

MEDIA RELEASE

20 January 2013

More students, more costs: a higher education report card

Student debt is at its highest level ever, with Commonwealth government estimates showing that \$6.2 billion of the \$26.3 billion owed under the HELP student loan scheme will never be repaid.

The increasing debt figures, published in Grattan Institute's new report, *[Mapping Australian higher education, 2013 version](#)*, are the result of a rapidly growing higher education sector following the abolition of most enrolment controls.

Rising domestic undergraduate student numbers are expected to increase the Government's bill for tuition subsidies to nearly \$7 billion in 2015-16, up from \$5.5 billion in 2011-12. The Government lent students \$4.3 billion through HELP in 2012.

Grattan Institute's annual assessment of the health of the higher education sector shows that graduates and universities are doing well.

University graduates improved their financial position between 2006 and 2011, according to a new analysis of census data. Estimated career earnings of a bachelor-degree graduate increased by about \$80,000 in real terms between 2006 and 2011, compared to someone with a Year 12 only education.

"Though students are charged more for their education than in the past, this has been more than covered by increasing income" said Andrew Norton, Grattan Institute's Higher Education Program Director.

While long-term graduate income remains high, young graduates were slightly less likely to be in professional or managerial jobs in 2011 than they were in 2006.

Most other trends in the higher education system are positive. Enrolments in health and engineering courses – areas of on-going skills shortages – have grown more quickly than other areas. Student satisfaction with teaching is increasing. The quality of Australian research is rated more favourably now than in the past.

For further enquiries:

Andrew Norton, Higher Education Program Director
M. 0418 583 102 T. 03 8344 0060 E. andrew.norton@grattan.edu.au

8 Malvina Place
Carlton
Victoria 3053
Australia

T. +61 3 8344 3637
W. www.grattaninstitute.edu.au
E. info@grattaninstitute.edu.au