

# Universities advised to be ready for strong post-pandemic growth

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By **TIM DODD**, HIGHER EDUCATION EDITOR  
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After two years of pandemic trauma, Australian universities are poised to return to healthy growth driven by a surge in demand for university-taught skills and a demographic bump of school-leavers, according to a new report.

Both domestic and international student demand will “rebound strongly”, according to higher education analyst and consultant Justin Bokor.

“The drivers of student demand will be overwhelmingly conducive to growth in the decade ahead, except for the uncertainties surrounding government policy and geopolitics,” says his report, *How Australian Universities are Positioned for the Post-Covid Rebound*.

It says the growth of the knowledge and service sectors of the economy will attract even larger numbers of students to universities in fields such as healthcare, education, the professions, financial services and technology.

Universities also will benefit from Howard government policies to boost the birthrate. “The number of children born soared from 2005 to 2010 and has held relatively constant since then,” the report says.

The first impact – an extra 10,000 18-year-olds – will come next year and by 2026 an extra 50,000 teenagers will turn 18 every year.

International student demand also will be strong with tertiary education participation rates in China (26 per cent), East Asia (23 per cent) and India (13 per cent) well below Australia’s 46 per cent and the OECD average of 43 per cent.

“Even a modest closing of the gap in participation rates will swell the number of prospective international students by several million, regardless of population growth rates,” the report says.

Mr Bokor rates three Group of Eight universities – Monash, Melbourne and Sydney – as the best prepared for growth across the coming decade based on his analysis of their business model, academic program and workforce, student experience, community links, research commercialisation, and reputation.

Among non-Go8 universities, he finds the top three universities best prepared for growth are University of Technology Sydney, Macquarie and Deakin.

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The report does not name the less ready universities. However Mr Bokor says most Australian universities were not well prepared for the pandemic and few had built up strategic reserves.

He warns that universities need to act because they face a threat from private sector educators that will take advantage of their “sluggish operations and an expensive course mix”.

“A host of players from listed for-profit providers to private equity firms to new entrants such as Google and Microsoft have staked out positions,” the report says.

“All the more reason to focus on creating a lean, market-aligned and student-focused business now before the rebound reaches its full potential.”

As evidence of private sector interest, Mr Bokor points to the private Torrens University, which was sold (together with Think Education and the Media Design School in New Zealand) to US company Strategic Education for \$900m in 2020 only six years after it opened its doors.

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