

High School Economics: Declining Enrolments and the Impact of Business Cycle

Fluctuations

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Back in Year 12, as I sat in class listening to my Economics teacher talk about the Reserve Bank of Australia (RBA) raising the cash rate, I decided that I wanted to pursue a career in Economics. Topics that my friends thought were mundane and insignificant, I found fascinating and relevant. The learning we did in the classroom propelled me to consider how I could engage in public debate and influence policy outcomes in my future career. It also made me consider: how many teenagers were as interested in Economics as I was?

I knew that my friends in high school were not as captivated by Economics as I was and, after doing some research, found that this trend extended beyond my immediate circle. [Research from the Reserve Bank of Australia](#) published in 2020 highlights the decline in not only the size, but also the diversity of the Year 12 Economics cohort across Australia since the early 1990s. Total enrolments have declined by almost 70% since 1992. 25 years ago, female enrolments represented half of the cohort but by 2016 this had declined to merely one third of the cohort.

I wondered why such a significant decline in Economics enrolments had occurred and found that it is centred around two key factors: educational factors and the perceived relevance of Economics.

Educational Dynamics: The Introduction of Business Studies

[The NSW Department of Education's](#) research from Leith Thompson offers some educational factors that may have caused a decline in enrolments in Economics. It was noted that few educators are adequately qualified and competent enough to teach Economics. Moreover, the introduction of Business Studies as a subject in the 1990s has drawn students away from studying Economics. Business Studies is deemed an easier subject and more relevant, making it a more attractive option for many students, according to the [RBA's research](#).

Perceived Relevance: The Role of Public Discourse

Despite the educational factors playing a significant role, I believed that they alone could not cause such a stark decline in enrolments. Exploring this issue from an Economics perspective, I identified an Economic reason for this decline – a lack of discussion of Economics in the public conversation.

The 1980s and early 1990s in Australia featured prominent discussion of Economics in national debate, as financial and labour market deregulation was taking place under the Hawke and Keating governments. However, the following three decades of uninterrupted economic growth led to a diminishing focus on Economics in both public and national debate. As such, students did not gain an appreciation for how Economics was relevant to their lives and how it could be applied in a future career.

This was until the 2020 COVID-19 pandemic induced recession.

Suddenly, Australia's stable economic climate was challenged, with the first recession since the mid-1990s. The sudden downturn necessitated urgent fiscal stimulus to support falling employment and economic growth. Australia's economy recovered faster than expected, with economic growth reaching 5.2% in 2021, outperforming other advanced economies. However, alongside this was an inflation spike in 2022, reaching 7.8% in the December 2022 quarter. The RBA responded raising the cash rate target 12 consecutive times to 4.1% in June 2022 in order to achieve price stability.

This shift in economic conditions was mirrored by a spike in public interest in Economics. Data from [Google Trends](#) displays a growth in people searching terms such as 'cash rate' and 'RBA' in 2022.

Interest over time ?



Figure 1: Data for the search term 'cash rate'

Interest over time ?

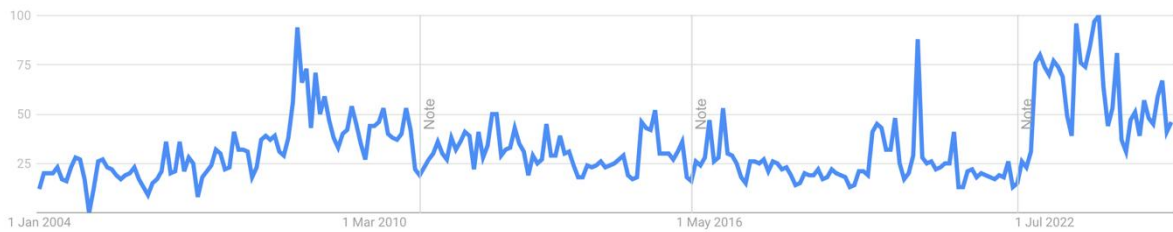


Figure 2: Data for the search term 'RBA'

Similarly, interest in the RBA Governor surged, with searches for Philip Lowe being higher than his predecessor, Glenn Stevens. These trends demonstrate heightened public engagement with Economics during periods of economic uncertainty.

Interest over time ?



Figure 3: Data for search term 'Philip Lowe' (red) and 'Glenn Stevens' (blue)

Thus, it is evident from these trends in Google search terms that there has been an increased interest and engagement with Economics by the general public since the shift in Australia's economic conditions in 2020.

This has reflected in the total enrolments for high school Economics. Looking at the [NSW HSC cohort](#) as a case study, total enrolments in Economics rose from 5,010 students in 2020 to 5,646 in 2024. This upward trend of an increase in enrolments can be attributed to the more prominent discussion of Economics in the media and public debate since 2020.

However, the number of enrolments are still not near the levels of the 1990s, raising important questions about the future implications for society.

Economics increases the economic literacy in society, contributing to a higher quality of public discourse within Australia and informing political decisions. Economics requires a balanced gender representation and diversity to ensure insights are of high strength and quality within the profession. We have a long way to go, and I want to consider how we as Economists can keep the profile of Economics high throughout the fluctuations of economic conditions?