



Demand driven facts and figures

February 2018



Policy

Policies on domestic undergraduate student numbers in public universities

1989-1997 Block grant system with a target number of student places, with targets reduced from 1997 due to Budget savings measures. Each university receives its own allocation, determined largely according to history. Generally no discipline-level funding, other than a once-off adjustment in early 1990s. Additional places awarded on an average funding rate. The Commonwealth pays the total funding rate, and collects HECS separately from students. Enrolments above target are permitted but not funded. These are called 'over-enrolments'.

1998-2004 As before, except: Over-enrolments funded at a marginal rate, approximate \$3800 in \$A2017. This compares with average funding of \$15,800. Domestic full-fee places permitted if the target number of places is achieved, with a cap of 25 per cent in any course.

2005-2007 Block grants and enrolment targets are retained. However, the funding rate is split into Commonwealth and student contributions, based on discipline. Commonwealth Grant Scheme block grant is for the Commonwealth component only, with the places divided between 12 discipline-based funding clusters. Universities are not required to meet the 12 sub-targets, but may not maximise potential funding unless they do. Can receive funding up to 1 per cent more than the originally allocated dollar amount. Universities keep all student contributions up to 105 per cent of FT equivalent places. Above 5 per cent, they are 'fined' the average student contribution. New places often allocated to specific courses and campuses. Domestic full-fee places permitted if the target number of places is achieved, with a cap of 35 per cent in any course (from 2006).

2008 As for 2005-2007, except that universities received Commonwealth contributions up to 5 per cent more than the originally allocated dollar amount, and all student contributions. Bradley report recommending the demand driven system is released in late 2008.

2009 As for 2008, except that most new full-fee domestic undergraduate enrolments were banned. In early 2009, Julia Gillard announces that the government will introduce demand driven funding from 2012, except in medicine, with a phase-in period in 2010 and 2011.

2010-2011 As for 2009, except that universities received Commonwealth contributions up to 10 per cent more than the originally allocated dollar amount, and all student contributions. In late 2011, sub-bachelor places are 'designated'; they will be centrally allocated.

2012-2017 Public universities receive uncapped Commonwealth and student contributions for all bachelor degree students, except in medicine which is designated and capped. Universities receive student contributions for all 'over-enrolled' sub-bachelor places.

2018-2019 Maximum demand driven Commonwealth contributions under Commonwealth Grant Scheme are frozen at 2017 levels. Universities to receive the lower of the 2017 total and actual full-time equivalent student numbers * relevant cluster funding rate. Universities receive the student contribution for all undergraduates enrolled.

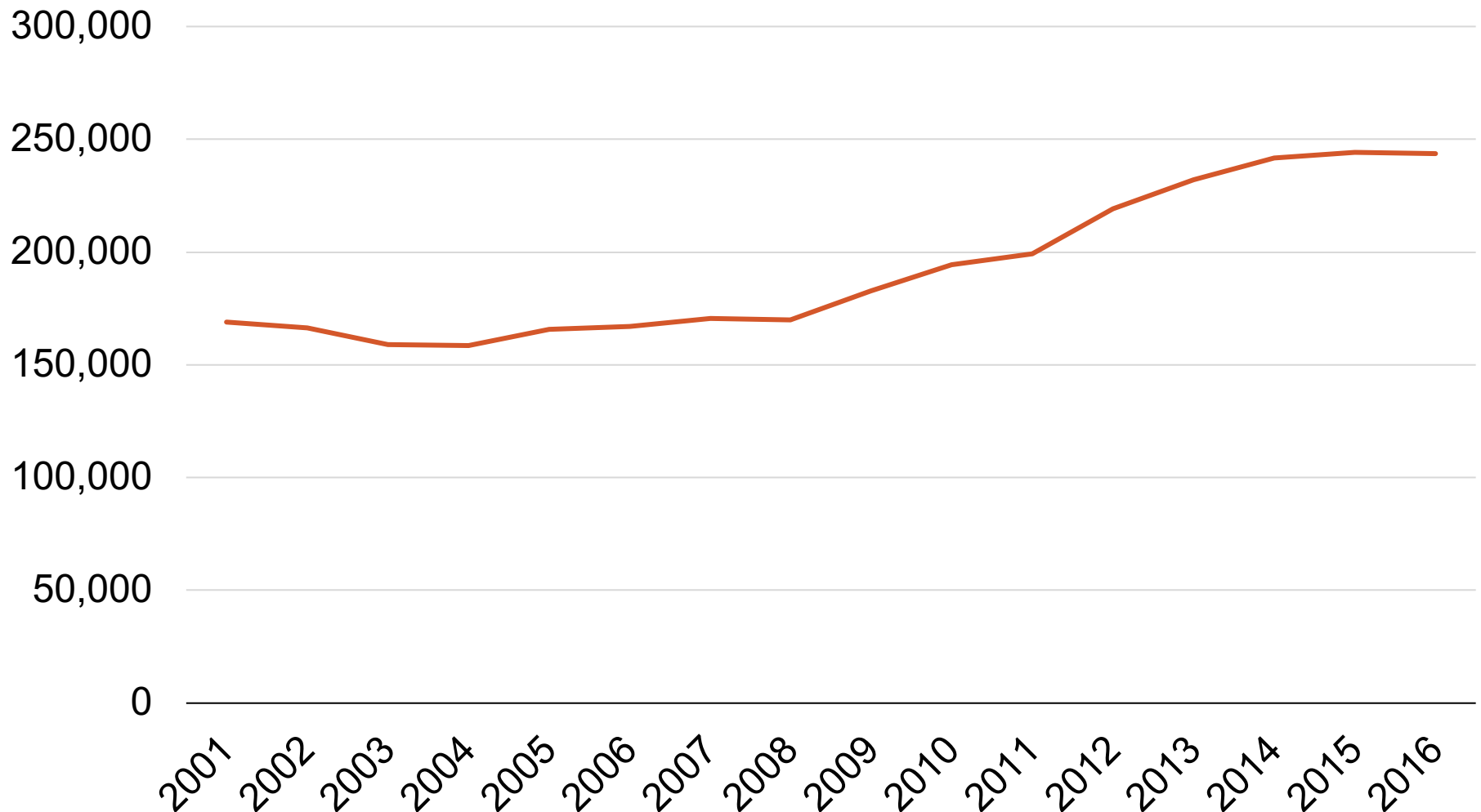
2020 As for 2018-2019, except maximum Commonwealth Grant Scheme payments increased in line with population growth, if universities meet various performance targets



Enrolments and participation

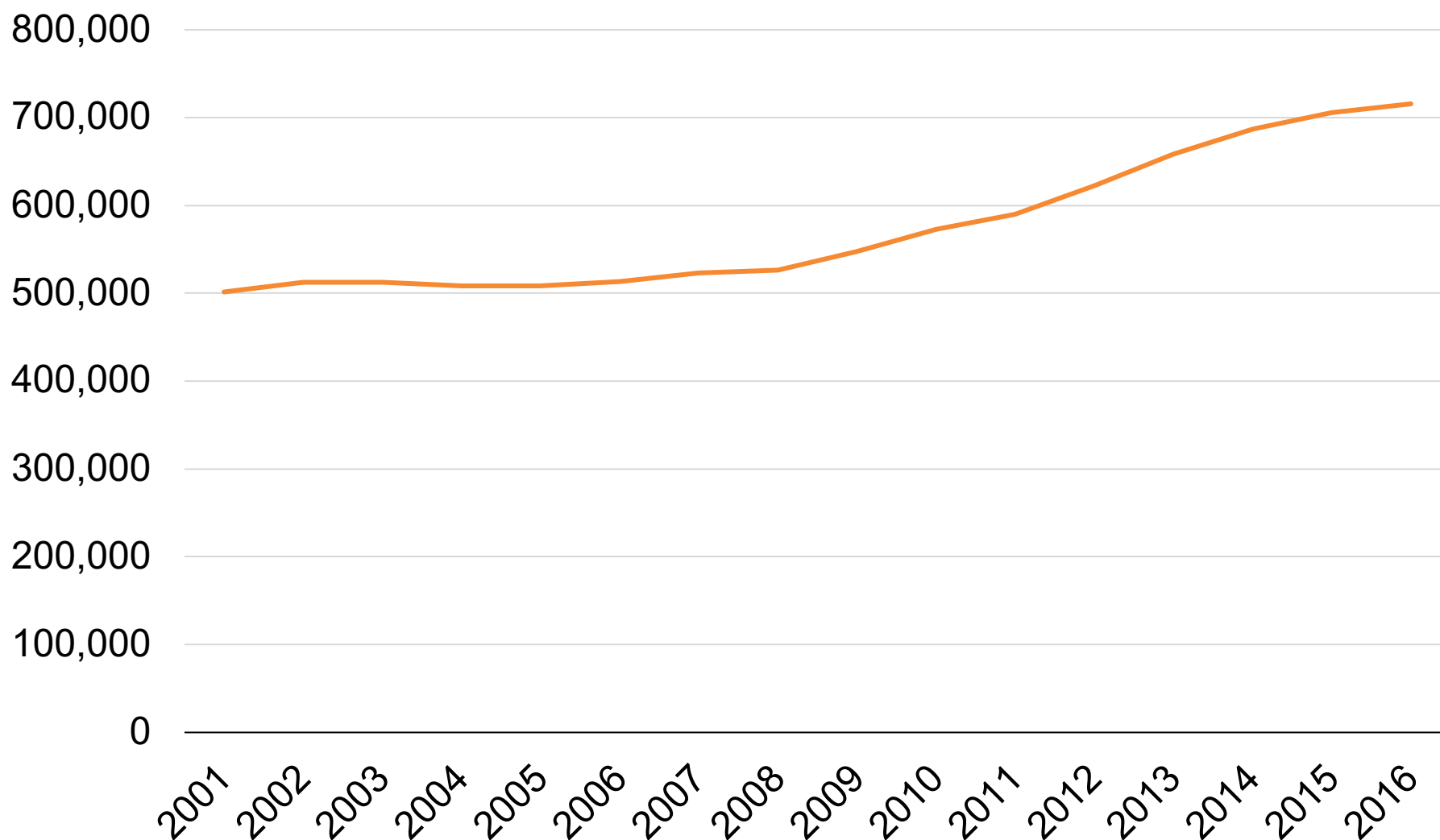
Easing of funding caps triggered rapid growth in commencing numbers from 2009 to 2014

Domestic commencing bachelor degree enrolments, public universities



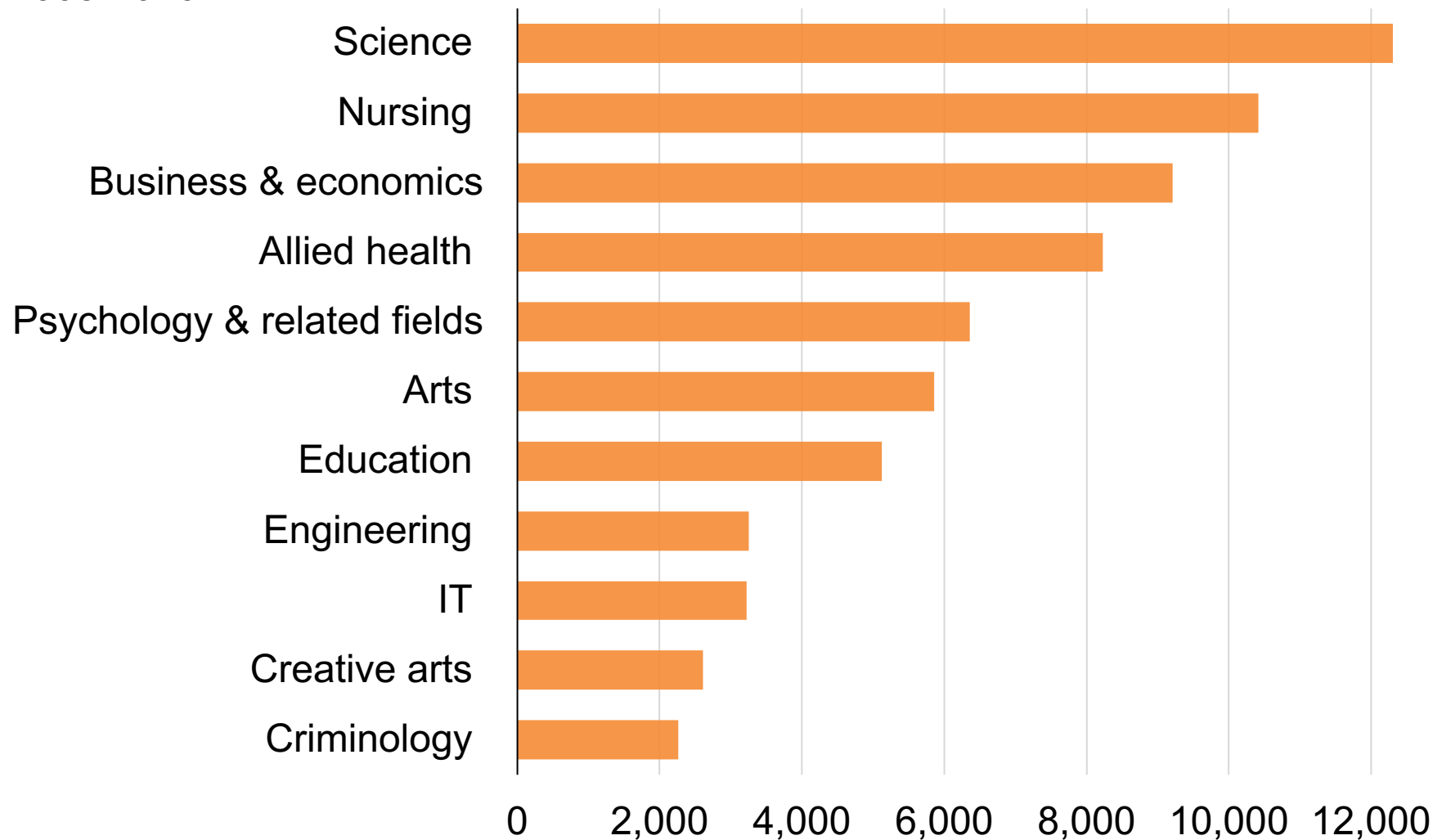
Low growth in commencements from 2015 means that pipeline growth will also ease

Domestic bachelor degree enrolments, public universities



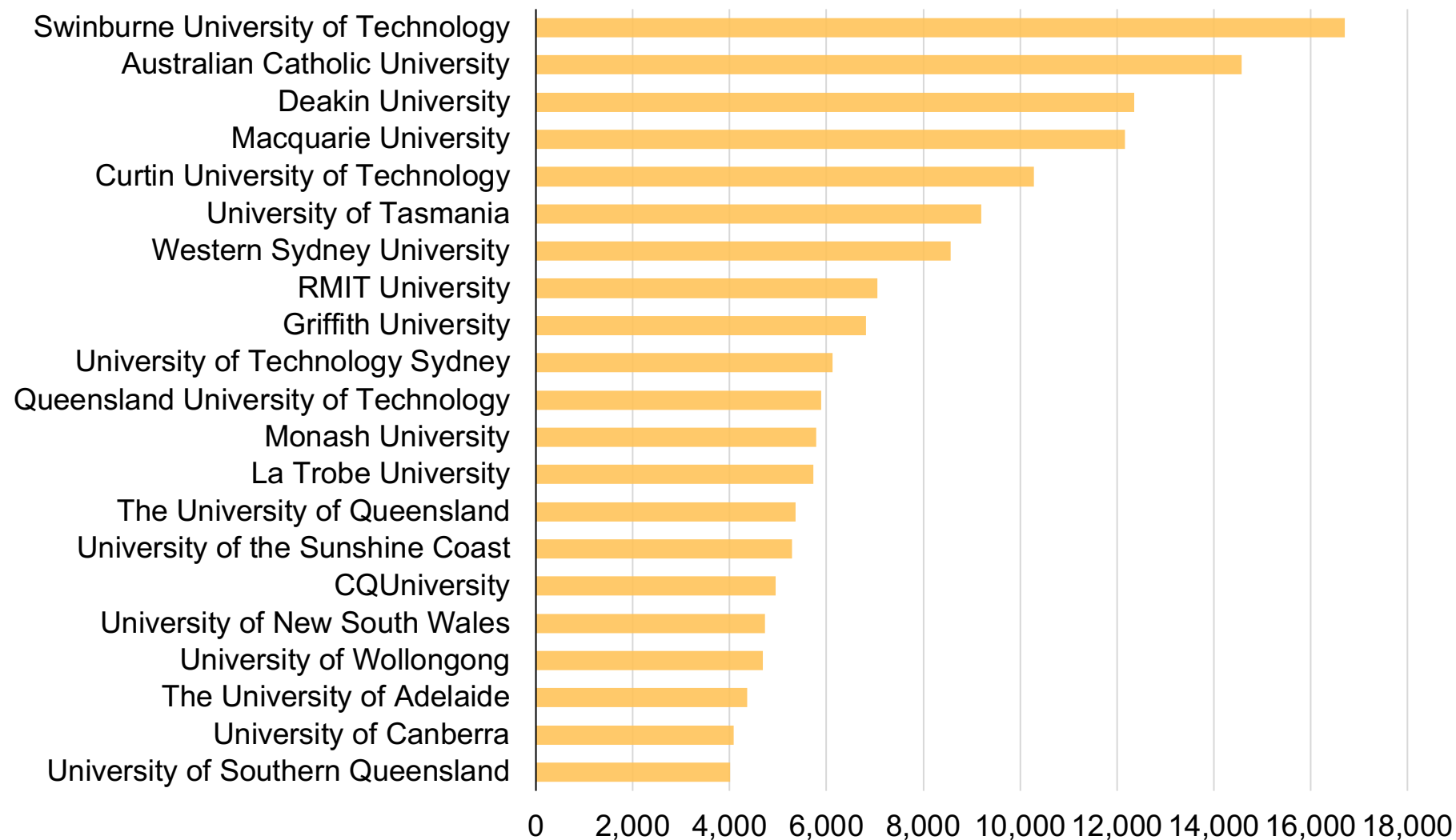
Health-related courses had the highest total growth under demand driven funding

Fields increasing domestic commencing bachelor enrolments by 2,000 or more, 2008-2016



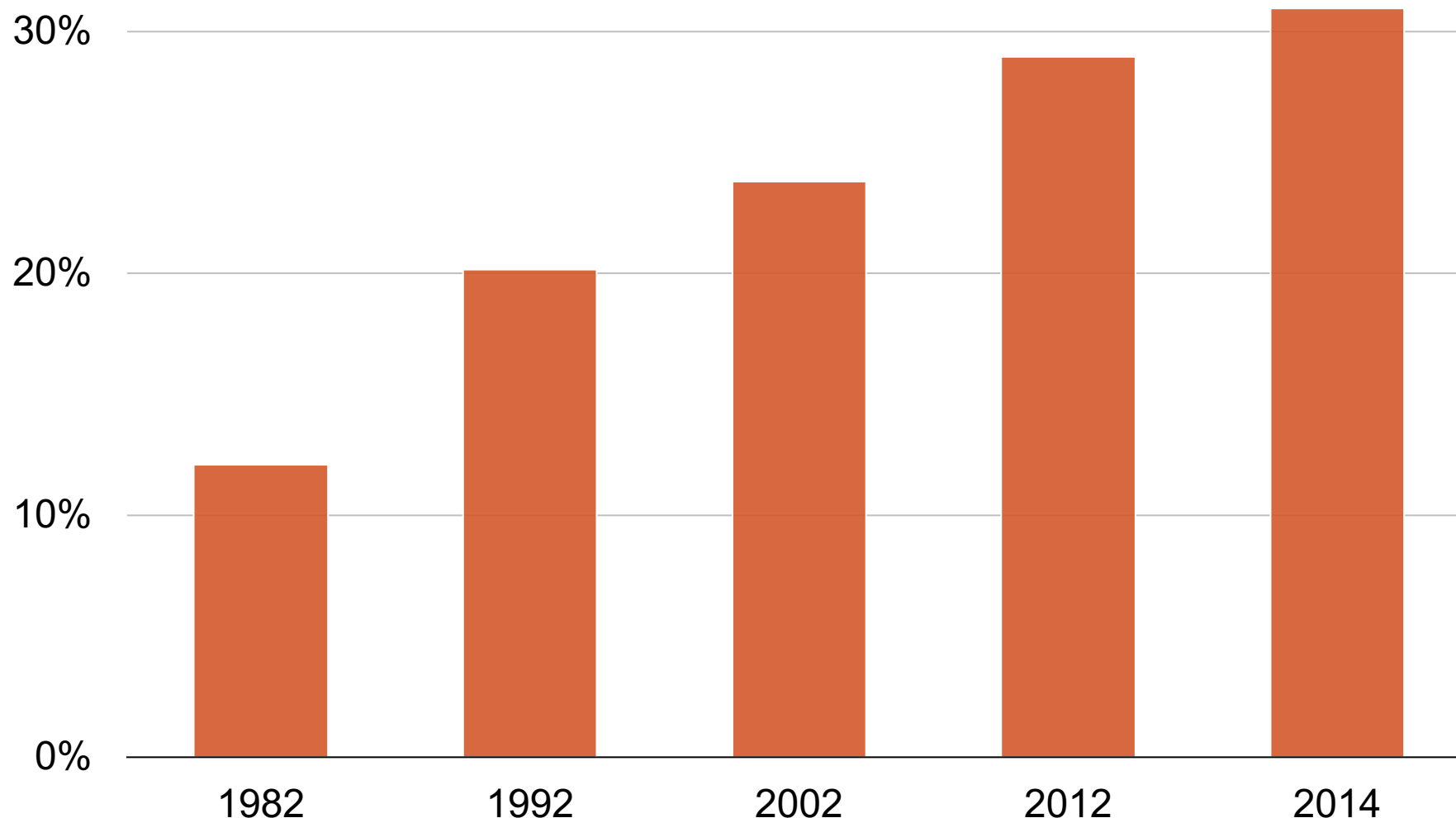
A mix of universities grew significantly under demand-driven funding

Universities increasing domestic bachelor enrolments by 4,000 or more, 2008-2016



Higher education participation rates increased under demand driven funding

Higher education participation rates, 17-19 year-olds

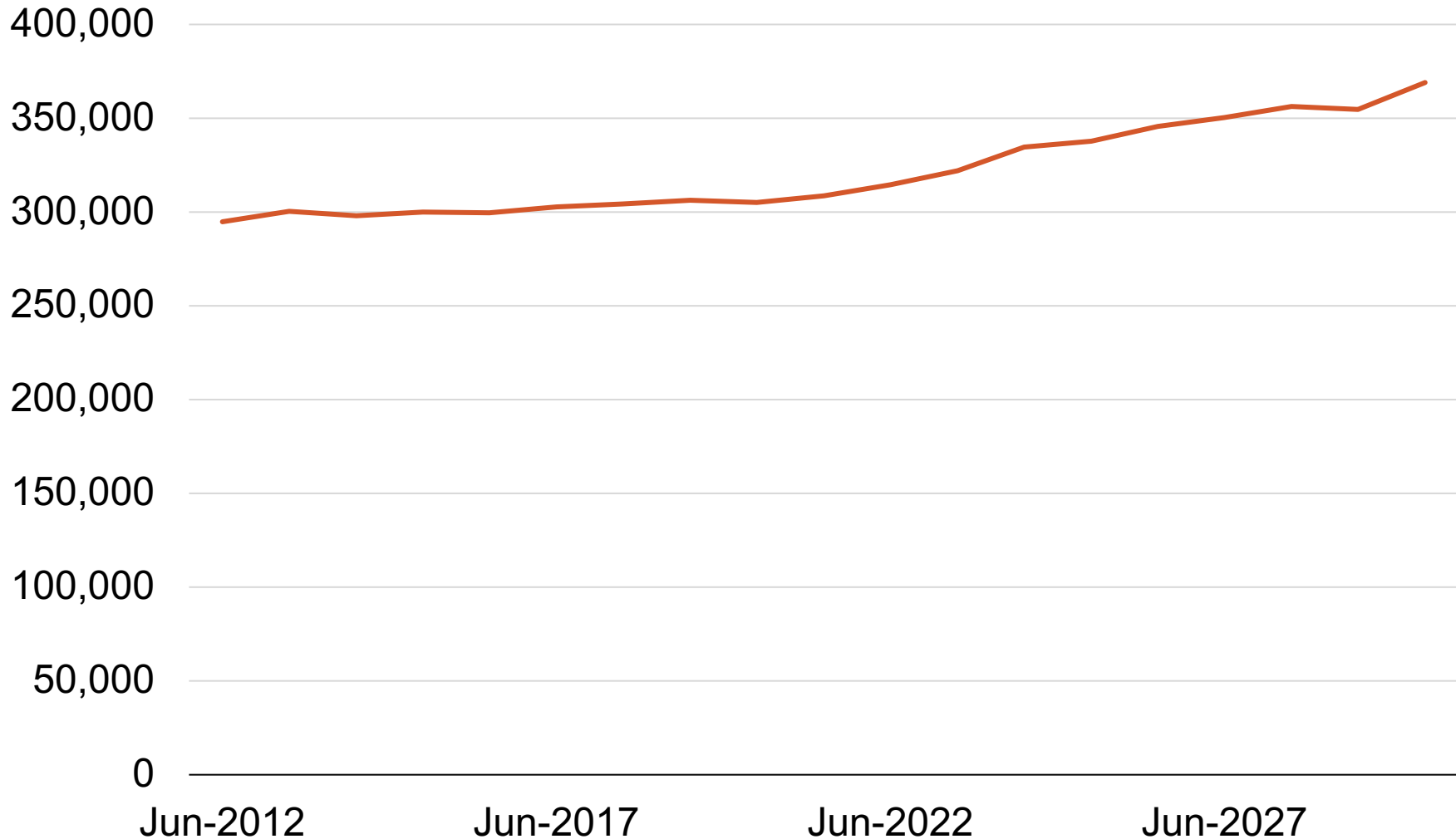


Notes: International students could not be excluded from the data from 1982 and 1992. 1982 and 1992 data includes 16 years old students. Onshore international students have been removed from the population figures from 2002 onwards

Sources: DEET (1993), DEET (2002), ABS (2015), Department of Education (various years)

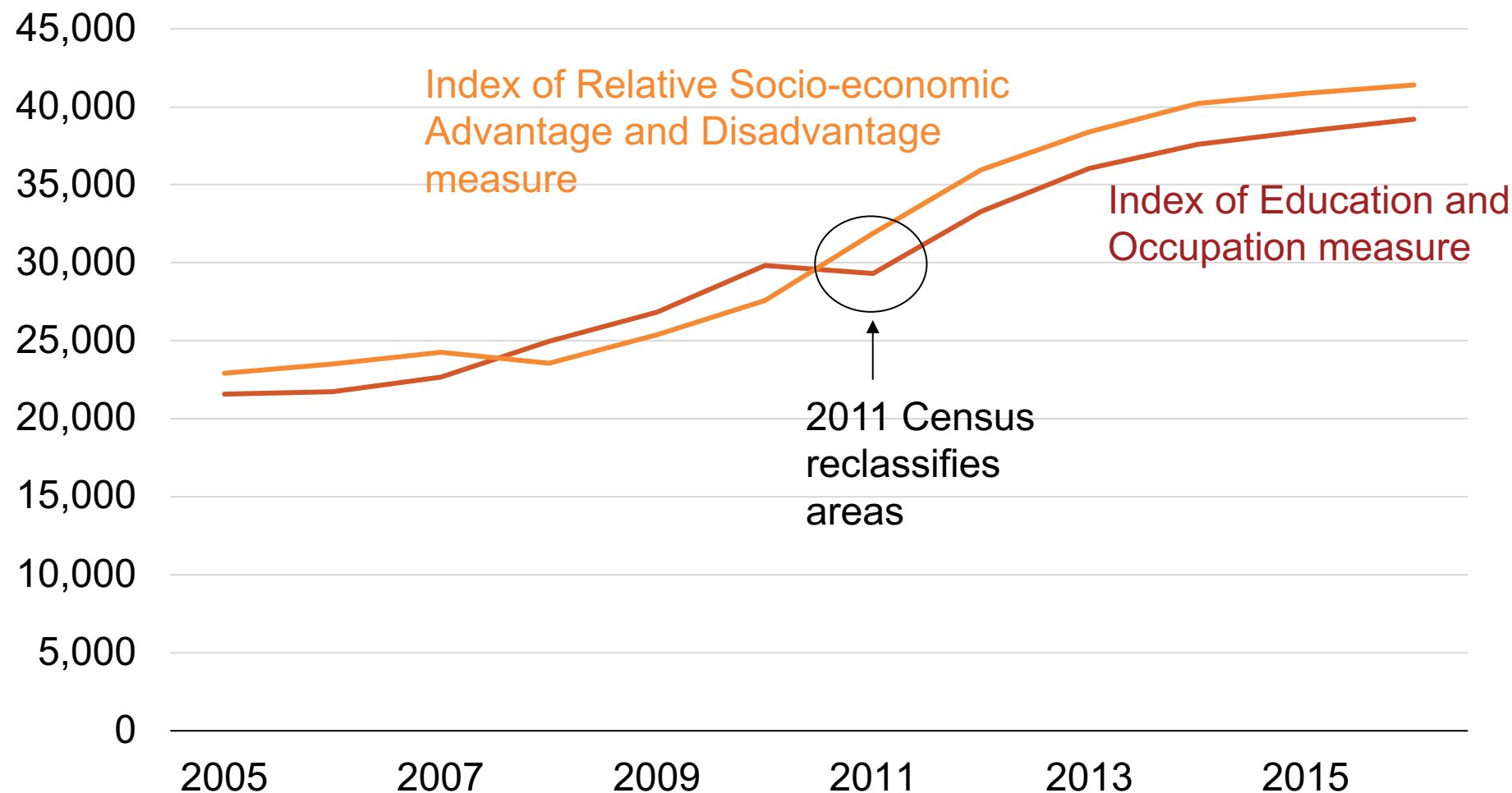
Participation rates could go down if the freeze lasts into the 2020s

Estimated 18 year old population



The number of low SES students increased substantially

Commencing bachelor degree students from low SES backgrounds

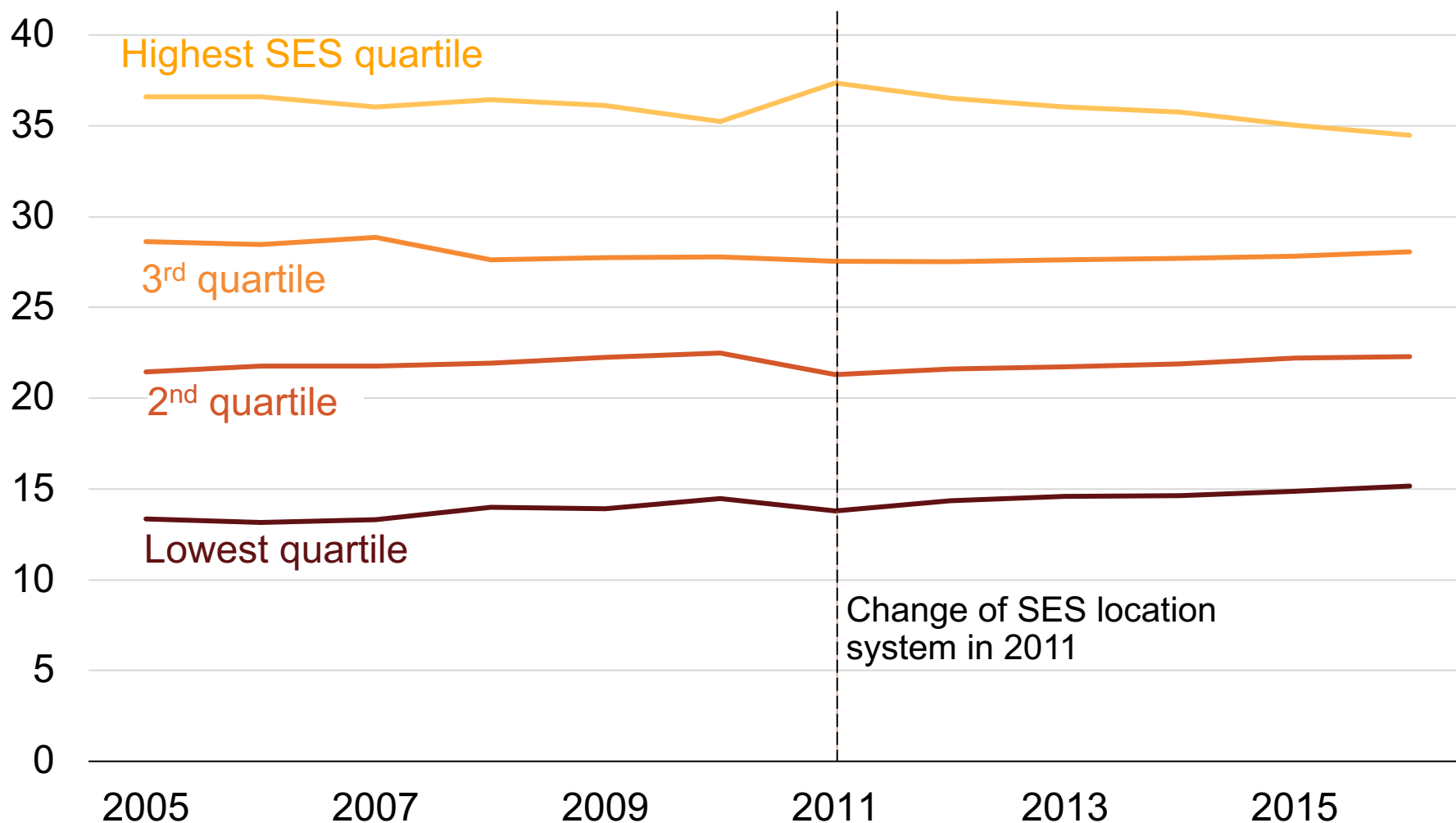


Note: IEO is the official equity measure. However, it has a circular element in that having relatively few higher education students is part of its definition. IRSAD is a measure of material disadvantage.

Source: Department of Education and Training, Higher education statistics collection

With general growth in enrolments, the low SES share of the total is growing slowly

Proportion of domestic commencing bachelor enrolments by SES group

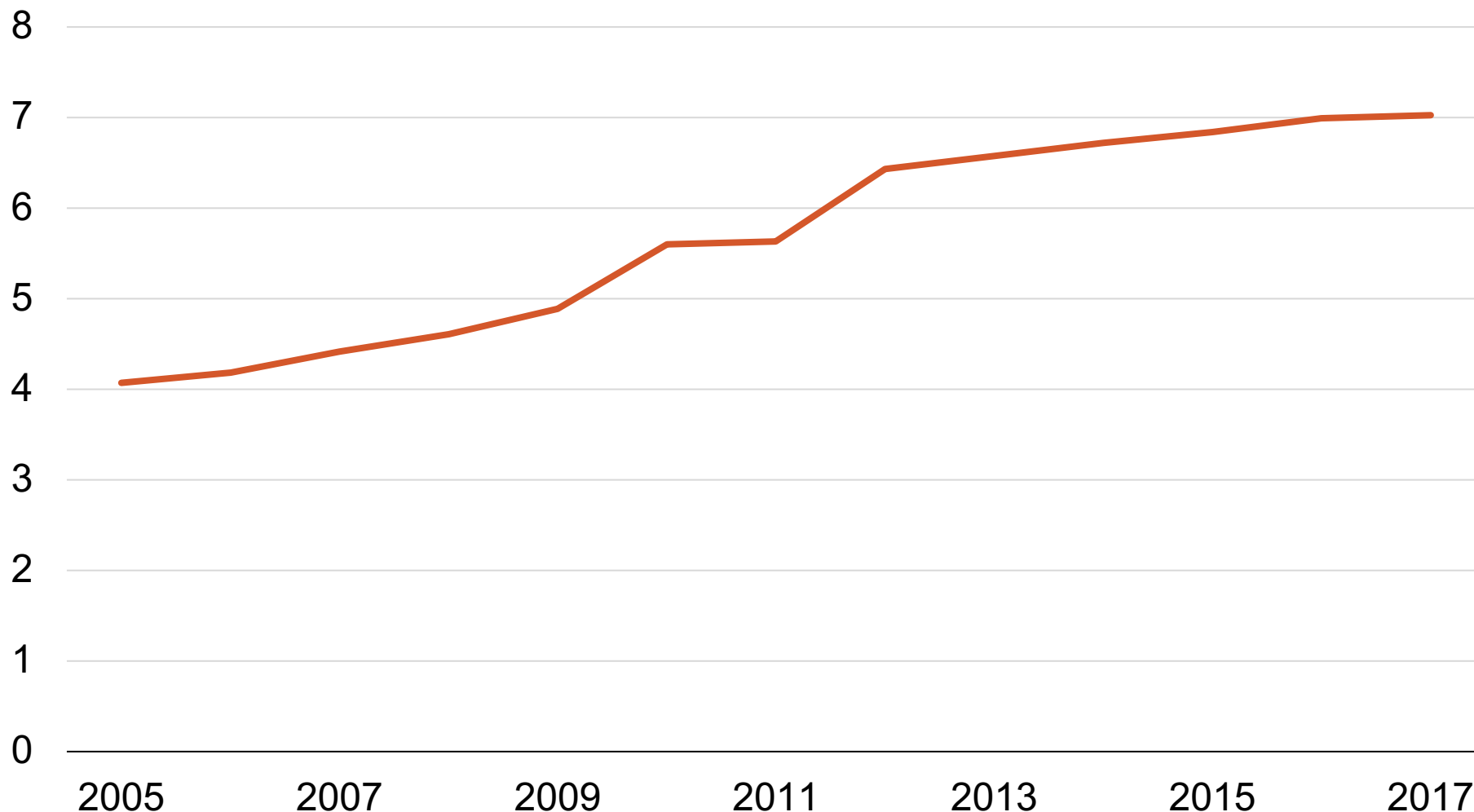




Spending

After a period of major growth, Commonwealth Grant Scheme funding has stabilised in real terms

\$2017, billion



Notes: 2014-2017 data based on determinations

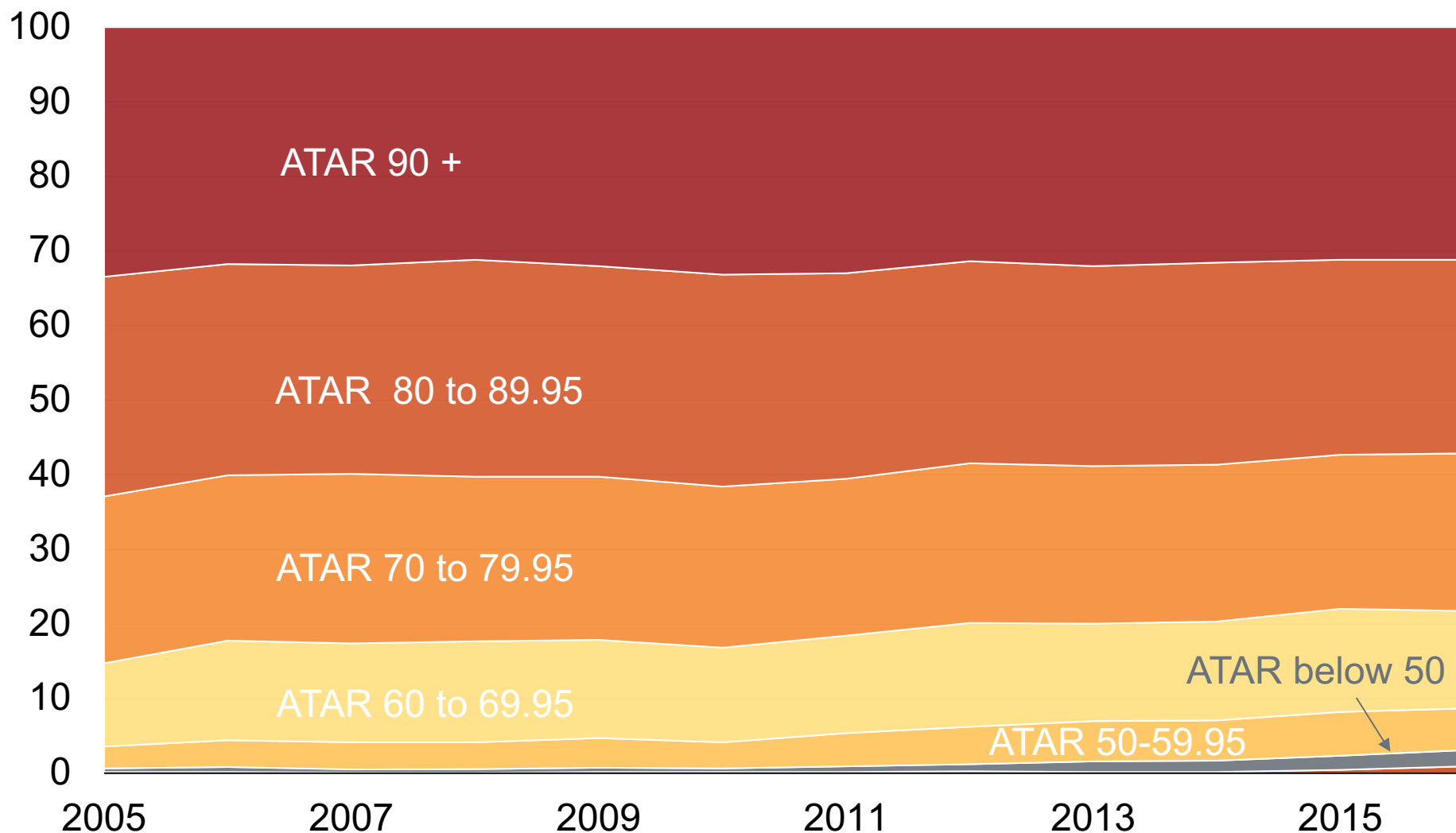
Source: Department of Education and Training, supplied and determinations



Admissions

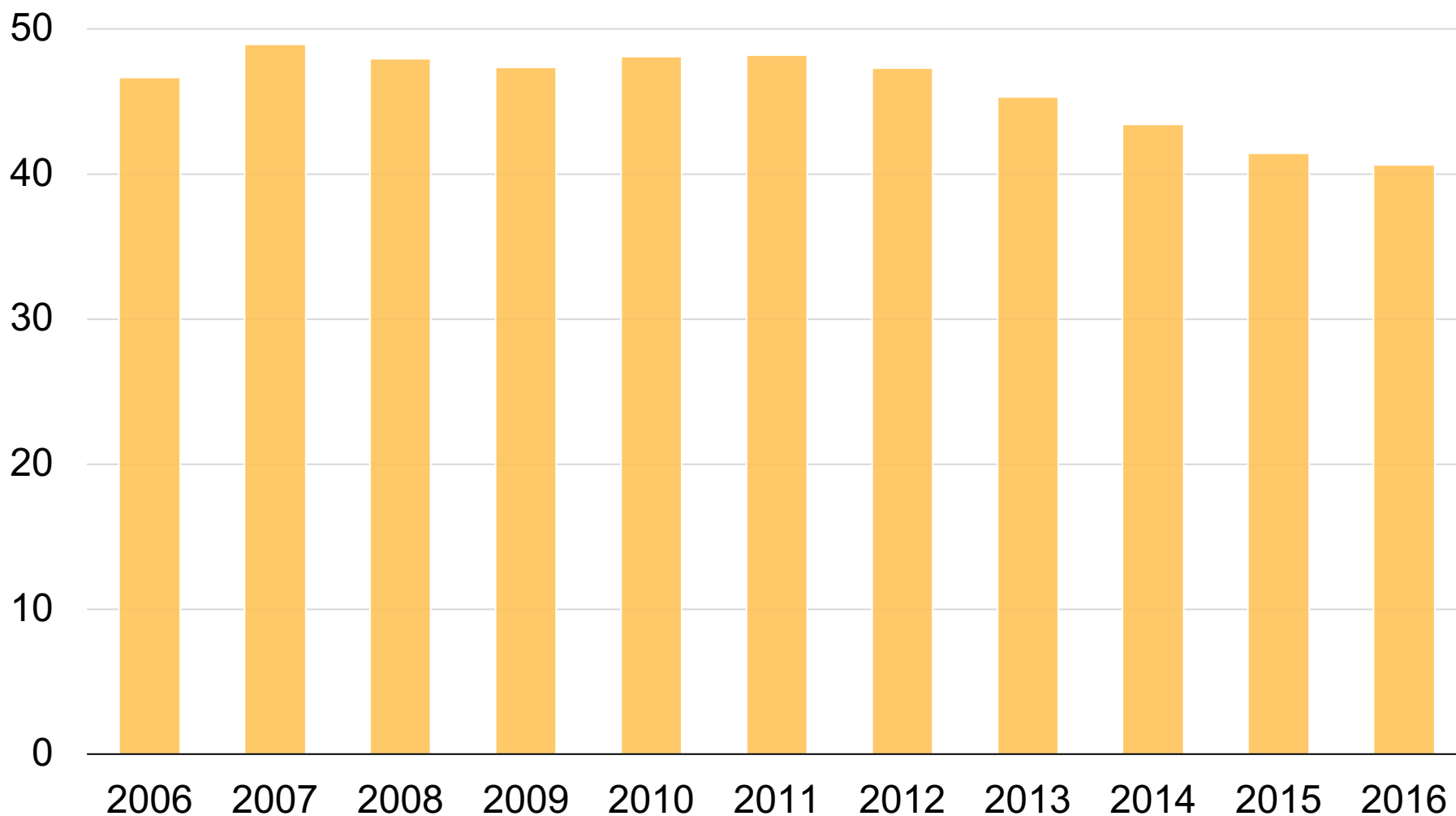
Low ATAR students a small but growing share of commencing school leavers

Domestic commencing bachelor degree, school leavers, by ATAR, per cent



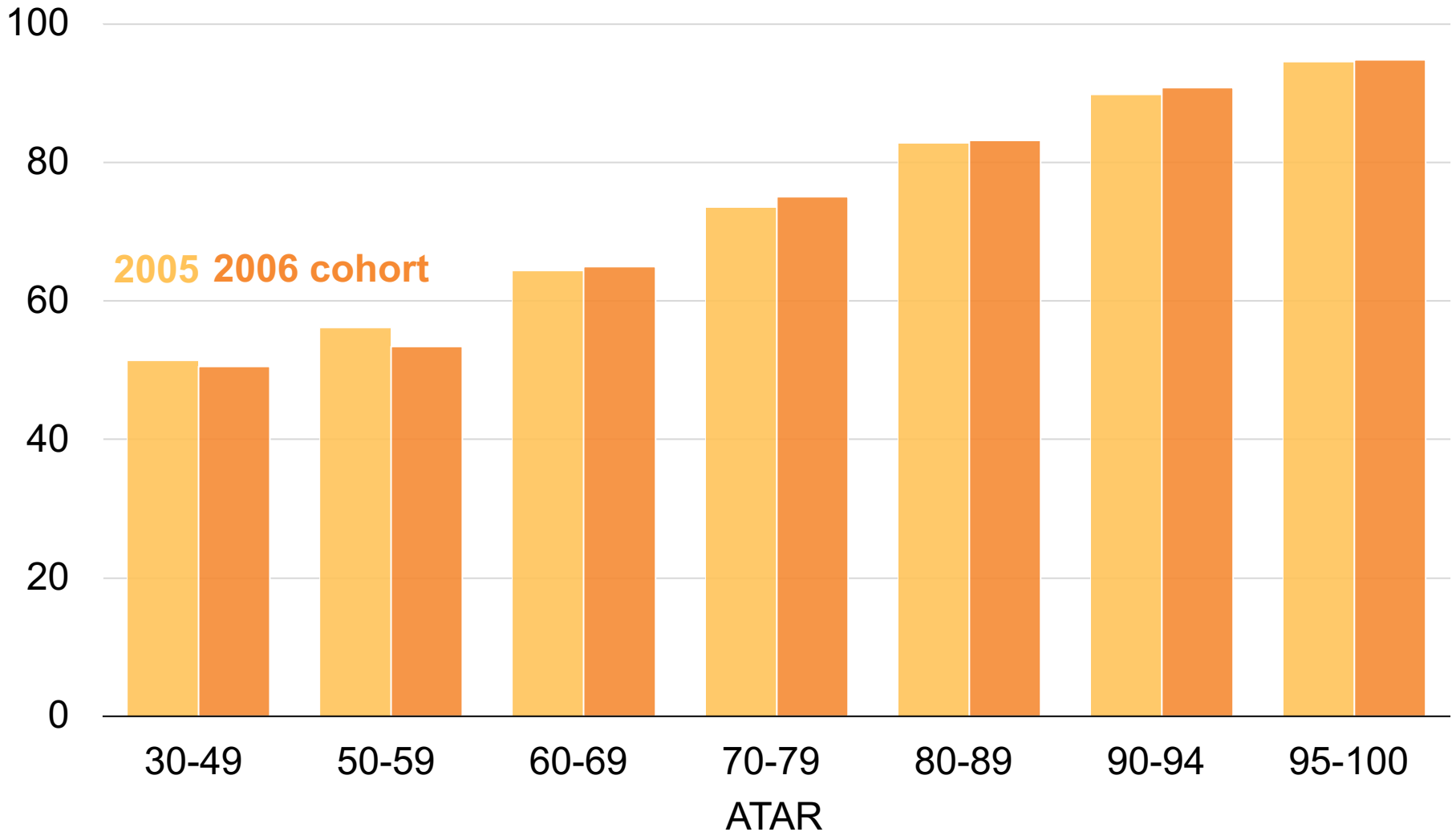
But secondary school is a declining basis of admission

Secondary school as basis of admission, per cent of total domestic bachelor commencing students



Low-ATAR students are less likely to complete their degree than those with high ATARs

Completion rates of students after 9 years, per cent

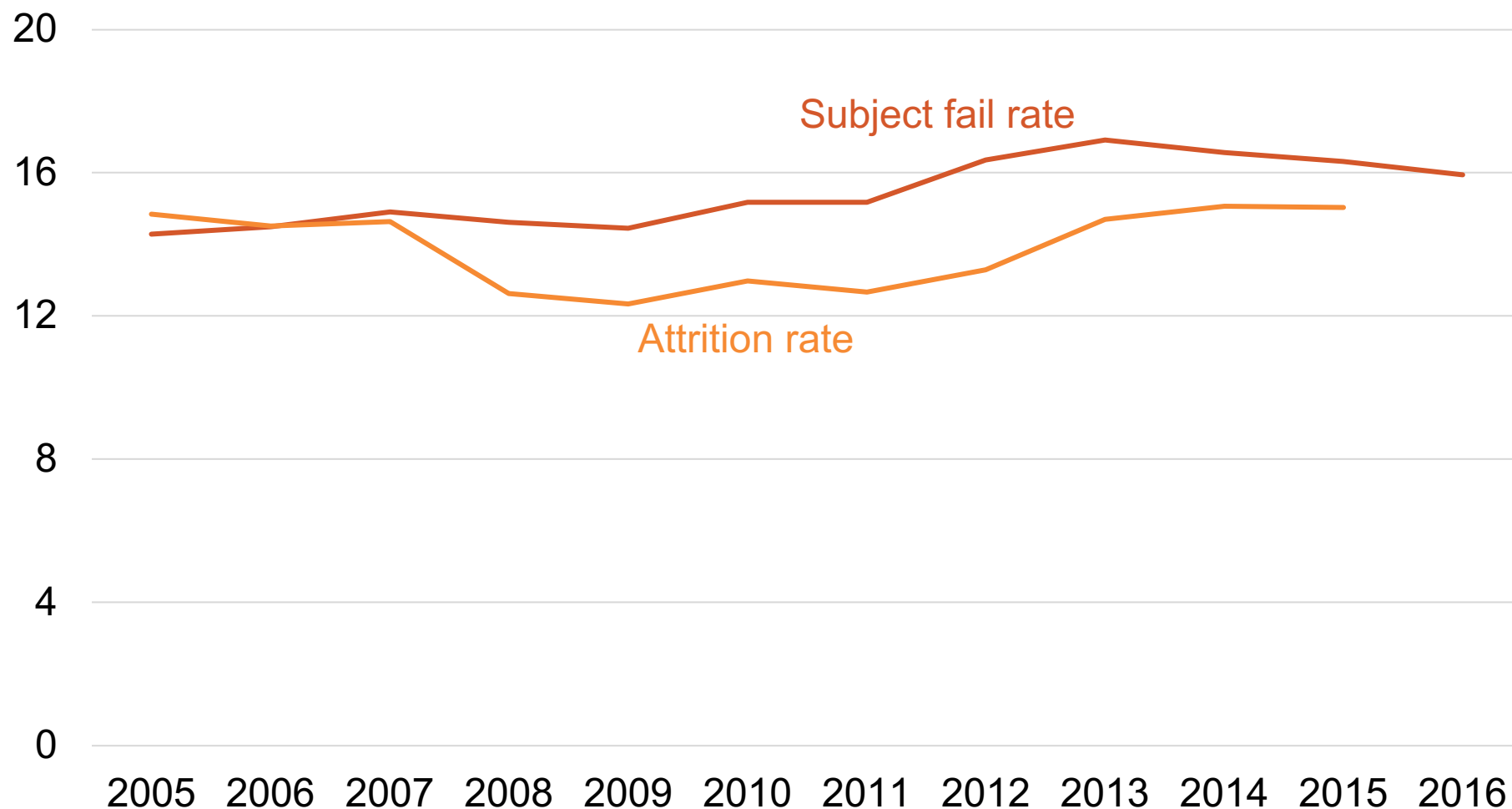




Teaching and assessment

Attrition is back up to 2005 levels; subject fails are declining but still above pre-demand driven levels

Per cent, commencing domestic bachelor degree students

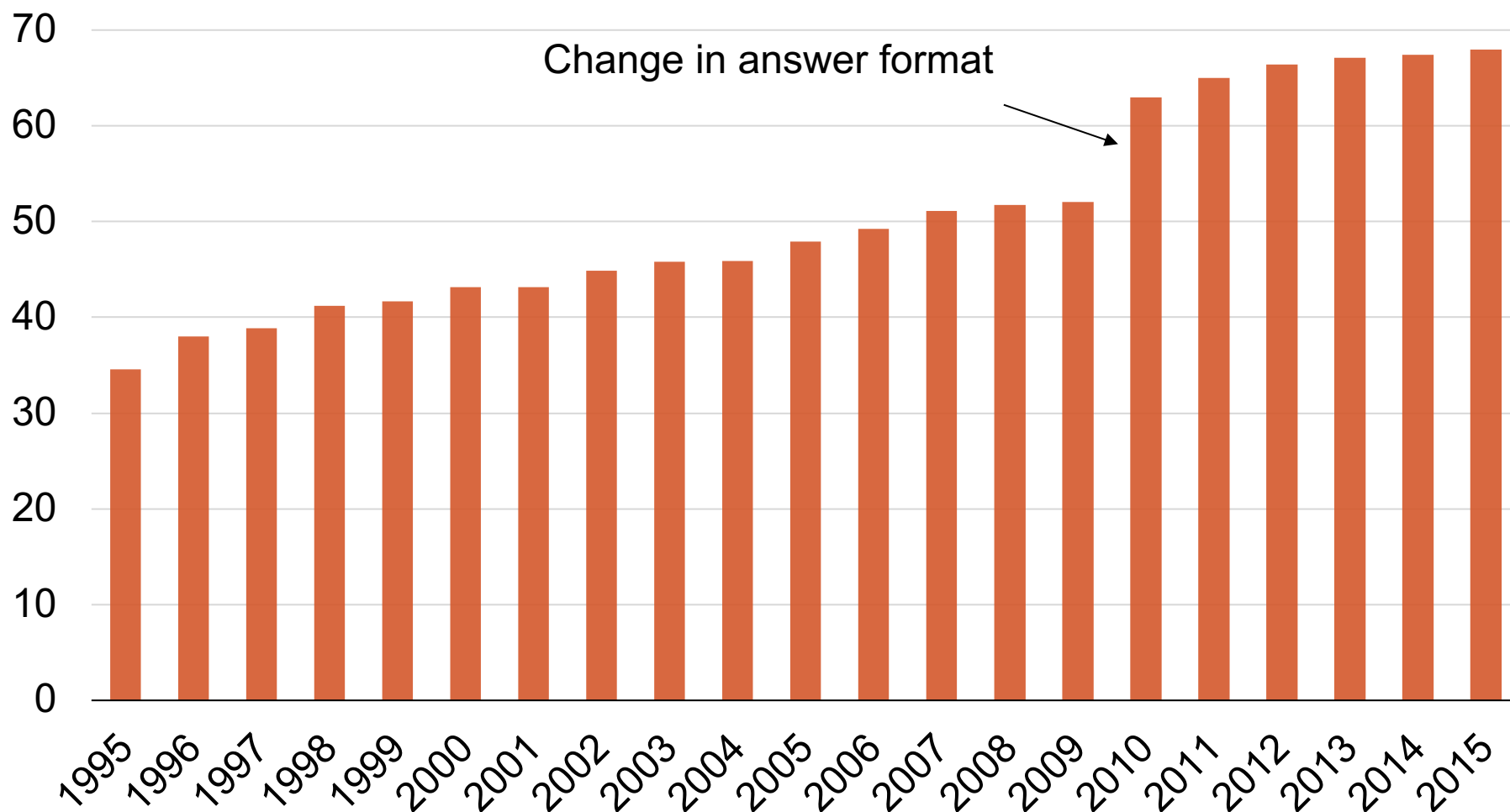


Source: Department of Education and Training, Students: Selected higher education statistics 2017, appendix 4.4

Note: Subject fail is public universities only, attrition is all universities. Attrition is not enrolled at any higher education provider in the year after commencing.

New graduates expressed increased satisfaction with teaching into early demand driven years

Student satisfaction with teaching, per cent

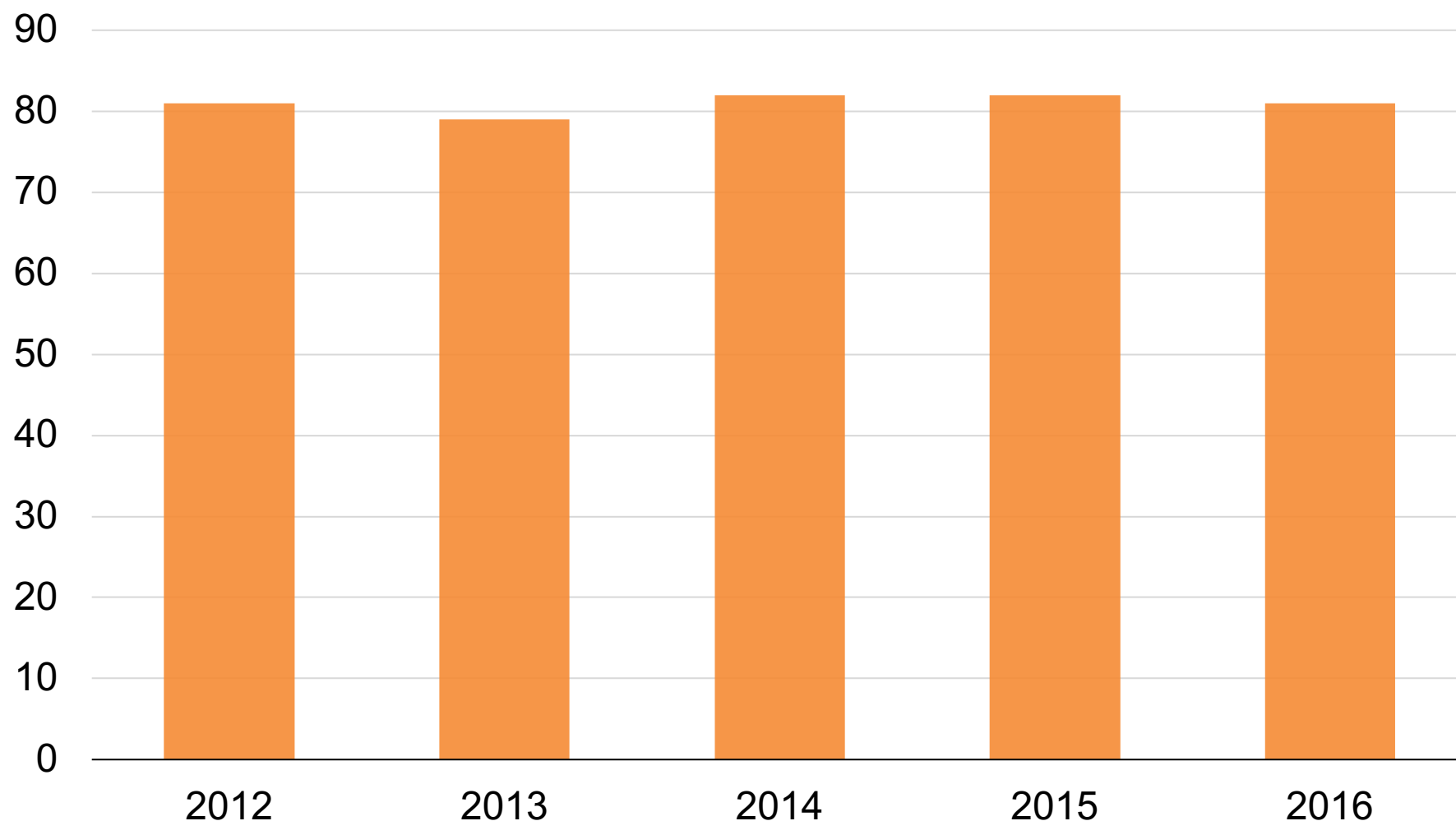


Note: Based on average positive response, as indicated by choosing the top two points on a five-point satisfaction scale, of six questions related to teaching. In 2010 a previously unlabelled mid-point was labelled 'neither agree nor disagree'.

Source: Graduate Careers Australia, Course experience questionnaire (sent to new graduates)

A survey of current students is not showing any real student satisfaction trend 2012-2016

Per cent of students satisfied with teaching



Note: Eleven questions on teaching to current students with answers recoded to 0, 25, 50, 75, 100. Any student with an average of 55 or more is deemed satisfied. 2015 and 2016 results include non-university higher education providers.

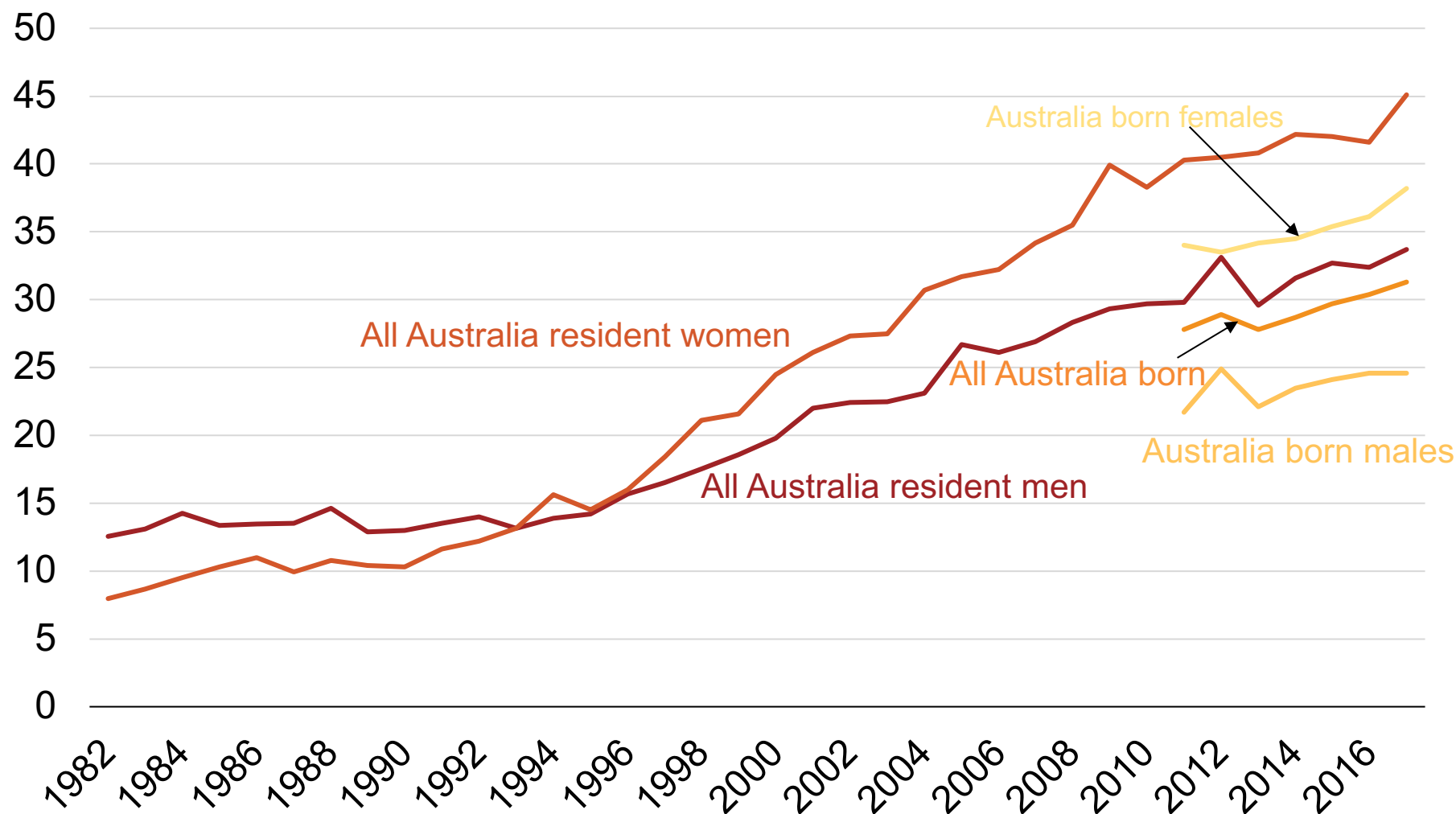
Source: Social Research Centre/Department of Education and Training, Student experience survey



Outcomes

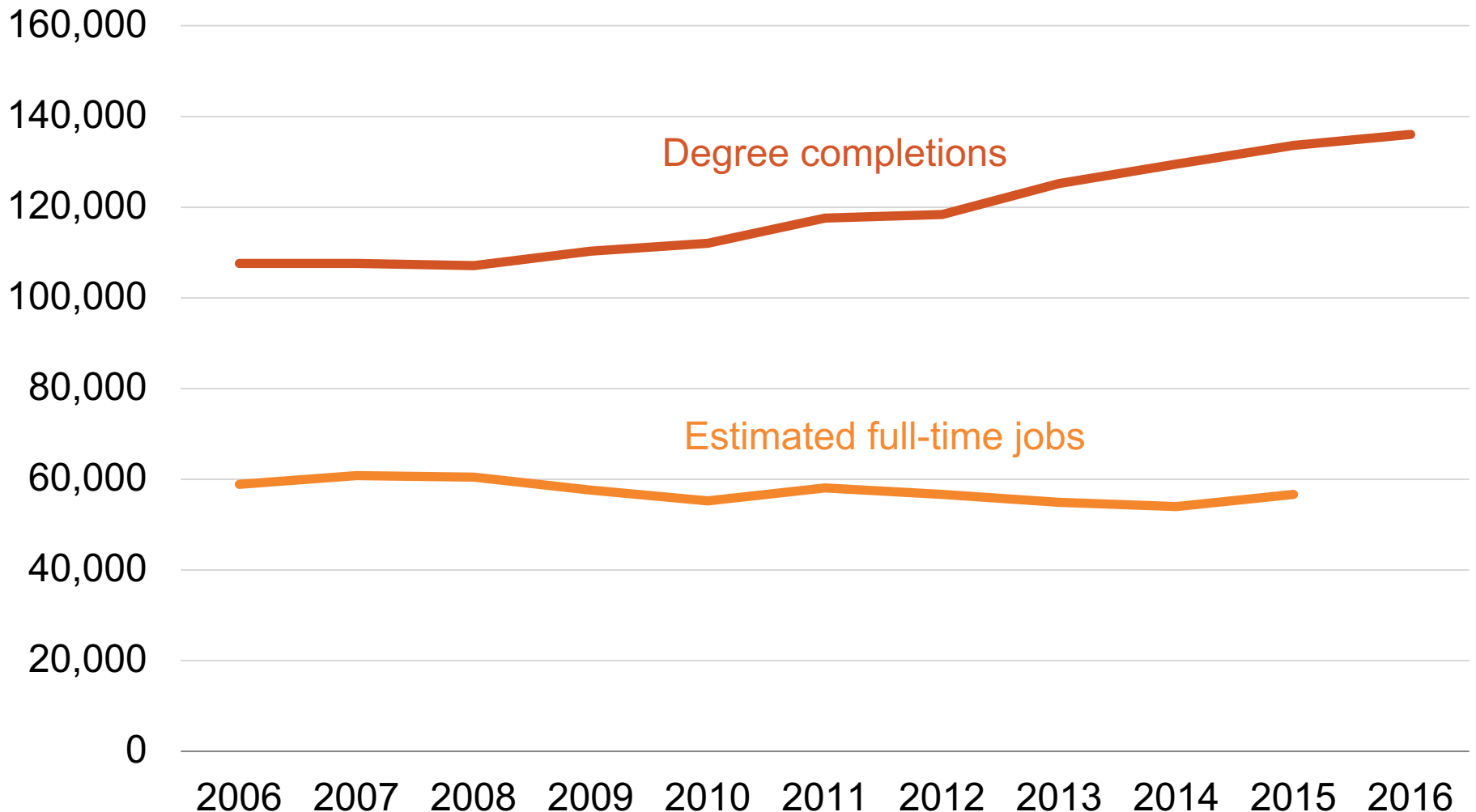
Higher education attainment rates are increasing, but men lag far behind women

Proportion of population with a bachelor degree or above



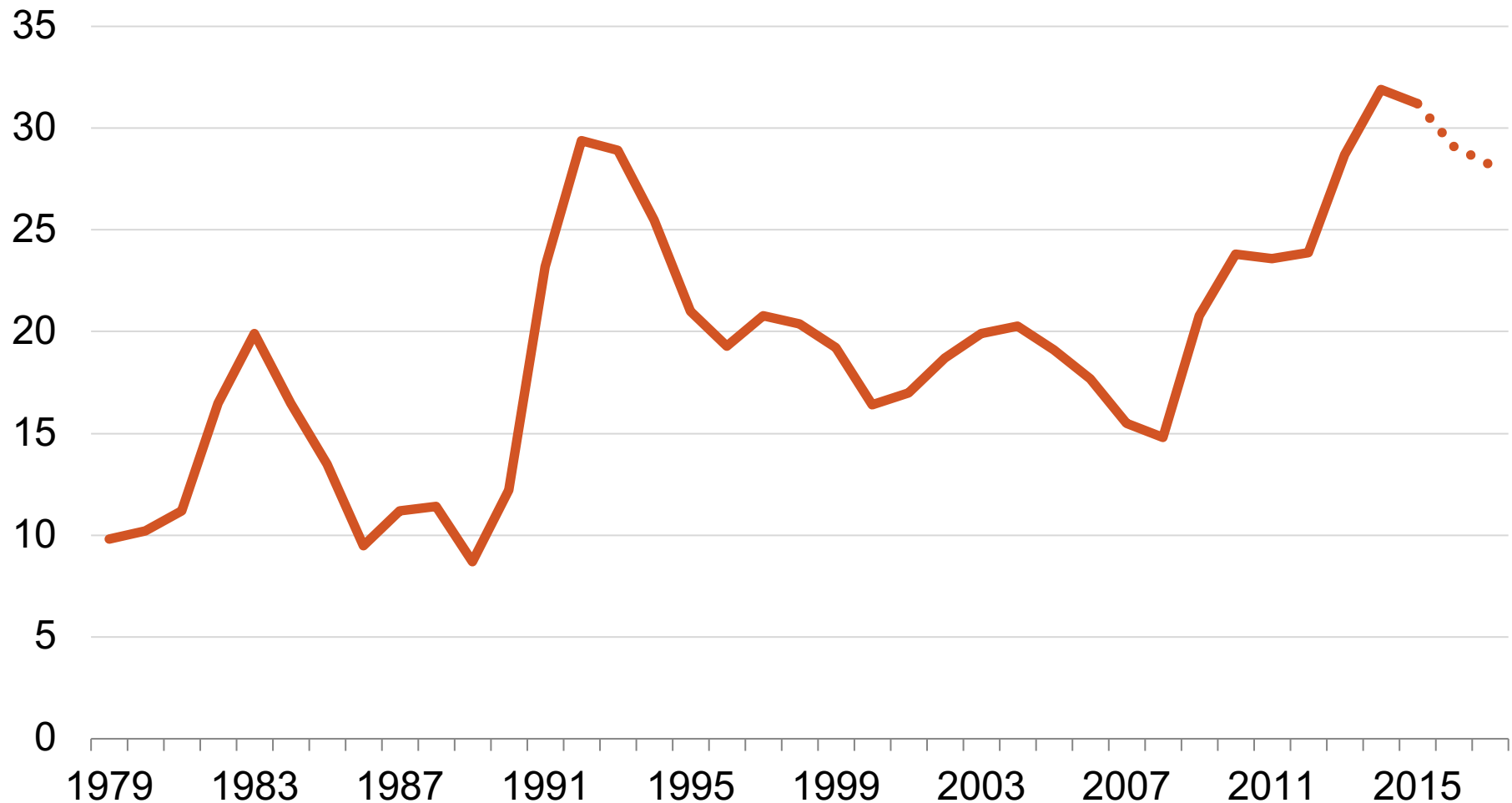
Completions increased, but full-time jobs soon after graduation did not

Domestic bachelor graduate outcomes 2006-2016, employment 4 months out



Bachelor degree un-/under-employment, 1979-2017

Per cent of bachelor degree graduates still looking for full-time work 4 months after course completion

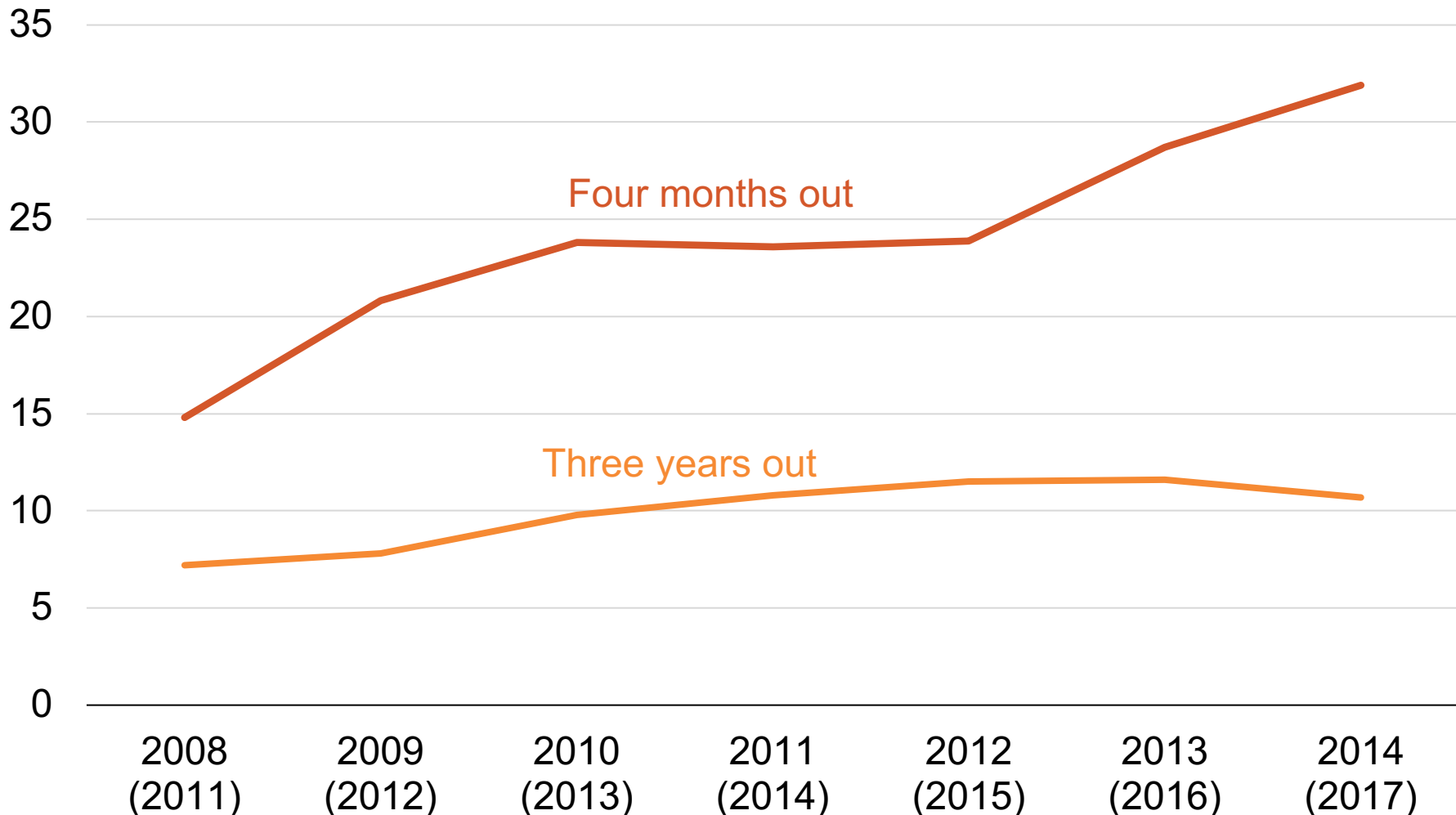


Note: Change in survey 2016-2017

Source: Graduate Careers Australia, Graduate Destination Survey, Department of Education and Training, Graduate Outcomes Survey

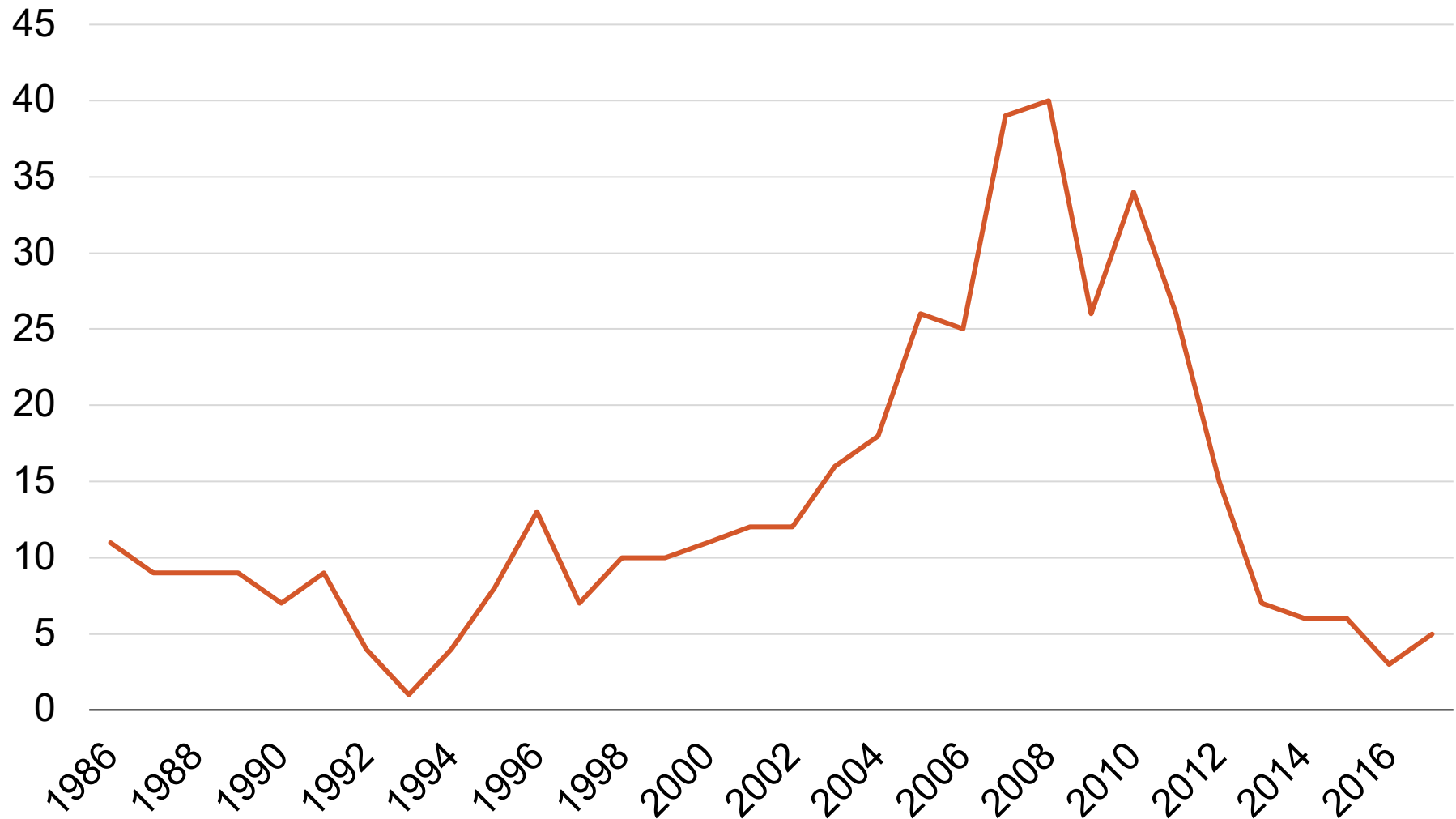
2014 was the worst year ever for graduate employment, but three years on that cohort is doing as well as other recent cohorts

Per cent of those wanting full-time work who do **not** have it



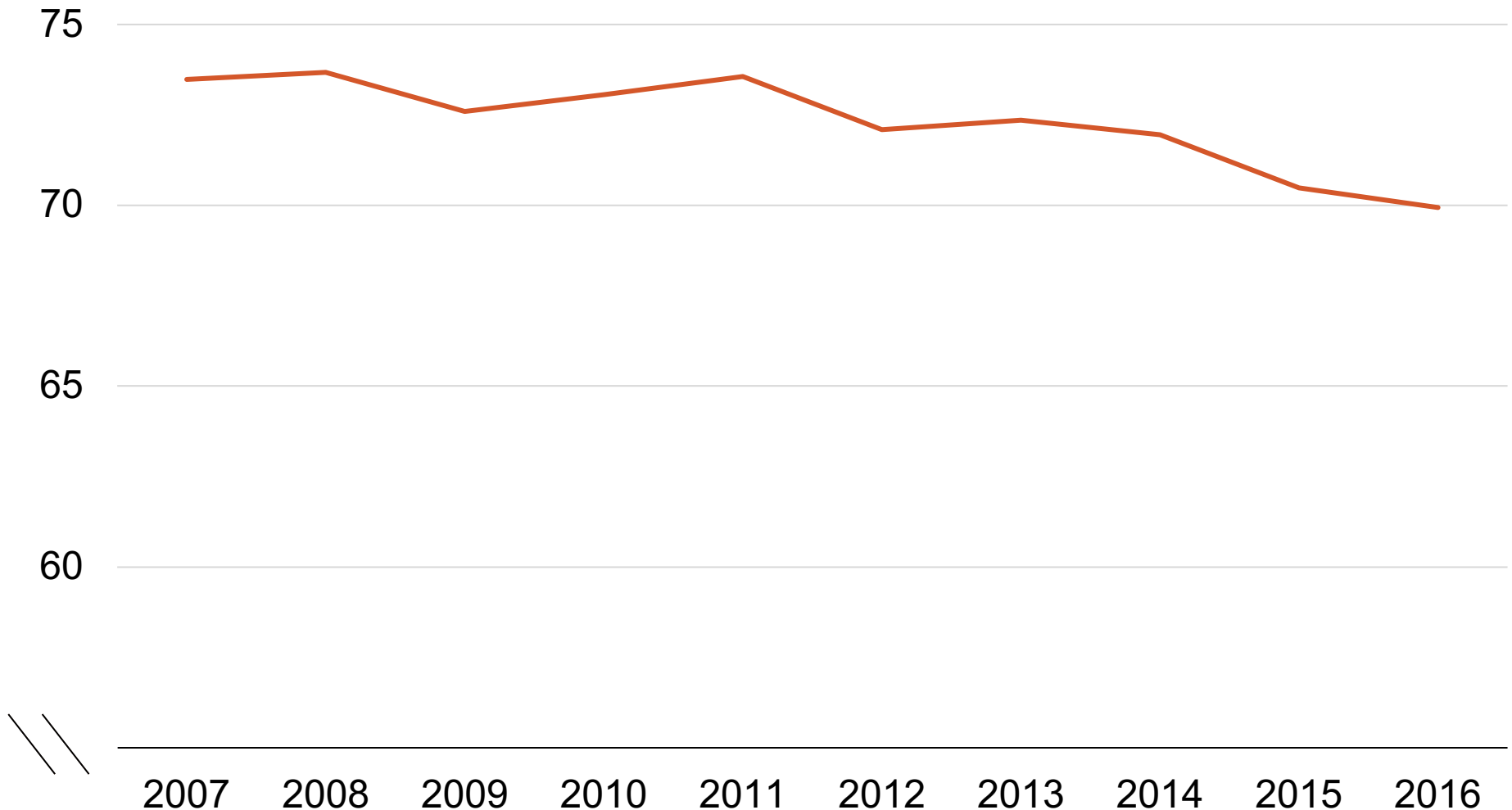
The skills shortages that prompted concerns about graduate shortages have largely gone

Number of professional & managerial jobs in skills shortage



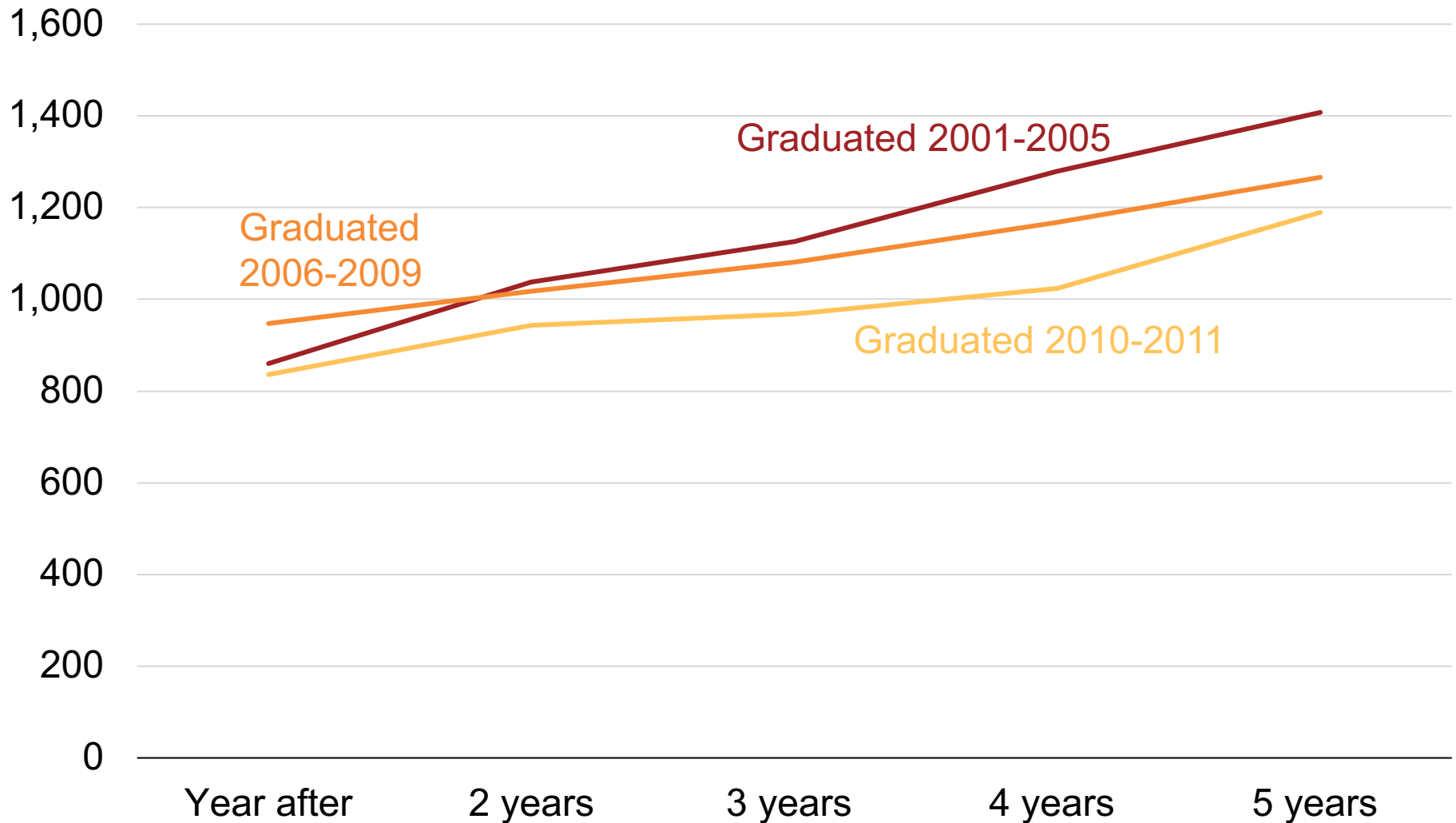
There is a slow downward trend in the share of graduates in professional & managerial jobs

Proportion of working graduates in professional or managerial employment, per cent



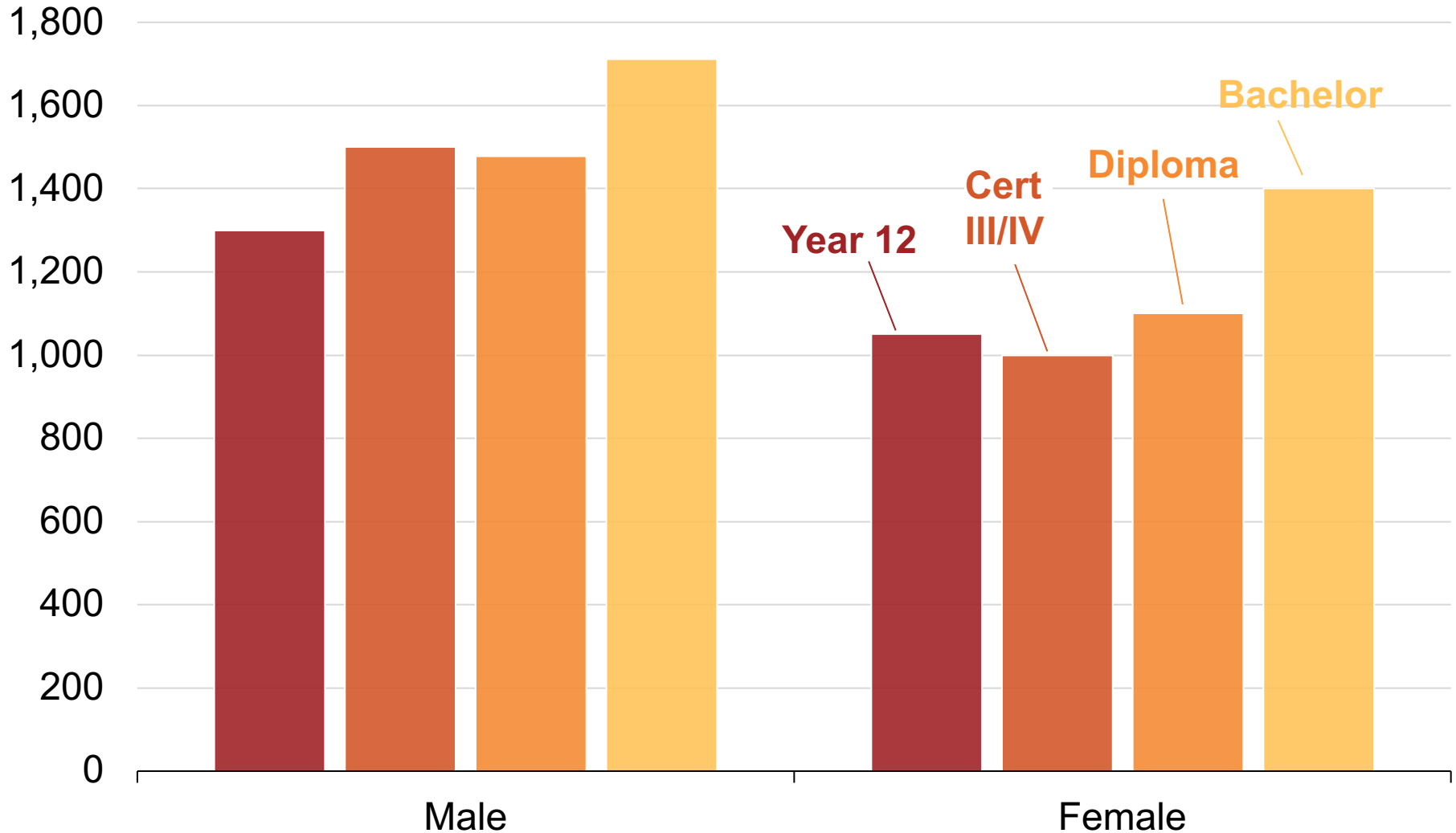
Recent graduates are earning less at the same point in their careers

Average weekly income by years since bachelor-degree completion, \$2015



At the median, graduates still earn more than people with other qualifications

Median weekly income from all jobs, aged 25 to 34 years old, \$2016



Notes: Weighted by weekly earnings in all jobs. Born in Australia or born overseas and arrived 10 or more years ago.

Source: ABS, Characteristics of Employment, 2016