Dear Mr Coutts,

The Vice-Chancellor has asked me to respond on behalf of the University of Sydney to the ‘Measuring the Socio-economic Status of Higher Education Students’ Discussion Paper, released for consultation in December 2009, and so I am pleased to provide the attached comments.

We welcome the Government’s goal of increasing participation and success in higher education by students from low socio-economic status backgrounds and are determined to play our part in contributing to Government’s social inclusion agenda.

We will do this by, among other things, ensuring that we have in place fair and transparent processes for identifying and supporting the most promising students, irrespective of background, and by pursuing innovative programs designed to improve access to higher education and the retention of students from disadvantaged communities over the long term. We will also seek to mobilise our teaching and research expertise to improve outcomes in areas such as health, education, law and social work.

If you require further information about any aspect of our submission, enquiries should be directed to me at derrick.armstrong@sydney.edu.au, ph: 02 9351 3517.

Yours sincerely

Derrick Armstrong

General comments

Support for equity targets and the development of a better measure of socio-economic status
The University of Sydney strongly supports both the Government’s higher education participation goals for students from low socio-economic backgrounds and the development of a new, more accurate, measure of the socio-economic status (SES) of students and potential students. Once in place this will allow for the more accurate assessment of the success of the Government’s social inclusion policies and institutional initiatives in this area.

Current measure is outdated and inaccurate
A key element to the achievement of the Government’s low SES participation targets is to have in place an accurate and credible measure of the socio-economic backgrounds of students enrolled at different institutions. Concerns have long been held about the validity of the current postcode-based measure and the University is pleased that the Government is acting on the recommendation of the Bradley Review to develop a more robust measure, or set of measures, based on individual as opposed to aggregate data relating to geographic areas. In particular, we strongly support the proposal raised in the paper to develop an index of SES for higher education students that reflects the multiple dimensions of educational disadvantage experienced by individual students.

Value of an improved measurement to institutions
At an institutional level, having access to accurate data about the socio-economic backgrounds of individual students from the point of application through tertiary admission centres onwards would be extremely useful as it would enable institutions to more accurately identify students who may require special consideration in relation to admission, as well as to target resources to improve student outcomes once enrolled.

Support for a phased approach
We recognise the challenges the Government faces in seeking on the one to hand develop a comprehensive new set of reliable data about SES status, while on the other needing an interim mechanism by which to allocate funding in support of low SES initiatives fairly and effectively. In our view, the Census Collection District approach that is being considered as a way of improving the accuracy of Australian Bureau of Statistics’ Socio Economic Indicators For Area (SEIFA) data in a higher education context would be an improvement on the current arrangements, but will still inevitably be less than ideal because the data do not necessarily reflect the individual circumstances of actual students and their families. Here we note that in developing the Index of Community Socio-Educational Advantage (ICSEA) for the MySchool website, adjustments needed to be made to the raw index results for some schools because of mismatches identified between students’ actual socio-
economic levels and that of the Census Collection District values associated with their addresses. We further note that the mobility of higher education students and the fact that growing numbers of students are accessing University on a mature-aged basis, will always limit the utility of SEIFA.

**Centrelink means tested income data of value**

We agree that Centrelink data on the number of students at each institution in receipt of means tested income support payments has merit as an interim proxy for low SES enrolments – notwithstanding the limitations of these data identified in the paper. We note, however, that the graduated nature of the parental means test for Youth Allowance means that it may not simply be a matter of counting the total numbers of students in receipt of income support, but a subgroup thereof – for example those students from families with incomes that fall into the bottom 25 per cent of all Australian households, or those students who receive the full rate of payment. Longer term, the aim should be to ensure that both the measurement of SES and the funding formulae for low SES programs are based predominantly on data captured about the individual circumstance of students enrolled at each institution. The income, education, employment and other variables that make up the different SEIFA indexes should provide a sound basis for developing such an index of SES for the higher education sector.

**Keen to work with the Government to develop and trial any new measure/s**

The challenge for the sector and Government will be to develop effective mechanisms for collecting data relevant to the individual circumstance of students from existing sources (e.g. ABS, Centrelink and ATO), from the parents/guardians and students themselves. It will also be important to ensure that the approach to SES measurement adopted for the higher education sector builds upon and aligns with the approaches taken in relation other levels of education – pre-schools, schools, VET etc.

The University of Sydney is keen to work the Government to meet these challenges. We are in the process of implementing a comprehensive new online student administration system and we expect that this will provide us with an unprecedented capacity to capture and analyse data about students from the point of application onwards.

**Comments in response to specific questions**

**Question 1 (p.8) Are there other possible data sources which could be used to measure the SES of higher education students?**

While our preference is for the new measure to relate to the individual circumstances of students, we realise that transitioning to such an approach will take time. In the meantime, for undergraduate students coming to university directly from secondary school at least, the new Index of Community Socio-Economic Educational Advantaged (ICSEA) developed for the MySchool website may be useful in a higher education context both for the Government and universities. While the ICSEA has been developed specifically for the purposes of the MySchool project, it enables the identification of
the socio-economic standing of the Census Collection Districts from which each school draws its students. Further, as it has been developed as a measure of relative educational advantage/disadvantage rather than just a socio-economic measure, it draws on key variables contained in the various SEIFA indicators selected for the strength of statistical significance of each as a predictor of the performance of schools in literacy and numeracy testing. Cross referencing university data about the schools from which it draws its undergraduate students could be an additional way of measuring socio-economic advantage, or alternatively could be used as an additional proxy measure while a multi-dimensional index is developed for the higher education sector. Cross referencing university and school data will also assist with the identification of students who have been part of university based aspiration or achievement building interventions in identified schools, making it possible to track students who undertake activities with one higher education institution while at school, but who in fact enrol with another provider.

Question 2 (p.9) Do validity and reliability considerations mean that some data sources are preferred to measure SES?

Question 3 (p.9) What are other factors that may impact on the validity and reliability of data sources used to measure SES?

Question 4 (p.10) Do privacy and sensitivity concerns mean that some data source/s are preferred over others?

Question 5 (p.10) Are there other privacy or sensitivity concerns not listed above which need to be considered?

Wherever possible, data should relate to the individual circumstances of students and their families rather than geographical areas. Parental income data should only be obtained from verifiable sources such as Centrelink or the ATO where evidence has been provided and privacy concerns have been addressed. The only information that should be collected by institutions from students is information that cannot be obtained from reliable existing sources, and about which students can reasonably be expected to have knowledge. To ensure the integrity of the data, any index should be developed and administered by an independent entity such as TEQSA, the ABS or another appropriate body separate from Government and institutions. An index that draws on data relevant to multiple dimensions of disadvantage, but which is available to institutions for individual students, is preferable from a privacy perspective as institutions need not have access to any of the underlying data.

Question 6 (p.10) Do timing considerations mean that some data source/s are preferred over others?

Question 7 (p.10) Are there other timing and implementation processes, not listed above, which need to be considered?

All data from ABS censuses must inevitably involve a time lag of up to five years, but because such data relate to communities rather than individuals, changes over time should be quite stable. Data about parental income from Centrelink and/or the ATO should never be more than a year out of date, while data provided by students should be able to be kept current to within a year.
One of the significant difficulties institutions currently face is the time it takes for DEEWR to aggregate and process and make available the data that are provided by institutions annually. The data that we provide to DEEWR is different to the compiled data that is published for universities and at the moment we are dealing with 2007 data – which were released late in 2009. As it is difficult to monitor progress with such time-lags, we are keen to work with the department to find ways of speeding of the processing and analysis of all relevant data sets.

Additional surveys of students should be avoided due to the costs and student survey fatigue. We are open, however, to collecting additional information at the point of enrolment if this can be achieved efficiently and tertiary admission centres may also be willing to collect additional information at the point of application.

**Question 8 (p.10) Would it be appropriate to introduce interim/phased arrangements due to timing considerations.**

Yes. We support this approach, and believe that interim proposals such as moving to Census Collection Districts for SEIFA data, utilising Centrelink parental/guardian data and potentially drawing on the new schools’ index have merit. The primary focus during 2010, however, should be on developing, in close consultation with the sector, a robust methodology to underpin the development of an SES index for higher education that can be applied over the long term.

**Question 9 (p.11) Do cost considerations mean that some data source/s are preferred over others?**

**Question 10 (p.11) Are there other costs not listed above which need to be considered?**

Wherever possible, existing data sources should be used. As stated above, our preference is that any additional data required from students should be obtained at the point of application and/or enrolment and not through additional surveys.

**Question 11 (p.13) What are the advantages and disadvantages of using a measure of SES which combines a number of dimensions?**

Some of our views relevant to this question have been canvassed above. A key value of a composite measure is that it can account for multiple factors that influence educational outcomes, and can allow for different weighting to be given to different variables depending on the significance of their correlation with the outcomes that are being assessed. A further advantage is that the information can be made available to individual institutions without the need to provide the underlying data – which may be subject to privacy concerns. Further, the index scores for cohorts of students can be aggregated to whatever level is required to provide an average socio economic figure at the faculty, institution, regional, state or national level.
**Question 12 (p.13) When developing new measures of SES, what do you consider the most important issues and why?**

This depends on the objectives behind the policy for which the new measure/s are being developed. Understanding that the Government’s key policy objective is to increase the participation and success of people from low socio-economic backgrounds in higher education, then a key objective must be to ensure the accurate identification of individual students from low socio-economic backgrounds. The current arrangements have been widely acknowledged as inadequate and in the absence of accurate data about the relative educational advantage/disadvantage of individual students it is difficult for institutions, and particularly large institutions that draw students from diverse backgrounds, to efficiently identify students at risk of failure, or potential students whose capacity to succeed at university may not be accurately reflected by ATAR scores.

Access to more accurate data will assist institutions to achieve performance targets to be set with the Government through the compacts process, but it will also be of critical importance to ensure that any measures of institutional performance include a qualitative as well as quantitative dimension. By linking performance funding to student participation and retention rates, for example, there is a risk that the quality of student outcomes will be given less attention and could indeed be diminished, if mechanisms are not put in place to encourage the maintenance and improvement of academic standards. The timeliness of data provision, along with the cost and effort involved in collecting and analysing data are also important considerations.

The tracking of students through the entire education system (from childcare or pre-school to university) is another important issue that we hope can be addressed through this process. Ideally, this would involve ensuring that the measures of SES are consistently applied and collected from birth, but at least from pre-school through to higher education. This would then enable analysis of where education providers are having positive impacts on disadvantaged communities – ie where interventions are successful in overcoming disadvantage. Such measures should be used to track the success of the Government’s trials with priority/disadvantaged schools through targeted literacy and numeracy programs, to determine whether a child who participates in one of these programs has an improved chance of accessing post school education.

**Question 13 (p.13) Are there other issues not considered by this paper?**

As mentioned above, the University of Sydney is keen to work with the Government on the development of the proposed new measure. We have a number of staff with particular expertise in relation to student administration and social inclusion who could be drawn upon for input as the work progresses during 2010.