

1. When University of Melbourne introduced full fee paying places for its Doctor of Medicine Program, what impact did this have on fees and access to postgraduate training?

The University of Melbourne which commenced its full fee paying Doctor of Medicine postgraduate program in 2011 and is expected to have the first cohort of master graduates in 2014. We understand that the University of Melbourne has undertaken to keep track of the financial circumstances and career direction of graduates enrolled in this course however it is probably too early for any reliable or useful data to be available.

2. What proportion of students studying medicine are from a low SES background?

In 2009 the former Federal Government outlined a goal that by 2020, 20% of higher education enrolments at undergraduate level should be filled with students from low socio-economic backgrounds.¹ A report commissioned on Selection and Participation in Higher Education in March 2011 by the Group of Eight (Go8), revealed the current level of low SES participation (the lowest 25% SES bands) were under-represented at 18%, and high SES applicants (top 25%) were over-represented, relative to their population share at 31.6%, in terms of applications for university. This still falls short of the target of 20 per cent.

Closer examination of applications for health disciplines by narrow field of education shows a greater proportion of low SES students applying for nursing, and a greater proportion of high SES students (45%) applying for medicine (cf 15% applying from low SES).²

Another report on widening participation in Australian higher education³ suggests that where the course work fees currently exceed the FEE-HELP limit, particularly for courses such as law or medicine, that this presents considerable participation limitations for students who cannot afford the fees or do not have the resources to fund the gap between FEE-HELP limits and what universities charge.

3. What is the trajectory for increase in earning for junior doctors after graduation?

In July 2014, the Group of Eight (Go8) published a paper examining the earnings trajectories of graduates over the medium to long term.⁴

Starting salary

It references information about graduate starting salaries collected annually by Graduate Careers Australia (GCA) and reported in their Graduate Salaries report. The GCA report focuses on the 'traditional' graduate cohort: Australian citizens and permanent residents who have completed a bachelor degree, are aged less than 25 and are in their first full-time employment. Go8 analysis of the GCA data in 2012, and adjusted for \$2014, indicates that in 2014, the graduate starting salary for Medicine was \$60,000.

The Go8 report also uses 2011 Census data as an alternative source of data to the Graduate Salaries survey. The Census collects information on qualifications attained, field of study, employment status and income.

¹ <http://www.industry.gov.au/highereducation/ResourcesAndPublications/ReviewOfAustralianHigherEducation/Pages/FutureDirectionsForTertiaryEducation.aspx>

² Selection and Participation in Higher Education. University selection in support of student success and diversity of participation. March 2011. Prepared for the Group of Eight
http://www.cshe.unimelb.edu.au/people/james_docs/Selection_and_Participation_in_Higher_Education.pdf

³ Gale T, Parker S. Widening participation in Australian higher education. August 2013. <http://www.deakin.edu.au/arts-ed/efi/pubs/wp-in-australian-he.pdf>

⁴ Group of Eight. Policy Note. Understanding graduate earnings. July 2014. [file:///C:/Users/scross/Downloads/203R1022%20\(1\).PDF](file:///C:/Users/scross/Downloads/203R1022%20(1).PDF)

While this information does not specifically pertain to starting salaries, it still provides a close approximation after accounting for age. The results are very similar, and report a starting salary for Medicine as \$64,454.

Initial career progression

Go8 analysis suggests that in the first five years of their careers, graduate salaries increase in real terms by around 6.7 per cent a year. Graduates that enjoyed the most growth included graduates from the disciplines of creative arts (8.0 per cent), architecture and building (7.5) and management and commerce (7.4). Estimates of five year income progression from 2011 Census suggests an increase of only 5.5 per cent per annum for Medicine. Graduates experiencing the most growth include those from the disciplines of law (8.5 per cent), agriculture (7.7) and management and commerce (6.0).

Average earnings

In terms of average earnings, there is a wide variance in the average wage according to discipline. This also has an impact on the relative financial attractiveness of different medical specialties. The OECD reports that self-employed general practitioners in Australia earned 1.7 times the average wage in 2011, compared to self-employed specialists who earned 4.3 times the average wage.⁵

Lifetime earnings

The Go8 report also looks at mean graduate earnings by field of study for the first 20 years of their careers. After 20 years of employment, medicine and law graduates are the top performers, earning \$117,000 and \$107,000 respectively.

The report suggests that after 10 years working fulltime, 20 per cent of graduates will be earning more than 80 per cent of all full time employees across the country. The proportion of medicine graduates earning in the top quintile after 10 years is approx. 55 per cent; 49 per cent for law graduates; 39 per cent for engineering graduates and 29 per cent for commerce graduates. After 20 years, 42 per cent of graduates are in the top quintile. Less than 12 per cent of workers without any post-secondary qualifications earn this amount.

4. What proportion of public vs private high school students go on to study medicine?

The AMA is unable to provide this data to the Senate Committee.

5. What proportion of students are from regional and rural areas?

Data on students who have a rural background are collected by medical schools. In 2013, 769 or 27.1% of commencing domestic students reported that they had lived in a rural or remote area prior to commencing their medical studies (this is in line with the proportion of 27% in 2012). A slightly higher proportion (29.9%) of students from universities participating in the Rural Clinical Training and Support Program reported a rural background compared to all commencing domestic students. The proportion of domestic students with a rural background was roughly one quarter in each state and territory.⁶

⁵ OECD (2013), Health at a Glance 2013: OECD Indicators, OECD Publishing.

http://dx.doi.org/10.1787/health_glance-2013-en

⁶ Medical Training Review Panel Seventeenth Report. May 2014

[http://www.health.gov.au/internet/main/publishing.nsf/Content/79377907BDB0C4C4CA257CE70018EBBB/\\$File/MTRP%2017th%20report.pdf](http://www.health.gov.au/internet/main/publishing.nsf/Content/79377907BDB0C4C4CA257CE70018EBBB/$File/MTRP%2017th%20report.pdf)