

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2003-2004 BUDGET ESTIMATES HEARING

Outcome: 2

Output Group: 2.5 – Assistance for post school students including those with special needs

DEST Question No. E317_04

Senator Harradine asked on 5 June 2003

Question:

Concerning upfront fee paying, Senator Harradine asked:

- a) Has there been any work done to investigate debt-averse behaviour?
- b) Does this impact on student participation if, for instance, a family wishes to pay up front but cannot afford to?
- c) Has any research been done into this reaction to HECS.
- d) If so, please provide a copy.

Answer:

Upfront fee paying

- a) Research undertaken for the Department of Education, Science and Training in 1999 by Mr Les Andrews (*Does HECS Deter? Factors Affecting University Participation by Low SES Groups*) addressed the issue of whether the introduction of HECS discouraged persons from low socioeconomic background from undertaking higher education.
- b) This research indicated that the primary reason influencing choices as to the participation of people from low socioeconomic backgrounds in higher education related more to values and attitudes towards higher education than to financial considerations.
- c) Studies undertaken by Professor Bruce Chapman and others at the Australian National University indicate that HECS has not been a dominant factor in influencing individual decision making in relation to higher education participation either at an aggregate level or for students from disadvantaged backgrounds.
- d) The following publications are available on the internet as indicated below:
 - (i) Les Andrews, *Does HECS Deter? Factors Affecting University Participation by Low SES Groups*, Occasional Paper Series, Higher Education Division, Department of Education, Training and Youth Affairs, August 1999.

This publication is available on the internet at:

<http://www.dest.gov.au/archive/highered/occpaper/99F/does.pdf>

- (ii) Bruce Chapman and Chris Ryan, *Income-Contingent Financing of Student Charges for Higher Education: Assessing the Australian Innovation*, Centre for Economic Policy Research, ANU, Discussion Paper No. 449, May 2002.

This publication is available on the internet at:

<http://cepr.anu.edu.au/pdf/DP449.pdf>