

BE WHAT YOU WANT TO BE

Institutional Performance Indicators in a Two-Speed Economy

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Philip Bell



Queensland's Regions



Institutional “Performance” Indicators

- Move from govt compliance reporting to more open data to range of audiences
- Increasing range of audiences, stakeholders & definitions/requirements
- Increasingly anything that a stakeholder sees as a guide to institutional performance or quality
- Increasingly data drives funding, public perception and enrolments

The Two Speed Economy

- Different economic outcomes within the same economy
- Differences can be by region, by industry or other features
- Increasingly used to describe Australian post-GFC – Mining vs Retail, Tourism etc
- Also applied to Europe, China and other countries
- Dual speed, multi-speed etc

How much of a difference has it made?

Region	Gross Regional Product per Capita
Brisbane	\$47,313
Gold Coast	\$36,014
Sunshine Coast	\$32,241
Regional Queensland	
- Wide Bay-Burnett	\$27,863
- Darling Downs	\$35,359
- South West Qld	\$69,870
- Central West Qld	\$61,970
- Northern Qld	\$39,862
- Far North Qld	\$36,298
Mining Regions	
- Fitzroy	\$71,256
- Mackay	\$87,268
- North West Qld	\$132,457

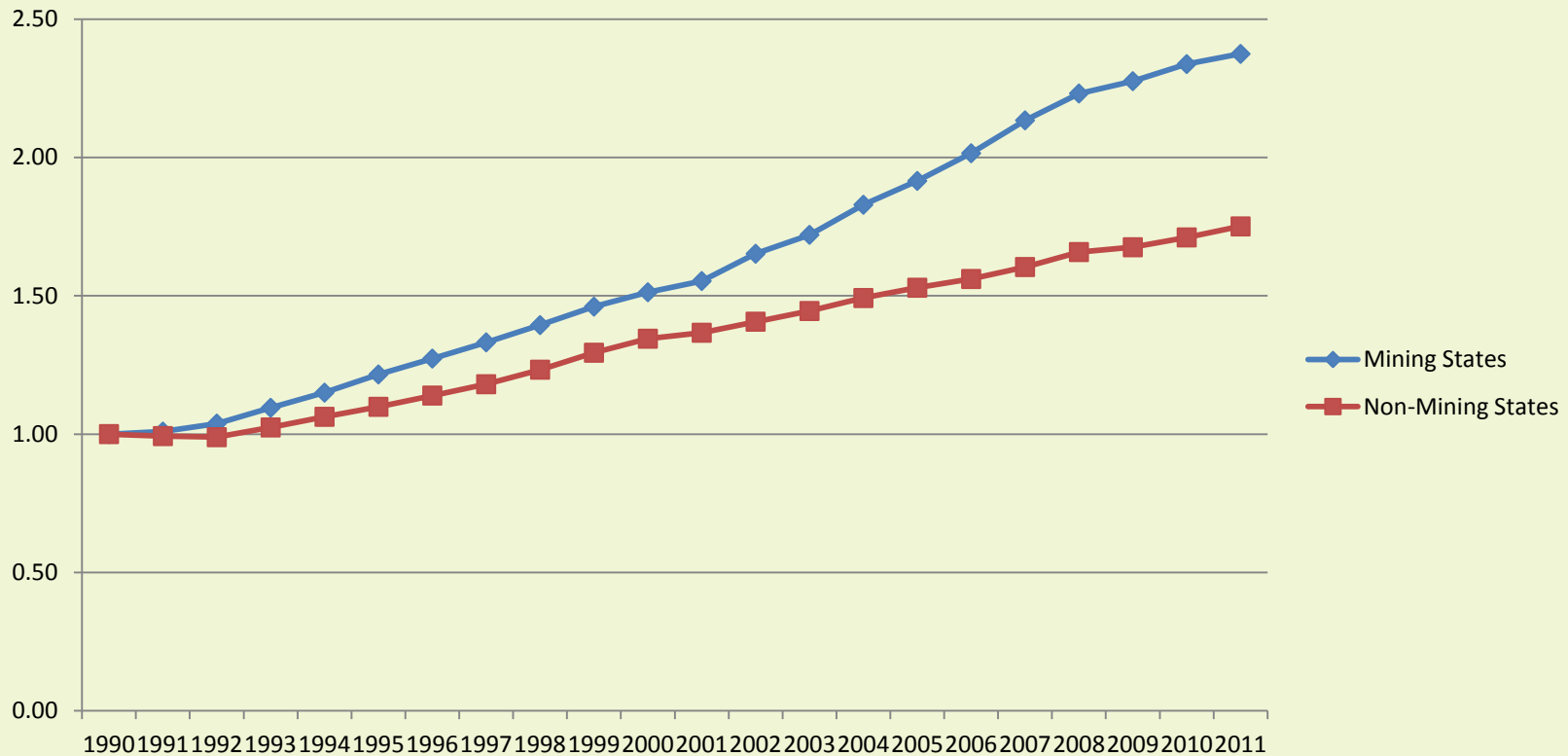
OESR (2008), *Experimental Estimates of Gross Regional Product*.

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Increasing regional disparities



ABS (2011), *National Accounts, State Accounts, 2010-11*

What's that got to do with higher education?

- National Higher Education System – or is it?
 - Federal funding, but most institutions linked to a “region”
 - Different regions - different student profiles, industries, economic conditions, employment outcomes
- Research linking local economic issues to higher education outcomes includes:
 - *Review of Higher Education Outcome Performance Indicators* (Access Economics, 2005)
 - *Regional Participation: The Role of Socioeconomic Status and Access* (DEEWR, 2010)
 - *Unemployment rates and starting salaries – are Australian graduates at the whim of the wage curve* (Caroll, 2010)

Enrolments and the Regional Economy

- Research by Gylfason (2001) and Auty (1993) supports idea that high levels of mining growth deters skills development and decreases demand for higher education
 - Greater range of opportunities – greater demand for non-university skill-sets (apprenticeships, traineeships etc)
 - Greater demand for labour - less need to invest in skills development to find a secure, well-paid job
 - Mining development often at expense of other projects – crowds out activity that might use university skill-sets

Economics of Education

- Students invest in developing their skills when the benefit of developing those skills exceeds the cost (including opportunity cost) of developing those skills
- Sources of information – resources to assist with that decision
- What happens when other potential of opportunities outweighs the apparent value of investment in higher education? What happens when the investment in higher education doesn't pay off???

Real Impact in Queensland

- Regional differences in school-leaver destinations

	University	Apprenticeship	Traineeship	Full-time Work	Unemployed
Mackay	24.3%	18.2%	8.8%	17.1%	7.0%
Fitzroy Central West	23.4%	15.5%	7.3%	16.6%	9.0%
Gold Coast	36.8%	6.8%	3.1%	8.3%	9.4%
Sunshine Coast	32.8%	5.0%	3.7%	10.4%	9.9%
Queensland Average	35.9%	8.0%	3.9%	10.9%	9.1%

Education Queensland (2011), *2011 Next Step Survey*

Impact in Queensland

- Decreased University enrolments from mining-intensive regions

	2004	2005	2006	2007	2008	2009	Change
Fitzroy	1231	1181	1097	1036	1096	933	-24.21%
Central West Queensland	55	59	48	60	58	45	-18.18%
Mackay	868	720	727	732	769	662	-23.73%
Queensland Total	29599	30668	30330	30215	29625	30064	1.57%

Queensland Tertiary Admissions Centre's *Statistical Reports 2003-04 to Semester 1, 2009*

Graduate Outcomes

- Skills shortages, high cost of labour and difficulties of attracting graduates to mining-intensive regions means:
 - Relatively high salaries
 - Relatively high employment rates
- Very different outcomes evident in other regions – higher unemployment, lower wages, greater investment in post-bachelor degree education

Graduate Outcomes

	Average Regional Graduate Salary	Full-time Graduate Employment Rate	Graduate Unemployment Rate
Mining Regions:			
- Mackay	\$48,383.96	71.9%	10.3%
- Fitzroy	\$69,867.07	69.4%	11.8%
- Northwest Queensland	\$65,993.20	82.9%	5.7%
Wide Bay	\$44,568.01	57.7%	13.6%
North Queensland	\$43,627.98	65.2%	11.7%
Gold Coast	\$34,243.86	42.3%	18.4%
Sunshine Coast	\$33,721.65	47.0%	16.2%
Brisbane	\$39,450.58	56.7%	14.8%
Queensland	\$40,527.42	55.7%	15.0%

Graduate Destination Survey, 2010

Participation and Access

- What's a low SES student?
- SEIFA Index of Education & Occupation

	2009-10 Mean Taxable Income	SEIFA Index of Education & Occupation (Aust Average = 1000)
4709 – Tieri	\$98,619	937 (bottom 30% of Australia)
4743 – Glenden	\$89,888	928 (bottom 25% of Australia)
4744 – Moranbah	\$86,186	941 (bottom 32% of Australia)
4745 – Dysart	\$86,149	907 (bottom 13% of Australia)

- Personal income vs Regional Skills Development
- Strategies to encourage regional skills development vs provide income support for participation???

Attrition and Retention

- Economics of Education & Student Retention – similar drivers for enrolling, but students can re-evaluate their enrolment decision at any time.
- Difficult to access data on regional vs institutional retention outcomes, but:
 - During mining boom, CQU's attrition rate rose from 25.7% to 30.6%;
 - Indicators of similar issues in other institutions linked to mining regions.
- Requires further investigation.

Future Implications

- What is the real impact of external factors on institutional performance indicators? Are we identifying and measuring the right indicators?
- Potential differences in future regional growth profiles:
 - Asian growth as a driver of regional growth?
 - Climate Change (Murray-Darling Basin etc)?
 - Regions with growing vs fading industries?
- Balancing regional vs national or state drivers and benchmarking against other regional outcomes
- Beyond the data - explaining basis of different to stakeholders