



# MEDIA RELEASE

## Higher education sector healthy: TEQSA report

New higher education providers tend to overestimate their financial performance prior to entering the higher education sector, a Tertiary Education Quality and Standards Agency (TEQSA) report on the financial health of Australia's sector has shown.

The report, *Key financial metrics on Australia's higher education sector*, provides a snapshot of the sector's financial health – across all four provider types — University, TAFE, not-for-profit and for-profit – using data from TEQSA's 2016 collection year.

Overall, the sector has shown sound financial health, with 80 per cent of the 166 providers recording a profit or surplus.

The report identifies a dramatic increase in the number of organisations seeking entry into the higher education sector, with TEQSA set to consider 33 registration applications this year. By comparison, it has registered 24 providers since its inception in 2012.

TEQSA chief executive Anthony McClaran said the report features additional analysis that examines the financial performance of newly registered providers, finding 80 per cent did not achieve their projected higher education student load in their first year of operation.

“This is our third report in the series and it provides useful insights into the financial performance of the sector and is an important resource for stakeholders and the general public,” Mr McClaran said.

 TEQSA is in a unique position to share the information we collect and analyse as part of our ongoing monitoring and quality assurance role, and we intend to progressively expand the amount of information we make publicly available.

Total sector revenue for 2016 was \$35.28 billion, up from \$34.32 billion the previous year.

International student revenue continues to be the major driver of revenue growth for the sector and was up \$661 million while revenue from Government grants and non-higher education activities fell by \$144 million.

Staff spending totalled \$19.5 billion – representing 57 per cent of sector expenditure and continuing to account for the largest item of spending in the sector.

## More information

[View \*Key financial metrics on Australia's higher education sector\* from the publications section of TEQSA's website.](#)

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