

EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2007-08 ADDITIONAL ESTIMATES HEARING

Outcome 3

DEEWR Question No. EW79_08

Senator Wortley provided in writing.

Question

Report on impact of HECS changes by Tom Karmel et al

1. Can you confirm that a report on the impact of changes to the HECS scheme by Tom Karmel and others was withdrawn from publication by the Department in August 2003?
2. Can you confirm that the reason given to Senate Estimates (5/11/03) was that the report had "methodological limitations"?
3. I am aware that a "draft" of the report was subsequently provided to the Committee. Can you explain what those "methodological limitations" were?

Answer

1. The paper by Aungles P, Buchanan I, Karmel T and Maclachlan M (2002), *HECS and opportunities in higher education: a paper investigating the impact of the Higher Education Contributions Scheme (HECS) on the higher education system* was not withdrawn from publication in August 2003. The material from the paper was draft input to *The National Report on Higher Education in Australia (2001)*; however it was excluded from the final report due to the reasons given to the Senate Committee on 5 November 2003.

A draft of the paper was subsequently released by the Department of Education, Science and Training (DEST) on 8 August 2003. The link to the media release and paper is at http://www.dest.gov.au/portfolio_department/news_events/media_releases_speeches/departmental_media_releases/det08_0803.htm.

2. Yes.
3. The reasons were set out in the press release issued by the Department of Education, Science and Training on 5 August 2003, as follows:
 - Firstly, there are methodological concerns expressed such as "it is difficult to isolate the impact of the HECS from other factors that may have impacted on the demand for higher education..."
 - Secondly, the results identified are inconclusive (for example, "may have dampened demand").
 - Also the Department considers that any impact identified from the data is insignificant. The reputed impact of one claimed finding is that "the proportion of males under 24 years of age from low socio-economic status backgrounds in Band 3 from 13% in 1996 to 10% in 1997" would, if it could in fact be demonstrated, relate to about 120 students out of a commencing load in that year of over 100,000.

A link to the press release is at:

http://www.dest.gov.au/portfolio_department/news_events/media_releases_speeches/departmental_media_releases/det05_0803.htm.