

Dr Leonora Risse
National Committee Chair
Women in Economics Network Australia
Economic Society of Australia
admin@esawen.org.au
<https://esawen.org.au/contact>

Hon. Scott Morrison MP, Prime Minister
Senator Hon. Marise Payne, Minister for Women
Hon. Dan Tehan MP, Minister for Education
Australian Government

19 June 2020

Dear Prime Minister Morrison, Minister Payne, and Minister Tehan,

RE: Proposed allocation of Economics to Higher Education Contribution Scheme Band 4

On behalf of the Women in Economics Network (WEN), we write to convey WEN's acute concern about your government's proposal to shift economics into a higher, newly-created band of HECS course fees.

As economists, we understand that the logic behind HECS is to reflect prospective labour market earnings. We applaud your principle to prioritise the skills that society needs in the future and support your government's decision to reduce student contributions in fields like nursing, teaching and clinical psychology which are essential to society. But we also understand the role of financial incentives. We fear that shifting economics to an even higher tier of fees overlooks the critical public value of economics and will discourage the very students that the economics profession needs.

Economics serves a public role that is distinct from commerce, business and finance. Its role in informing public policy, and the mathematical competencies required in economics, make it more akin to STEM than commerce.

When your government looks at data analysis to understand the state of the economy and design evidence-based economic policy to address the needs of the Australian community, whose skills are you relying on? Economists.

Economic enrolments in Australia are already on the decline.¹ Economics unfortunately suffers a long history of an under-representation of women.² Only 13 per cent of economics professors in Australia are women. We are counting on the inflow of new economics students to bring more gender balance to the profession. Economics also suffers from an under-representation of students from low socioeconomic backgrounds. Shifting economics into the top tier of fees will especially disincentivise students from low socioeconomic backgrounds, for whom the prospect of a larger HECS debt is highly daunting.

¹ 'Why study (or not study) economics? A survey of high school students', Reserve Bank of Australia <https://www.rba.gov.au/publications/bulletin/2020/jun/pdf/why-study-or-not-study-economics-a-survey-of-high-school-students.pdf>

² 'Women in the Economics Profession', WEN Research Hub https://esawen.org.au/wen-research-hub-item/34748/women-in-the-economics-profession/?type_fr=931

As our WEN National Chair pointed out to the Prime Minister Morrison at his address at the Melbourne Institute Outlook Conference³, diversity in policymaking matters. Hence, demographic diversity within economics – a core pipeline for our country’s policymakers – matters.

Shifting economics to the top tier of fees poses the risk of exacerbating gender and socioeconomic imbalances in the profession and compromising the future effectiveness of economic policymaking.

Our Women in Economics Network (WEN) devotes a huge amount of voluntary effort and time towards trying to inspire young people to study economics. We explain to students that understanding the economy is a ‘life skill’. That economics gives you tools to help improve society and solve real world problems.⁴ We aim to foster a generation that is community-oriented and will make a productive contribution to our society.

Australia’s economists work with health specialists to address public health issues. They work alongside businesses and scientists to fuel new innovations and productivity improvements. Economists provide you – our government – with the analysis you need to make good policy decisions.

At a time when our country needs more hands on deck on drive our recovery, to make sense of economic data, and to develop evidence-based policy responses, now is a critical time to send a message to the next generation that an understanding of the economy matters. And that a career in economics delivers a valuable public service.

Placing economics in the highest course tier – and treating it differently to science, medicine, health and maths – will not achieve this.

Ministers, we sincerely hope that the Australian Government will take into account all of these factors and reconsider the allocation of economics to this top tier of course fees. Building our students’ knowledge, skills and capabilities in economics, and fostering an economics community that is diverse and inclusive in terms of gender and socioeconomic class, is a productive investment in our country’s future.

Sincerely,



Dr Leonora Risse
On behalf of the Women in Economics Network

National Chair, Women in Economics Network
Central Council, Economic Society of Australia
Lecturer in Economics, RMIT University
Research Fellow, Women and Public Policy Program, Kennedy School of Government, Harvard University

³ Melbourne Institute 2018 Outlook Conference Transcript, Parliament of Australia
https://parlinfo.aph.gov.au/parlInfo/download/media/pressrel/6265537/upload_binary/6265537.pdf;fileType=application%2Fpdf-search=media/pressrel/6265537

⁴ ‘What is economics all about? And where can it take you?’ Women in Economics Network https://esawen.org.au/study-item/38516/what-is-economics-all-about/?type_fr=889