of Western Sydney	7,955	32,164	24.7%
	University of Wollongong	3,834	14,373	26.7%
	NSW Total	41,971	222,455	18.9%
VIC	Deakin University	4,347	27,369	15.9%
	La Trobe University	4,968	22,779	21.8%
	Monash University	4,904	34,351	14.3%
	RMIT University	3,510	22,172	15.8%
	Swinburne University of Technology	1,291	10,998	11.7%
	The University of Melbourne	2,312	27,227	8.5%
	University of Ballarat	1,247	5,089	24.5%
	Victoria University	3,804	15,425	24.7%
		VIC Total	26,383	165,410
QLD	Central Queensland University	6,114	10,383	58.9%
	Griffith University	5,445	28,978	18.8%
	James Cook University	3,194	12,255	26.1%
	Queensland University of Technology	5,975	34,382	17.4%
	The University of Queensland	5,756	30,472	18.9%
	University of Southern Queensland	6,127	15,015	40.8%
	University of the Sunshine Coast	988	5,825	17.0%
		QLD Total	33,598	137,311
WA	Curtin University of Technology	3,660	22,973	15.9%
	Edith Cowan University	2,818	17,277	16.3%
	Murdoch University	3,031	12,394	24.5%
	The University of Western Australia	1,346	15,838	8.5%
		WA Total	10,855	68,481
SA	The Flinders University	3,769	12,989	29.0%
	The University of Adelaide	2,910	14,858	19.6%
	University of South Australia	7,918	23,132	34.2%
		SA Total	14,597	50,979
TAS	University of Tasmania	6,880	15,838	43.4%
	TAS Total	6,880	15,838	43.4%
NT	Batchelor Institute	313	521	60.0%
	Charles Darwin University	927	5,326	17.4%
		NT Total	1,240	5,846
ACT	The Australian National University	436	10,030	4.3%
	University of Canberra	431	8,408	5.1%
		ACT Total	867	18,437
Multi-State	Australian Catholic University	1,540	11,844	13.0%
	Multi-State Total	1,540	11,844	13.0%
AUSTRALIA	TOTAL¹⁰	139,320	696,601	20.0%

3.5 Scenario 4 – Band-weighted Target

A more nuanced way of equalising effort by universities is to apply a differential progressive increase in low SES participation, so that participation effort increases more for those universities with lower rates in 2008. As Table 14 shows, an ordinal ranking of Table A providers based on institutional low SES participation indicates four primary clusters, which are identified as Bands A, B, C and D for the purposes of this report.

Progressively steeper increases to the number of low SES enrolments were demanded of universities within each band, to achieve an overall system-wide low SES participation rate in 2020 of 20%. The low SES enrolment increases modelled were such that:

- **Band A (10% increase)**, for universities with more than 30% low SES participation in 2008 (4 universities in descending order: CQU, Batchelor Institute, USQ, Tasmania);
- **Band B (20% increase)**, for universities with 17%-27% low SES participation in 2008 (13 universities: Newcastle, UNE, UniSA, SCU, Wollongong, CSU, UWS, Victoria, Ballarat, Flinders, JCU, La Trobe, Murdoch);
- **Band C (30% increase)**, for universities with between 10% and 15% low SES participation in 2008 (14 universities: UQ, Griffith, Adelaide, QUT, Deakin, RMIT, USC, ACU, CDU, Monash, ECU, Curtin, UTS, Swinburne); and
- **Band D (40% increase)**, for universities with 4%-9% low SES participation (7 universities: UNSW, Sydney, Melbourne, UWA, Macquarie, Canberra, ANU).

The impact on individual universities (arranged by State and Territory) is reported in Table 15, including an identification of universities by band. Because most States contain a variety of universities (i.e. from different bands), the increase in low SES required is not dissimilar and the ranking of jurisdictions in terms of shares of low SES does not alter (i.e. ACT and WA retain the lowest shares; Tasmania and South Australia retain the highest). However, the spread between jurisdictions is less.

TABLE 14: Ranking of Universities by low SES participation in 2008

Band	Group	State	Institution	Low SES	All Students	Share
A	Post-1988	QLD	Central Queensland University	3,706	7,937	46.7%
A	Post-1988	NT	Batchelor Institute	175	398	44.0%
A	Post-1988	QLD	University of Southern Queensland	3,714	11,478	32.4%
A	1960-70s	TAS	University of Tasmania	3,795	12,107	31.3%
B	1960-70s	NSW	The University of Newcastle	4,580	17,064	26.8%
B	1960-70s	NSW	The University of New England	2,877	11,001	26.2%
B	ATN	SA	University of South Australia	4,362	17,683	24.7%
B	Post-1988	NSW	Southern Cross University	2,149	9,021	23.8%
B	1960-70s	NSW	University of Wollongong	2,609	10,987	23.7%
B	Post-1988	NSW	Charles Sturt University	4,539	19,597	23.2%
B	Post-1988	NSW	University of Western Sydney	5,414	24,587	22.0%
B	Post-1988	VIC	Victoria University	2,514	11,791	21.3%
B	Post-1988	VIC	University of Ballarat	824	3,890	21.2%
B	1960-70s	SA	The Flinders University	2,076	9,929	20.9%
B	1960-70s	QLD	James Cook University	1,936	9,368	20.7%
B	1960-70s	VIC	La Trobe University	3,283	17,413	18.9%
B	1960-70s	WA	Murdoch University	1,633	9,474	17.2%
C	Go8	QLD	The University of Queensland	3,489	23,294	15.0%
C	1960-70s	QLD	Griffith University	3,301	22,152	14.9%
C	Go8	SA	The University of Adelaide	1,603	11,358	14.1%
C	ATN	QLD	Queensland University of Technology	3,622	26,283	13.8%
C	1960-70s	VIC	Deakin University	2,873	20,922	13.7%
C	ATN	VIC	RMIT University	2,320	16,949	13.7%
C	Post-1988	QLD	University of the Sunshine Coast	599	4,453	13.5%
C	Post-1988	Multi-state	Australian Catholic University	1,173	9,054	13.0%
C	Post-1988	NT	Charles Darwin University	519	4,071	12.7%
C	Go8	VIC	Monash University	3,241	26,259	12.3%
C	Post-1988	WA	Edith Cowan University	1,518	13,207	11.5%
C	ATN	WA	Curtin University of Technology	1,972	17,561	11.2%
C	ATN	NSW	University of Technology, Sydney	1,778	17,036	10.4%
C	Post-1988	VIC	Swinburne University of Technology	853	8,407	10.1%
D	Go8	NSW	The University of New South Wales	1,878	21,871	8.6%
D	Go8	NSW	The University of Sydney	1,921	25,113	7.6%
D	Go8	VIC	The University of Melbourne	1,528	20,813	7.3%
D	Go8	WA	The University of Western Australia	725	12,107	6.0%
D	1960-70s	NSW	Macquarie University	818	13,774	5.9%
D	Post-1988	ACT	University of Canberra	330	6,427	5.1%
D	Go8	ACT	The Australian National University	334	7,667	4.4%
			TOTAL (Australia)	86,581	532,503	16.3%

TABLE 15: Scenario 4: Band-weighted Target for Low SES Enrolment by 2020.

State	Band	Institution	Low SES	All students	Low SES %
NSW	B	Charles Sturt University	7,125	25,636	27.8%
	D	Macquarie University	1,498	18,019	8.3%
	B	Southern Cross University	3,373	11,801	28.6%
	B	The University of New England	4,516	14,391	31.4%
	D	The University of New South Wales	3,439	28,611	12.0%
	B	The University of Newcastle	7,190	22,323	32.2%
	D	The University of Sydney	3,518	32,852	10.7%
	C	University of Technology, Sydney	3,024	22,286	13.6%
	B	University of Western Sydney	8,499	32,164	26.4%
	B	University of Wollongong	4,096	14,373	28.5%
		NSW Total	46,279	222,455	20.8%
VIC	C	Deakin University	4,886	27,369	17.9%
	B	La Trobe University	5,154	22,779	22.6%
	C	Monash University	5,512	34,351	16.0%
	C	RMIT University	3,945	22,172	17.8%
	C	Swinburne University of Technology	1,451	10,998	13.2%
	D	The University of Melbourne	2,798	27,227	10.3%
	B	University of Ballarat	1,294	5,089	25.4%
	B	Victoria University	3,946	15,425	25.6%
			VIC Total	28,986	165,410
QLD	A	Central Queensland University	5,333	10,383	51.4%
	C	Griffith University	5,614	28,978	19.4%
	B	James Cook University	3,039	12,255	24.8%
	C	Queensland University of Technology	6,160	34,382	17.9%
	C	The University of Queensland	5,933	30,472	19.5%
	A	University of Southern Queensland	5,344	15,015	35.6%
	C	University of the Sunshine Coast	1,019	5,825	17.5%
		QLD Total	32,442	137,311	23.6%
WA	C	Curtin University of Technology	3,354	22,973	14.6%
	C	Edith Cowan University	2,582	17,277	14.9%
	B	Murdoch University	2,563	12,394	20.7%
	D	The University of Western Australia	1,328	15,838	8.4%
		WA Total	9,826	68,481	14.3%
SA	B	The Flinders University	3,259	12,989	25.1%
	C	The University of Adelaide	2,726	14,858	18.3%
	B	University of South Australia	6,847	23,132	29.6%
		SA Total	12,832	50,979	25.2%
TAS	A	University of Tasmania	5,461	15,838	34.5%
		TAS Total	5,461	15,838	34.5%
NT	A	Batchelor Institute	252	521	48.4%
	C	Charles Darwin University	883	5,326	16.6%
		NT Total	1,134	5,846	19.4%
ACT	D	The Australian National University	612	10,030	6.1%
	D	University of Canberra	604	8,408	7.2%
		ACT Total	1,216	18,437	6.6%
Multi-State	C	Australian Catholic University	1,995	11,844	16.8%
		Multi-State Total	1,995	11,844	16.8%
AUSTRALIA		TOTAL¹¹	139,320	696,601	20.0%

3.6 Summary of the four scenarios

There are various pathways through which the increased participation of low SES students can be achieved. This report has analysed four such options, calculated against a baseline case, in which the current low SES participation rate of 16.3% is maintained, but with a higher overall undergraduate population of 696,000 in 2020.

Table 16 provides an overview of the findings of the modelling in the case of each scenario against the baseline case of no change in the rate of participation of low SES students. The broad finding is that across both institutional grouping and the States and Territories, Scenario 1 would appear to have the most striking implications for participation in Australia, particularly in the case of the Go8 and ATN universities and the States and Territories with lower current levels of low SES enrolment such as WA and the ACT. Scenarios 2 to 4 tend to even out the burden of enrolment, but all meet the national target of a 20% share of places by low SES students.

TABLE 16: Participation Rates: Analysis by Groupings per Scenario

Grouping/ State	Baseline Case (Participation)	Projected Participation Rates			
		Scenario 1: Institutional Target	Scenario 2: System Target	Scenario 3: State Target	Scenario 4: Band-weighted Target
GO8	9.9%	20.0%	12.2%	12.0%	13.3%
ATN	14.7%	20.0%	18.1%	18.9%	18.7%
1960-70s	19.3%	20.0%	23.8%	23.6%	23.4%
Post-1988	20.9%	20.0%	25.7%	24.7%	24.9%
NSW	16.8%	20.0%	20.7%	18.9%	20.8%
VIC	13.8%	20.0%	17.0%	16.0%	17.5%
QLD	19.4%	20.0%	23.9%	24.5%	23.6%
WA	11.2%	20.0%	13.7%	15.9%	14.3%
SA	20.6%	20.0%	25.4%	28.6%	25.2%
TAS	31.3%	20.0%	38.6%	43.4%	34.5%
NT	15.5%	20.0%	19.1%	21.2%	19.4%
ACT	4.7%	20.0%	5.8%	4.7%	6.6%
Multi-State	13.0%	20.0%	15.9%	13.0%	16.8%
Total	16.3%	20.0%	20.0%	20.0%	20.0%

Much of the discussion around low SES participation in higher education has focused on *current* versus *future* rates of enrolments ('participation') without taking into consideration how this affects 'access', specifically in terms of the low SES share of the *increase* in enrolment between 2009 and 2020 which low SES targets imply.

Table 17 provides this comparison by presenting the implied share of total new enrolment that would have to be set aside for low SES students should the 20% target be met by 2020.

TABLE 17: Implied Access Rates: Analysis by Groupings per Scenario

Grouping	Implied Access Rates (Share of increase in enrolment going to low SES students)			
	Scenario 1: Institutional Target	Scenario 2: System Target	Scenario 3: State Target	Scenario 4: Band-weighted Target
GO8	52.7%	19.6%	18.6%	24.4%
ATN	37.2%	29.1%	32.7%	31.5%
1960-70s	22.2%	38.2%	37.6%	36.8%
Post-1988	17.2%	41.2%	37.1%	37.9%
Total	32.1%	32.1%	31.3%	32.7%

Across all scenarios, around 31 to 32% of all 'new' places created in Table A providers would need to go to students from low SES backgrounds should the 20% target be reached from the current 16.3% rate of participation. The distribution of this effort differs between institutional groupings. For the Go8 universities to meet the 20% target under Scenario 1 (where each institution enrolls 20% of its students from low SES backgrounds), they would have to draw approximately 52.7% of their projected increase in enrolment between 2008 and 2020 (1 in 2 students) from low SES backgrounds to raise their participation rate from the current 9.9% to the 20% target. The ATN group would have to enrol 37.2% (or 1 in 3 students) to fill all new places created to 2020 to meet the institutional target of 20% participation. Table 17 indicates that Scenarios 2 and 3 reduce the level of this task for the Go8 and ATN somewhat, but at the expense of the other groupings. The use of bands (A to D) provides for a somewhat flatter distribution of the load of low SES students across the entire sector.

3.7 Summary of findings for ATN Group

For the ATN universities, the modelling shows that under the Baseline Case where low SES enrolments remain at 16.3%, this would mean an increase from 14,054 in 2008 to 18,385 in 2020 – an increase of 32%. Table 18 summarises projected *participation* rates for each of the ATN universities under the four scenarios (while Table 17 summarised *access* rates for ATN as a whole).

Under Scenario 1 (where all universities have 20% enrolments), the ATN enrol 24,989 low SES students in 2020 – an increase of 78% on 2008 levels. Using this scenario, the ATN would have to enrol 37.2% (or more than 1 in 3) of all new places created to 2020 with students from low SES postcodes to meet the institutional target of 20% SES participation.

Under Scenario 2 (where each university increases its percentage of low SES enrolments equally, sufficient to reach 20% system-wide), the ATN number of low enrolments increases to 22,615 or 18.1% of enrolments.

TABLE 18: Outcomes for Low SES Enrolment at the ATN Universities: 2008 Actual and under Baseline Case and Scenarios 1 to 4

	Low SES Enrolment						2020 Total Student Enrolment
	<i>2008 Actual</i>	Baseline: 2020 Share = 2008 Share	Scenario 1: Institution Target	Scenario 2: System Target	Scenario 3: State Target	Scenario 4: Differentiated Targets	
UTS	1,778	2,326	4,457	2,861	2,613	3,024	22,286
RMIT	2,320	3,035	4,434	3,733	3,510	3,945	22,172
QUT	3,622	4,738	6,876	5,828	5,975	6,160	34,382
Curtin	1,972	2,580	4,595	3,173	3,660	3,354	22,973
UniSA	4,362	5,706	4,626	7,019	7,918	6,847	23,132
ATN	14,054	18,385	24,989	22,615	23,677	23,330	124,945
Low SES Enrolment as a Share of Total							
UTS	10.4%	10.4%	20.0%	12.8%	11.7%	13.6%	-
RMIT	13.7%	13.7%	20.0%	16.8%	15.8%	17.8%	-
QUT	13.8%	13.8%	20.0%	17.0%	17.4%	17.9%	-
Curtin	11.2%	11.2%	20.0%	13.8%	15.9%	14.6%	-
UniSA	24.7%	24.7%	20.0%	30.3%	34.2%	29.6%	-
ATN	14.7%	14.7%	20.0%	18.1%	18.9%	18.7%	-

Under Scenario 3 (where each State has low SES students roughly proportionate to their low SES population), the ATN increases its low SES enrolments to 23,677 (or 18.9% of all students), an increase of 68% between 2008 and 2020. Under Scenario 4 (where universities differentially increase their low SES enrolments based on their shares in 2008), the ATN increases its low SES enrolments to 23,330 (or 18.7% of all students), an increase of 66% from 2008.

Scenarios 3 and 4 are perhaps the most interesting and defensible in policy terms, as they reflect the jurisdictional and institutional realities of low SES participation as currently measured by the postcode method. Even though their overall results for the ATN are roughly the same (an increase to almost 19% of enrolments being low SES), this masks significant differences between individual universities. For example, under Scenario 3, the University of South Australia is projected to have a 34.2% low SES enrolment (compared to its current 24.7%), reflecting the higher proportion of low SES people in the general South Australian population; under Scenario 4, this drops to 29.6%, reflecting the relatively high band (Band 'B') in which UniSA is placed (with a consequently lower targeted increase in low SES enrolments).

The reverse applies for UTS. From its current low SES share of 10.4%, it is projected to jump to 13.6% in 2020 under Scenario 4, whereas it only rises to 11.7% under Scenario 3, reflecting the relatively smaller number of low SES postcodes in New South Wales. RMIT University is projected to need more low SES students under Scenario 4 than Scenario 3, for similar reasons to UTS (the smaller low SES population in Victoria), while Curtin is more like UniSA and would require greater numbers of low SES students under Scenario 3, due to the under-enrolment of low SES students in Western Australia generally. The two scenarios are roughly the same for QUT, with Scenario 4 requiring only a slightly higher low SES enrolment share than Scenario 3.

4 Conclusion

4.1 Summary and policy implications

The Rudd Government's proposal that 20% of university domestic undergraduate enrolments should be students from low SES backgrounds appears on initial inspection to be an ambitious target. Participation has been stuck at around 16% for the past six years. To reach a participation rate of 20% by 2020, access rates of 32% will be required – in other words, at a system level, almost one in three of all new domestic undergraduate enrolments between now and 2020 will need to be low SES students. This is double current access rates.

Meeting a 20% low SES participation goal will be more challenging for some universities than others. The proportion of low SES enrolments varies significantly across the 38 Table A institutions, and between and within the States and Territories and institutional groupings.

For example, in 2008, 15 of the 38 Table A providers already had more than 20% of their domestic undergraduates from low SES postcodes (see Table 14). Enrolments in these institutions represented one third of all students in Australia and just over one half of all low SES students. By contrast, the bottom 10 institutions (in terms of share of low SES enrolments) enrolled 28% of the nation's domestic undergraduates but only 14% of the nation's low SES students.

The Commonwealth Government has not given a firm indication of what it considers to be a likely or desirable distribution of low SES students across the higher education system. In fact, there are various pathways through which the increased participation of low SES students can be achieved. This report has analysed four such options, calculated against a baseline case in which the current low SES participation rate of 16.3% is maintained, but with a higher overall domestic undergraduate population of 696,000 in 2020.

Our four scenarios for increasing the participation rate to 20% ranged from very simplistic 'one size fits all' targets to more nuanced scenarios which took into account State factors or current participation rates, with lower low-SES participation universities being required to make a greater effort than those currently with higher participation rates.

Table 16 toward the end of Section 3 provided an overview of the findings of the modelling in the case of each scenario, against the baseline case of no change in the rate of participation of low SES students. It found that Scenario 1 (where every university has 20% low SES participation) would have the most striking implications for participation in Australia, particularly in the case of the Go8 and ATN universities and for those States and Territories with lower current levels of low SES enrolment such as WA and the ACT. However, Scenario 1 is the least likely and would make little practical or policy sense, given that 15 universities already have low SES participation rates of above 20%. It is inconceivable that either the Government or the universities themselves would wish to reduce the rate of low SES participation in these institutions, at least not to any significant degree. Nor is it likely or feasible

that institutions with low SES participation rates of 4-5% will be able to reach a 20% share within a decade.

Scenario 2 is effectively a 'status quo' scenario (at least in terms of relative proportions), in which the 2008 distribution pattern of low SES enrolments is retained in 2020, but at a higher overall level of SES participation (i.e. 20% rather than the current rate of 16.3%). Those institutions with high percentages retain those percentages, while those with low shares retain those shares. While this is potentially more realistic, it is unlikely to be acceptable to Government or to the sector as a whole, or in particular to those institutions currently with higher shares of low SES students, who may consider that they are already 'doing their bit' and expect more effort from universities with lower shares.

Scenarios 3 and 4 are perhaps the most instructive in policy terms, as they reflect the jurisdictional and institutional realities of low SES participation, as currently measured by the postcode method.

Scenario 3 – matching a State-based low SES participation target to the share of low SES population in that State – is perhaps the 'fairest' method of apportioning effort. It recognises that most students (over 90%) attend university within their own State, and thus the locational basis of the low SES measure (the postcode) is crucial. To assess relative effort (or success) among universities in attracting low SES students, the demographic characteristics of their primary 'catchment' area (the State or Territory) must be taken into account. So, States with a higher percentage of low SES population should be expected to have a higher share of low SES students.

A State-based target for increasing low SES students is likely to require policy innovation at several levels. First, it implies that it is State characteristics, rather than the policies of individual universities, which are the dominant influence over low SES enrolment rates. Therefore, cooperative rather than competitive approaches to increasing low SES enrolments are likely to be needed – i.e. a commitment from universities within a jurisdiction that they need to collectively increase the 'size of the pie' within their jurisdiction (i.e. the total number of low SES students in a State) rather than merely increase the size of their 'slice' of an existing 'pie'.

A State-based approach is also likely to require universities and DEEWR to work closely with State and Territory governments on this policy challenge, as these sub-national governments have the greatest influence over the institutions (schools) from which larger numbers of low SES students will come. This will also require State and Territory governments themselves to take higher education policy and opportunity more seriously than many have done so to date. These are all formidable challenges and require further analysis.

Scenario 4 – a differentiated band-weighted target – has the virtue of enabling DEEWR to deal with individual institutions in discussing future low SES targets (e.g. in forthcoming 'compact' negotiations). It also has intuitive appeal in requiring institutions with lower SES shares currently, to make a proportionately greater effort than those with higher shares. However, it does not take State-based factors into account. As we have seen, these are the primary determinants of low SES shares.

4.2 Issues for further investigation

As noted, there is a wide divergence of low SES participation rates across the Australian higher education sector, as assessed on a State basis. The use of the current postcode measure ensures that universities in States and Territories such as the ACT and WA tend to appear to be less representative, as those jurisdictions have either no (as is the case with the ACT) or relatively few low SES postcodes when classed together in a national comparison.

In addition to the divergence between the States and Territories, there is also a noticeable divergence between the university groupings in terms of their low SES enrolment, even after taking State effects into consideration. The ATN group, for example, generally performs in the ‘middle of the pack’ in low SES participation – higher than the Go8 but below the “1960s-70s” and “Post-1988” groups.

However, this assessment is clouded by the use of the current low SES measure. The true nature of the range and performance of Australian universities in terms of their enrolment of low SES students is dependent on the definition of low SES. Under the current measure, students are classified as low SES if they reside in the bottom 25% of postcodes on the ABS’s measure of SES status. However, the distribution of such postcodes is uneven among the States and Territories, such that nationwide comparisons between universities do not appear to be robust. This report has undertaken an analysis that allows for this problem and shows that a national target of 20% enrolment can be achieved where ‘differential’ targets at the institutional level compensate for this problem.

It may also be the case that a more refined measurement of low SES status, for instance, an individual student assessment on the basis of their parent’s income, may overcome this problem as well as ensuring fairer outcomes for students who are disadvantaged by the current measure. Certainly, the development of a suitable measure of low SES status needs to be undertaken as a priority before targets can be set for individual institutions.

Notes

¹ Hon Julia Gillard, speech to *Australian Financial Review* Higher Education Conference 9 March 2009. http://www.deewr.gov.au/Ministers/Gillard/Media/Speeches/Pages/Article_090310_141130.aspx

² *Transforming Australia's Higher Education System* 12 May 2009.

³ For example, see J. Mather and R. Lebihan, "Unis cry poor over social plan", *Australian Financial Review*, 15 June 2009.

⁴ Table A providers are delineated as such in the *Higher Education Support Act* 2003. We use the terms "Table A providers", "universities" and "institutions" interchangeably throughout this report when we refer to this group.

⁵ See the table in the Bradley Review: *Review of Higher Education*, Final Report, 2008, Department of Education, Employment and Workplace Relations, Canberra, p. 34.

⁶ *Review of Higher Education, op. cit.*, p. 34. This measure is taken from Australian Bureau of Statistics, *Census of Population and Housing: Socio-Economic Indexes for Areas (SEIFA), Australia, 2006* (Cat. No. 2033.0.55.001). Clarification from the University Statistics Section in DEEWR has revealed that the method used is to assign SES categories to postcodes using ABS estimated resident population data and the SEIFA Index of Education and Occupation. Estimated resident population (as at 30 June 2006) postcode data for 15-64 year olds is then merged onto the SEIFA data at postcode level. These data are sorted by their SEIFA scores, and the postcodes then accounting for the bottom 25% of the population are assigned low socioeconomic status. In other words, the low SES data are based on the postcodes representing the bottom 25% of the *population*, and not the bottom 25% of *postcodes*. The latter contains less than 25% of the population (around 22%, in fact), as the poorer postcodes contain disproportionately more small regional and remote communities. The bottom 25% of the population is found in approximately the bottom 28% of postcodes.

⁷ *Review of Higher Education, op.cit.*, p. 30.

⁸ Data from the Department of Education, Employment and Workplace Relations (2009) indicates that universities source around 90% of their domestic undergraduate load from their own jurisdiction. Tasmania (86.8%), the Northern Territory (58.5%) and the Australian Capital Territory (67.6%) are the only States or Territories with less than 90% own-jurisdictional enrolment.

⁹ Hon Julia Gillard, *op.cit.* (see note 1).

¹⁰ Figures for low SES enrolment in this scenario will not directly sum to a 20% share of enrolments (the actual share is 19.8%) due to the inclusion of the multi-state university.

¹¹ Figures for low SES enrolment in this scenario do not directly sum to a 20% share of enrolments (the actual share is 20.1%) – the figure is an outcome of the application of the progressive differential increase.