



Some unintended effects of demand-driven funding on student choice and graduate employment

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This presentation

- Outlines **decline in specialist courses in social professions** and policy contribution in Australia
- **Consequences** for student choice and skills shortages
- Identify how **policy hinders** course viability
- Suggest **possible future policy directions.**

OLT Fellowship

- My OLT Fellowship in 2016, to mitigate loss of courses through university collaboration
- *Achieving economic sustainability for niche social profession courses in the Australian higher education sector - a nationwide collaborative strategy*

Decline in courses

Courses examined

- HUMAN WELFARE STUDIES AND SERVICES 0905
- Youth Work (ASCED FoE 090505)
- Social Gerontology (ASCED FoE 090507)
- Disability (ASCED FoE 090509)



Method

1. Manual search of university websites and handbooks
2. Automated search on courses by ASCED code 2011-2015
3. Interviews with course leaders

Multiple methods used independently to check for consistency.



Snapshot: Course enrolments (unique individuals)

- Changes in enrolments in Courses 2011 to 2016

• Youth work 394  561

• Disability 293  150

• Social gerontology 32  0?



Snapshot: Unit enrolments (EFTSL)

Row Labels	2011	2012	2013	2014	2015
Youth	190	284	377	430	464
Aging	38	29	114	248	253
Disability	313	320	366	394	414
Total	542	634	859	1074	1131



What is happening? Courses

Undergraduate courses

- More students are studying youth work -but in public universities only available in Victoria and WA, plus ECU, online
- Disability is disappearing as a specialism -UNE course as a double with primary education (also Flinders Developmental Disability and integration)
- Social gerontology has disappeared as a specialism



What is happening? Units

Undergraduate units

- Rise in Youth work course and unit numbers -more students doing youth work as a specialism.
- Rise in social gerontology unit numbers (sevenfold) non-specialist students in other courses (e.g. nursing, social work) picking up single units.
- Rise in disability unit numbers (50%) is non-specialist students picking up single units.



Consequences

- **Youth Work:** No national coverage for courses, but discipline is 'hanging on'.
- **Disability:** Very few specialist courses remain. Students in disability units less likely to be taught by disability specialists.
- **Social gerontology:** Probable total loss of social gerontology as a taught discipline in Australia. No distinct courses, despite strong growth in unit enrolments. Students unlikely to be taught by social gerontology specialists.



Why important?

- **Social need:** Australian Government social policy requires specialist graduates,
 - examples National Disability Insurance Scheme (NDIS), Domestic and Family Violence, Aging-in-place Age Care Policy, Closing the Gap; Youth Justice Reinvestment and Countering Violent Extremism
- **Imperfect market:** Unmet need for graduates in specialist social professions currently met by migration

Policy context and small courses

- **Prior to 2012: central funding model:**
 - 1) institutions received subsidies for an agreed number of places for domestic students on each course, and
 - 2) allocation of funded places was capped –each degree had an allocation of government subsidised places
- **From 2012: ‘demand-driven’ model:**
 - 1) funding provided to universities follows student course preferences, and
 - 2) no caps on numbers of subsidised places available to domestic students
 - 3) Universities stopped offering less profitable course

Central planning funding model

- Central planning
 - Directed funded places according to social, cultural and economic need (graduate employment, but also socio-cultural benefit)
 - Shaped degree mix within universities and across the sector
 - Protected specialist courses because (initially) places could not be transferred to more profitable courses

Demand driven funding model

- “Demand-driven” funding
 - No oversight of sector-wide degree mix or links to socio-cultural or economic need
 - Universities decide their degree mix
 - Profit motive favours large-enrolment generic degrees
 - Growth in university marketing
 - Reduced diversity of courses and student choice
 - Exacerbated graduate unemployment by increasing the disconnect between graduate employment and university courses offered

Cause and effect?

- Centrally planned funding protected specialist courses
- Decline commenced prior to 2012, after place transfer permitted
- Rate of decline increased after 2012
- Outcomes predicted in the Lomax-Smith report (2011) –warned of risk of course loss if ‘price signals’ were wrong

Strategy

- Successful collaboration needs to be
 - embedded in the institutions and
 - supported at grass roots and
 - supported by senior management
- Grass roots support is easiest to achieve (but intra-university competition is problematic)
- At senior levels, the problem is acknowledged but no incentive to act
- Hence: loss of courses and expertise within universities sector (key staff already made redundant/ retired)

Analysis

- Demand driven policy increases competition and hampers collaboration
- Loss of expertise has occurred and difficult to reverse –will affect future teaching and research
- Requires policy change to
 - rebalance provision of courses to meet social need,
 - provide incentive for support cross-institutional collaboration,
 - provide funding to recruit expertise

Summary

- Market not working
 - Mismatch between social need and graduate supply
 - Mechanisms to ensure a match between social need and courses offered too weak.
 - Competition unhelpful
- Reduced student choice, notwithstanding growth in total places.
- Changes in the policy drivers are needed

Policy option 1) Hybrid/market-based

- **Hybrid market/ centralised planning**
- Intervene to financially support student places in courses where there is a skills shortage or social or cultural need.
- Cap places in areas of low graduate employment, over supply of graduates and no cultural benefits.

Policy option 2) Supported collaboration

- **Government support for multi-institutional specialist teaching**
- Cooperative Teaching Centre (Modelled on CRC).
 - Seed money to support development of new shared courses,
 - Use online learning technologies and local support (UK Open University model)
- In market-based system would need incentives to ensure universities offered courses.

Publication

- Cooper, T. (2018). 'Student choice and skill shortages: some effects of demand-driven funding'. Paper presented at the *HERDSA Conference*, Adelaide, 2nd-5th July 2018,
- This paper won the best scholarly paper award.
- <http://www.herdsa.org.au/publications/conference-proceedings/research-and-development-higher-education-re-valuing-higher-2>

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