

Equity in the Australian Universities Accord Interim Report

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Introduction

The Australian Universities Accord Interim Report (hereafter Accord Report) highlights that higher education ‘must be made more accessible and equitable as a matter of urgency’ (p. 59). This point cannot be understated—the impact of tertiary education on social mobility is well documented, and therefore supporting the participation of students from traditionally disadvantaged backgrounds has the potential to have direct and material benefits on the students themselves, as well as Australian society more broadly.

That said, the presentation of equity participation statistics in the Accord Report carries the implication that different classes of university (e.g. the Group of Eight) may not be educating a fair share of students from traditionally disadvantaged backgrounds. The purpose of this submission is to provide additional nuance to the discussion around Indigenous, low-SES and regional/remote student participation in Australian higher education, as presented in the Accord Report. Specifically, this submission highlights the strong geographical considerations around equity access and participation, and the related (and likely negative) consequences around incentivising equity access and participation through competitive performance-based funding schemes.

Key findings and implications are discussed below, with detailed statistical results presented in the Appendix.

Key findings

Based on the statistical results presented in the Appendix, the following key points are highlighted:

- The narrative in the Accord around Indigenous participation with regard to Group of Eight (Go8) universities downplays the scale of the Group’s contribution to Indigenous education. In 2021 (the most recent sector-level data available), Go8 universities saw around 3200 Indigenous students enrolled, and saw the strongest growth in Indigenous enrolments out of any university group between 2020 and 2021 (see **Table 1**).
- According to population statistics from the ABS, the national Indigenous population is far from evenly distributed—around 35% of all Indigenous Australians reside in NSW, with a further 28% in Qld and 12% in WA. As such, universities in certain geographical locations within Australia are at a natural disadvantage in terms of recruiting large numbers of Indigenous students, especially given that it is common in Australian higher education for students to enrol at a nearby university (see **Table 2**).
- Many institutions with large numbers of Indigenous students tend to also have large proportions of these students enrolled through distance education (i.e. external mode) offerings (see **Figure 1**). In Victoria, for example, Swinburne and Deakin enrol the vast majority of their Indigenous cohort through distance education. This presents another challenge for Go8 universities, who tend to focus on providing a high-quality face-to-face education offering.

- Although Go8 institutions tend to recruit fewer Indigenous students than other classes of university, the students who are admitted tend to perform better academically. Looking at Indigenous retention rates (see **Table 3**), Indigenous students at Go8 universities are, by far, the most likely to persevere in their studies beyond their commencing year. This may imply that Go8 universities provide a more supportive environment for admitted students and are also more likely to admit students who have the best chance of academic success—enrolling students only to have them withdraw within their first year, as is the case for around a third of Indigenous students at regional universities, is not contributing in a material way to the equity objectives of the Australian higher education sector.
- Similar to Indigenous participation rates, low-SES participation rates downplay the scale of low-SES enrolments at Go8 universities—in 2021, Go8 universities educated over 23,000 low-SES students (see **Table 4**).
- Given that socioeconomic status is defined geographically (refer Footnote 6), institutions may be disadvantaged in terms of attracting low-SES students based on the physical location of their main campuses. As shown in **Figure 2**, regional areas are much more likely to be classified as low-SES than metropolitan areas, which makes recruiting large numbers of low-SES challenging for largely metropolitan-based universities (e.g. Go8).
- As with Indigenous students, low-SES students and regional students enrolled through Go8 institutions enjoy substantially higher retention rates than all other classes of university (see **Table 5** and **Table 7**, respectively).

Discussion and implications

These results collectively highlight the strong link between geography and the access and participation of Indigenous, low-SES and regional/remote students. Clearly, institutions located in areas with large concentrations of individuals from each of these traditionally disadvantaged groups (or have well-developed distance education offerings) are at a natural advantage in terms of recruiting these students. In fact, it is not unfair to suggest that Go8 institutions are already performing strongly in relation to equity student access given their geography (i.e. primarily located in Australia’s major cities) and mission (i.e. the provision of a high-quality face-to-face educational experience). In any case, if the objective of the higher education sector is to educate and support students from traditionally disadvantaged backgrounds, the competitive aspect implied in the Accord Report—that is, which class of university is enrolling the most equity students—is of secondary importance. Surely the objective of the sector would be to see that these students are enrolled *somewhere*, and an institution far from home will not necessarily be the best option for everyone.

Given this, a situation best avoided would be one where institutions are strongly incentivised to recruit large numbers of students from traditionally disadvantaged backgrounds (for example, through performance-based funding where ‘performance’ is simplistically measured on the basis of equity student access). This would essentially force institutions to compete over a relatively fixed pool of equity students in an attempt to achieve their own equity targets, with some institutions naturally advantaged in this competition.

Clearly, equity access only becomes problematic when institutions are pitted against each other in (unequal) competition for performance-based funding—especially if institutions’ base funding is cut in order to fund the performance-based component. It is therefore strongly recommended that the Commonwealth does not pursue its equity objectives in this way, as doing so would have negative consequences for both students and institutions alike. A better policy option here would be to support equity students to attend higher education without encouraging inter-institutional

competition for a relatively fixed pool of equity students. This would both reduce constraints on educational decision making and respect the decision-making process of prospective students.

In place of performance-based funding, a scheme could be introduced that would provide the necessary support (to students and institutions) on a per-student basis. For example, a regional/remote student wishing to study at a metropolitan university could receive relocation support from the Commonwealth; however, a regional/remote student remaining in their home region would not be eligible for such support. Under an ill-conceived competitive performance-based funding scheme, on the other hand, a regional university could theoretically receive equity funding for enrolling regional students, even though they would likely have enrolled them anyway.

Under the scheme outlined above, students from traditionally disadvantaged backgrounds would receive the necessary appropriate support to complement their higher education; and institutions would receive the necessary funding to support equity students, without being forced into a situation where they are (mis-)allocating resources—that otherwise could have been dedicated to teaching and learning, and student support—on competing with other providers over a finite pool of equity students. Implicit in such a scheme is that the equity support funding previously described would not come at the expense of institutions' base funding.

To ensure that institutions are appropriately funded to provide ongoing support for students from disadvantaged backgrounds, equity funding should be allocated across the duration of a student's enrolment, and not as a once-off payment upon commencement. As highlighted in the previous section, Go8 universities have the highest equity retention rates out of any university category, and providing this level of support comes at a high and ongoing cost.

Given that supporting students to succeed is (rightfully) highlighted in the Accord Report as a key focus of the Commonwealth's higher education equity agenda, a performance-based funding component relating to equity student retention could be a suitable encouragement for institutions to support and retain the students they already have. While targets relating to student access merely result in institutions competing for a larger share of a finite pool of equity students, targets relating to student retention, if properly conceived and implemented, provide an additional incentive for institutions to support their own students rather than compete with their peers. Given the diversity of equity retention rates across Australia's universities, a combination of improvement targets (for institutions with below-average retention rates) and excellence thresholds (for highly-performing institutions who have limited scope for further improvement) is recommended.

Appendix

Indigenous students

Participation

Table 1: Indigenous participation numbers, by university group

Group	2016	2017	2018	2019	2020	2021	Growth (2020-21, %)
Go8	2,249	2,459	2,536	2,628	2,832	3,199	13.0
ATN	3,043	3,197	3,341	3,580	3,779	3,875	2.5
IRUA	3,553	3,676	3,860	3,930	4,004	4,154	3.7
RUN	4,112	4,462	4,564	4,980	5,543	5,588	0.8
Unaligned	4,219	4,669	4,866	5,107	5,641	6,120	8.5

Source: 2021 Section 11 Equity groups¹.

Table 2: Indigenous participation in higher education, by state/territory

State/territory ²	Indigenous population	Share of total Indigenous population	Indigenous university enrolments	Share of total Indigenous enrolments	Indigenous participation rate
Vic.	78,698	8.0	2,870	13.0	3.6
NSW	339,546	34.5	7,587	34.3	2.2
Qld	273,224	27.8	6,131	27.7	2.2
SA	52,083	5.3	1,246	5.6	2.4
WA	120,037	12.2	1,866	8.4	1.6
Tas.	33,894	3.4	824	3.7	2.4
NT	76,736	7.8	1,007	4.6	1.3
ACT	9,544	1.0	573	2.6	6.0
Total	983,762	100.0	22,104	100.0	2.2

Sources: 3238055001D0001 Estimates of Aboriginal and Torres Strait Islander Australians, 2021³; 2021 Section 11 Equity groups.

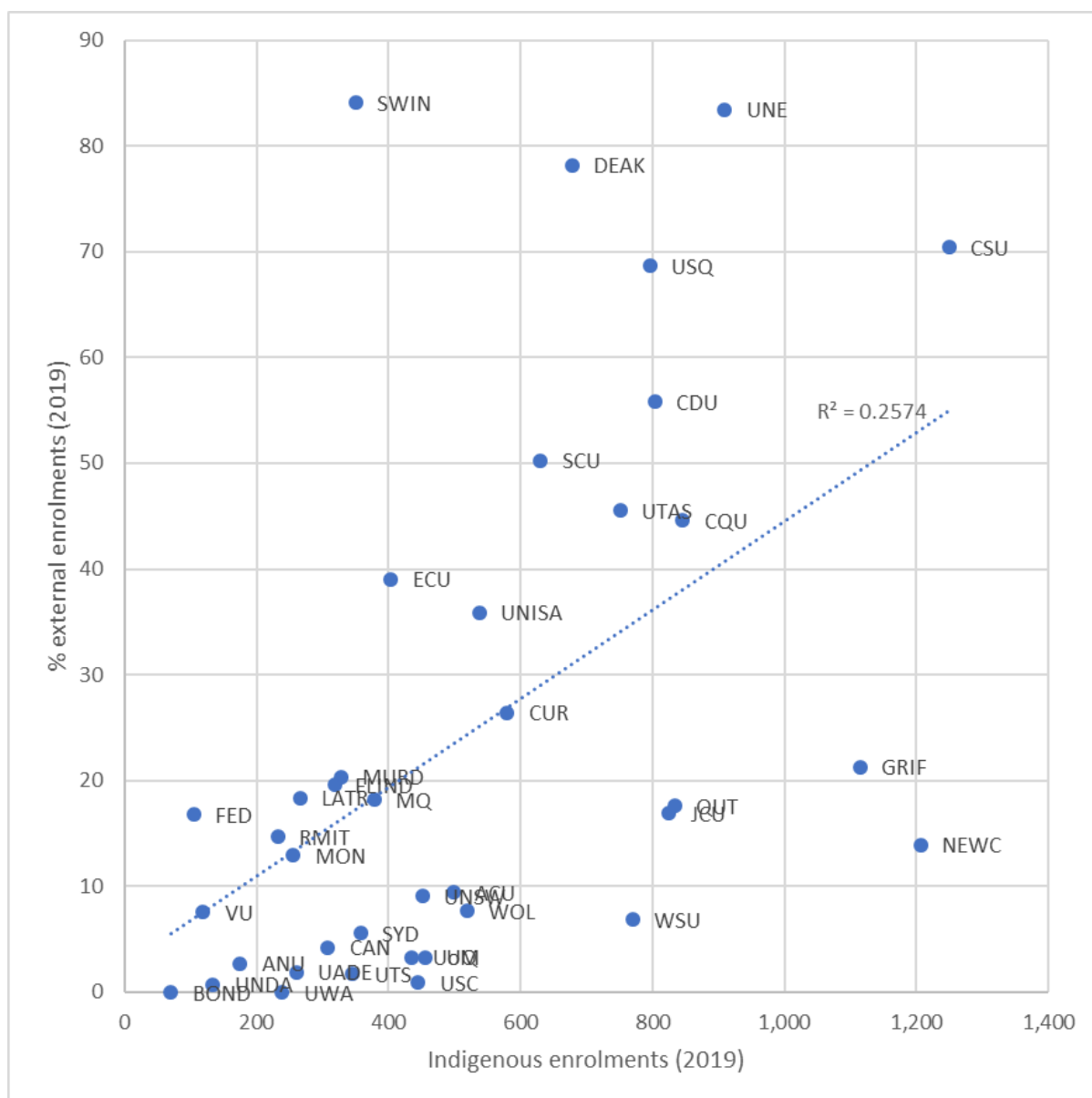
¹ <https://www.education.gov.au/higher-education-statistics/resources/2021-section-11-equity-groups>

² In relation to population statistics, "State/territory" refers to the location of residence; in relation to enrolments, however, this refers to the main geographical location of the higher education provider. For example, a student enrolled at Deakin but residing in Qld and studying via distance education will be classified as "Vic." In relation to their enrolment.

³ <https://www.abs.gov.au/statistics/people/aboriginal-and-torres-strait-islander-peoples/estimates-aboriginal-and-torres-strait-islander-australians/latest-release>

Attendance mode

Figure 1: The relationship between Indigenous participation and share of Indigenous students enrolled via distance education (external)



Sources: 2021 Section 11 Equity groups; UA benchmarking data.

Retention

Table 3: Indigenous retention rates, by university group

Group	2015	2016	2017	2018	2019	2020
Go8	79.6	81.4	80.3	80.4	83.0	82.9
ATN	74.8	74.9	74.2	75.6	74.0	73.8
IRUA	75.4	72.3	73.4	72.7	73.2	75.4
RUN	69.0	70.5	67.2	69.0	69.1	69.5
Unaligned	71.2	70.6	72.5	70.2	69.8	73.4

Source: 2021 Section 11 Equity groups.

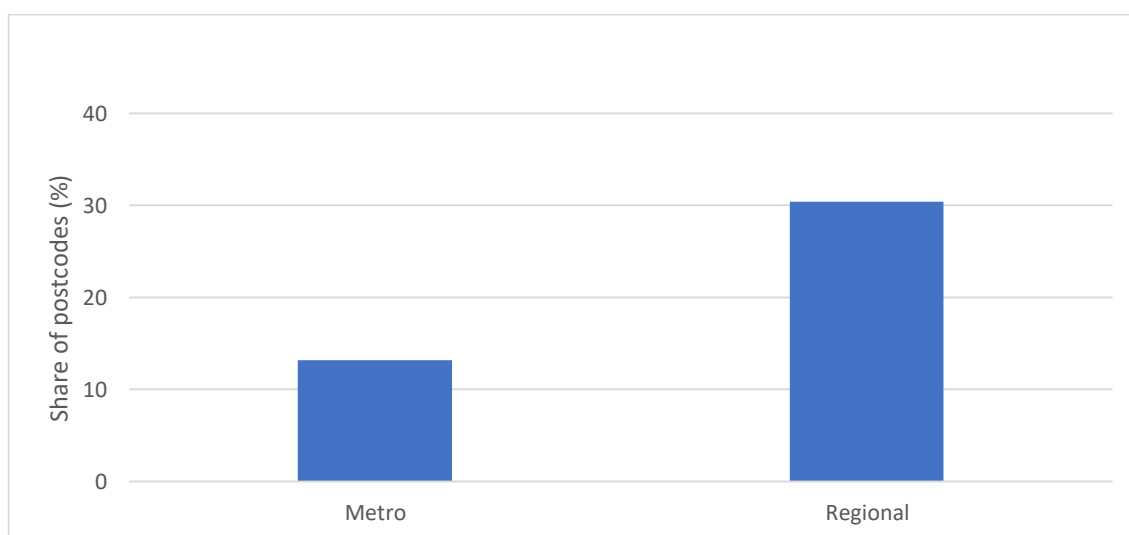
Participation

Table 4: Low-SES participation numbers, by university group

Group	2016	2017	2018	2019	2020	2021
Go8	23,063	22,788	22,554	22,296	22,631	23,207
ATN	32,261	32,710	33,366	34,127	35,762	36,485
IRUA	33,115	33,745	34,592	34,025	33,878	33,449
RUN	32,744	33,718	33,562	34,226	35,928	35,045
Unaligned	37,936	39,533	38,653	38,510	41,299	42,761

Source: 2021 Section 11 Equity groups.

Figure 2: The share of postcodes classified as low-SES, by regionality



Sources: 2021 2033.0.55.001 - Census of Population and Housing: Socio-Economic Indexes for Areas (SEIFA), Australia, 2016⁴; 1270.0.55.005 - Australian Statistical Geography Standard (ASGS): Volume 5 - Remoteness Structure, July 2016⁵.

Retention

Table 5: Low-SES retention rates, by university group

Group	2015	2016	2017	2018	2019	2020
Go8	85.8	86.1	85.8	87.0	87.0	87.6
ATN	82.3	82.7	82.5	82.4	82.0	81.9
IRUA	78.4	78.0	77.7	77.5	78.1	79.1
RUN	74.1	74.6	73.3	74.5	74.4	75.4
Unaligned	76.8	77.5	71.9	77.7	76.6	76.7

Source: 2021 Section 11 Equity groups.

⁴ <https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/2033.0.55.0012016?OpenDocument>

⁵ <https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/1270.0.55.005July%202016?OpenDocument>

Regional/remote students⁶

Participation

Table 6: Regional/remote participation numbers, by university group

Group	2016	2017	2018	2019	2020	2021	Growth (2020-21, %)
Go8	31,239	30,799	30,154	30,236	27,037	28,498	5.4
ATN	30,958	31,432	32,662	33,954	33,505	34,815	3.9
IRUA	37,506	37,690	37,422	36,912	34,852	34,769	-0.2
RUN	62,950	62,967	62,193	62,456	65,563	63,873	-2.6
Unaligned	54,318	54,887	53,624	53,855	56,686	56,421	-0.5

Sources: 2021 Section 11 Equity groups (2016-21); Monash Equity pivot table (2022-23).

Retention

Table 7: Regional⁷ retention rates, by university group

Group	2016	2017	2018	2019	2020
Go8	87.2	86.8	87.8	88.2	88.9
ATN	82.7	83.0	83.1	82.4	81.5
IRUA	79.9	79.9	79.4	80.0	80.9
RUN	76.8	76.2	77.1	77.1	77.5
Unaligned	80.3	76.1	80.2	78.9	74.2

Sources: 2021 Section 11 Equity groups (2015-20); Monash Equity pivot table (2021-22).

⁶ For this analysis, regional/remote students are identified based on their permanent home address at the commencement of study.

⁷ In the Higher Education Statistics Collection, regional and remote retention rates are presented separately. In the interest of economy, regional retention rates are presented here as an illustrative example.