

Senate Standing Committee on Education Employment and Workplace Relations

QUESTIONS ON NOTICE Budget Estimates 2011-2012

Outcome 3 - Higher Education

DEEWR Question No.EW0421_12

Senator Nash asked on 1/06/2011, Hansard page 64.

Question

Methodology used in the Grattan Institute report on regional Australia

Senator NASH: All right. If you would not mind providing to the committee—and I am very happy for you to do this on notice—just what those concerns were about the methodology that the Grattan Institute used in coming up with the findings, that would be very helpful.

Answer

The evidence base of the Grattan Institute report, *Investing in Regions: Making a Difference*, draws on a methodology which compares university cities with cities of a similar size and location which do not have a large tertiary education sector. Based on this analysis the report concludes that regional universities do little to promote economic growth.

The categories of university cities and non-university cities are not clearly defined in the report. In its selection of university cities and non-university comparators the report does not compare demographic and industry characteristics which limits the analysis of the impact of a university city. This makes the report's conclusions sensitive to the arbitrary selection of comparison cities.

The Department also has concerns regarding the report's use of 2006 census data, on bachelor degree attainment rates of 22 year olds, to examine the impact of regional universities. The analysis is focused on school leavers and assumes a pattern of direct progression from school to university to work. DEEWR university applications and offers data on deferrals recorded by tertiary admission centres in 2010 shows that university applicants from regional areas were around twice as likely to defer their university place than metropolitan applicants. This suggests that the census analysis is likely to undercount graduates from regional areas as students who defer university are generally older when the graduate compared with students who start university following completion of year 12.

Furthermore, the report's suggestion that government funding could be better directed to assisting regional students with the costs of relocating to other areas to study does not acknowledge that students studying in regional Australia may not be able to move to study due to work and other personal factors.