Industry Market Analysis

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English Australia

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ENGLISH AUSTRALIA
QUALITY | SUPPORT | ASSURANCE

ELICOS Industry annual analysis

THE COMPLETE PICTURE

AUSTRALIA YTD 2016

BENCHMARKING STUDENT PERCEPTIONS

GROWTH AND OPPORTUNITY

Supported by:

ENGLISH AUSTRALIA
QUALITY | SUPPORT | ASSURANCE

Allianz

Global Assistance

ELICOS Industry Analysis

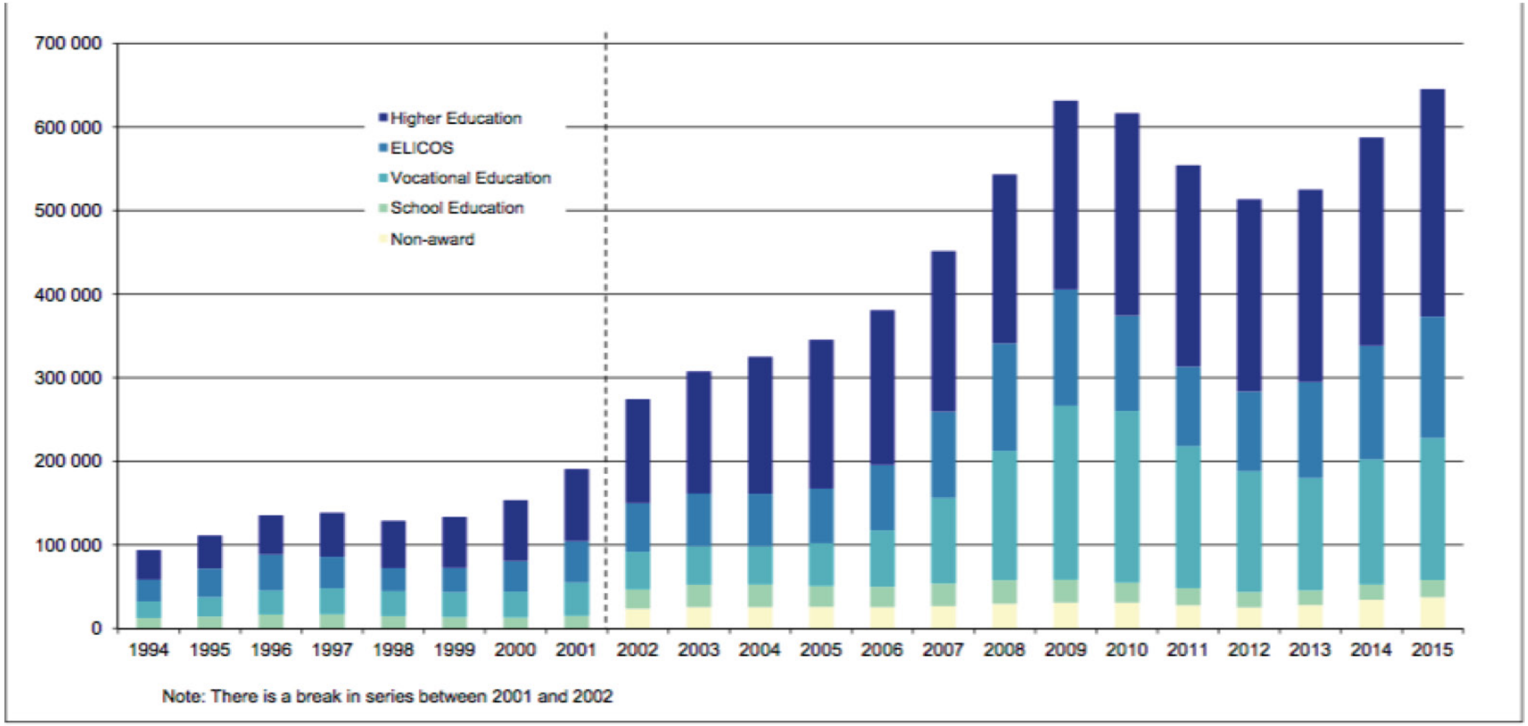
‘The complete picture’

The Rising tide – but for all ships??

Enrolments surpassed 2009

INTERNATIONAL STUDENT ENROLMENTS IN AUSTRALIA 1994-2015

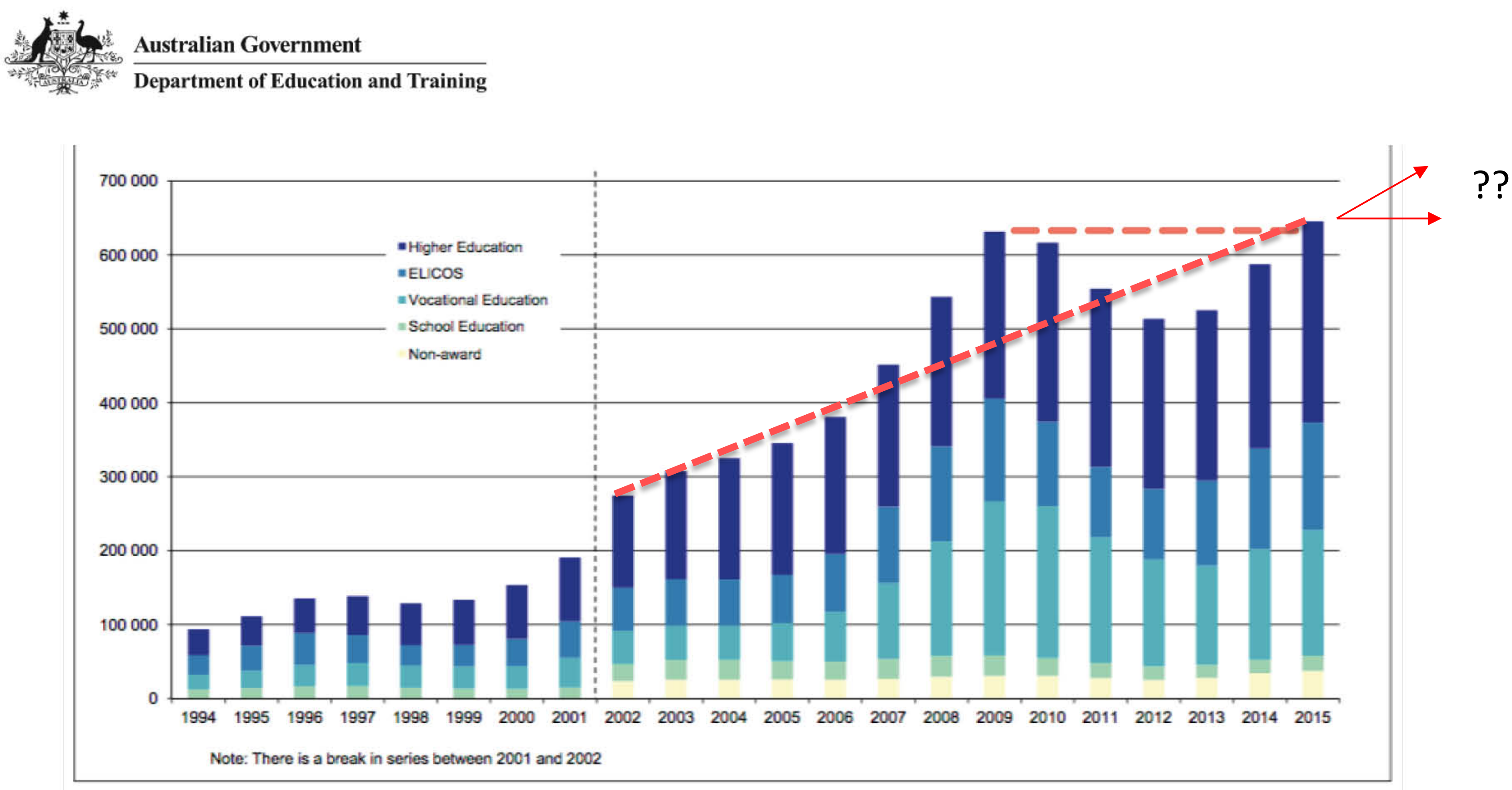
Australian Government
Department of Education and Training



DET – International Student Data 2015

Enrolments surpassed 2009

INTERNATIONAL STUDENT ENROLMENTS IN AUSTRALIA 1994-2015

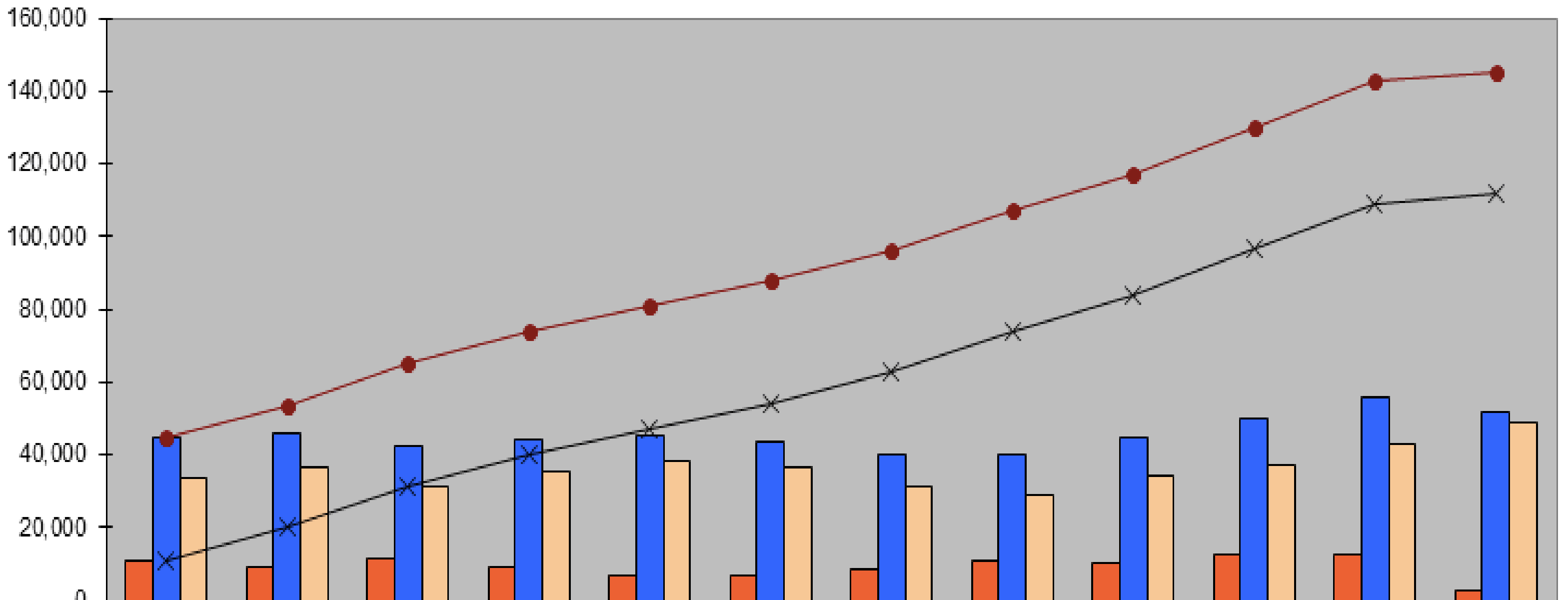


DET – International Student Data 2015

International Student Data 2015 (ELICOS)

ENGLISH AUSTRALIA
QUALITY | SUPPORT | ASSURANCE

MONTHLY TIME SERIES OF STOCK, FLOW AND YEAR TO DATE OF STUDENT ENROLMENTS - ELICOS

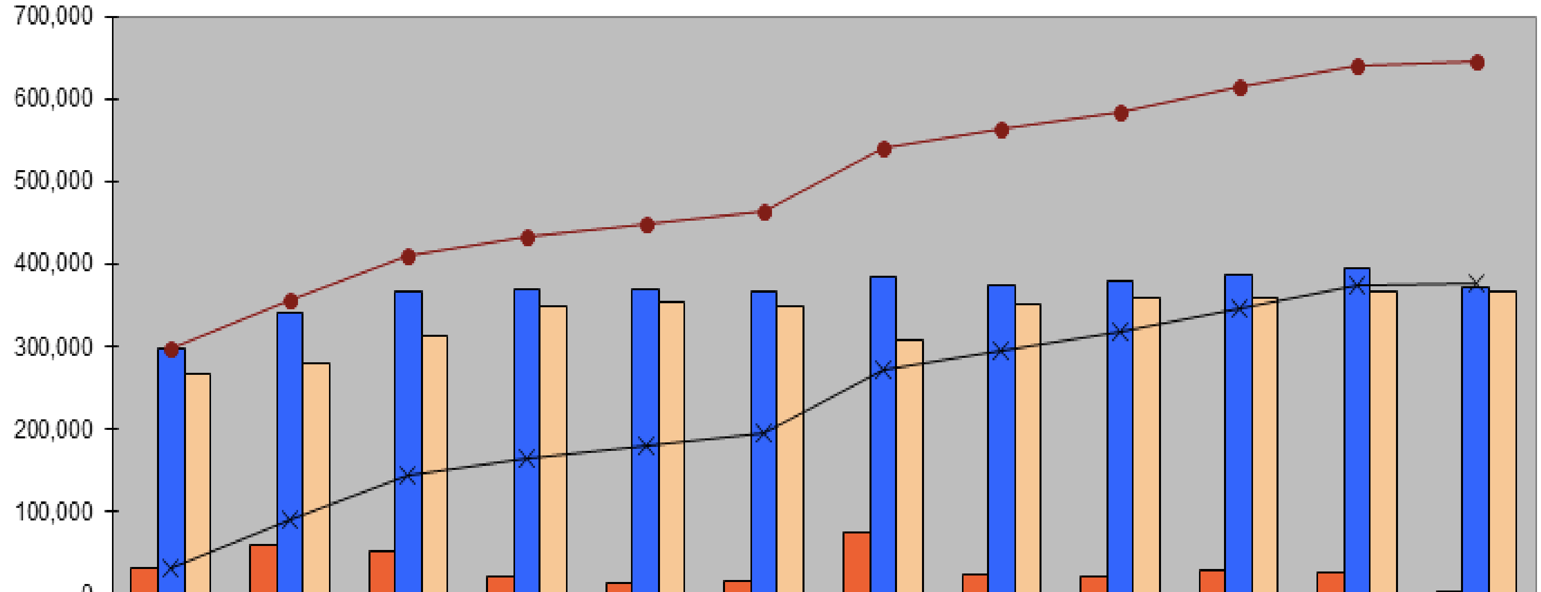


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Commencements	10,920	9,089	11,335	8,843	6,960	6,979	8,405	11,066	10,166	12,600	12,742	2,602
Total in month	44,511	45,825	42,397	44,155	45,492	43,539	39,720	40,115	44,615	49,897	55,544	51,534
Start of month	33,591	36,736	31,062	35,312	38,532	36,560	31,315	29,049	34,449	37,297	42,802	48,932
Year to date Commencements	10,920	20,009	31,344	40,187	47,147	54,126	62,531	73,597	83,763	96,363	109,105	111,707
Year to date Enrolments	44,511	53,600	64,935	73,778	80,738	87,717	96,122	107,188	117,354	129,954	142,696	145,298

Sourced from the Austrade international Student data.

International Student Data 2015 (All sectors)

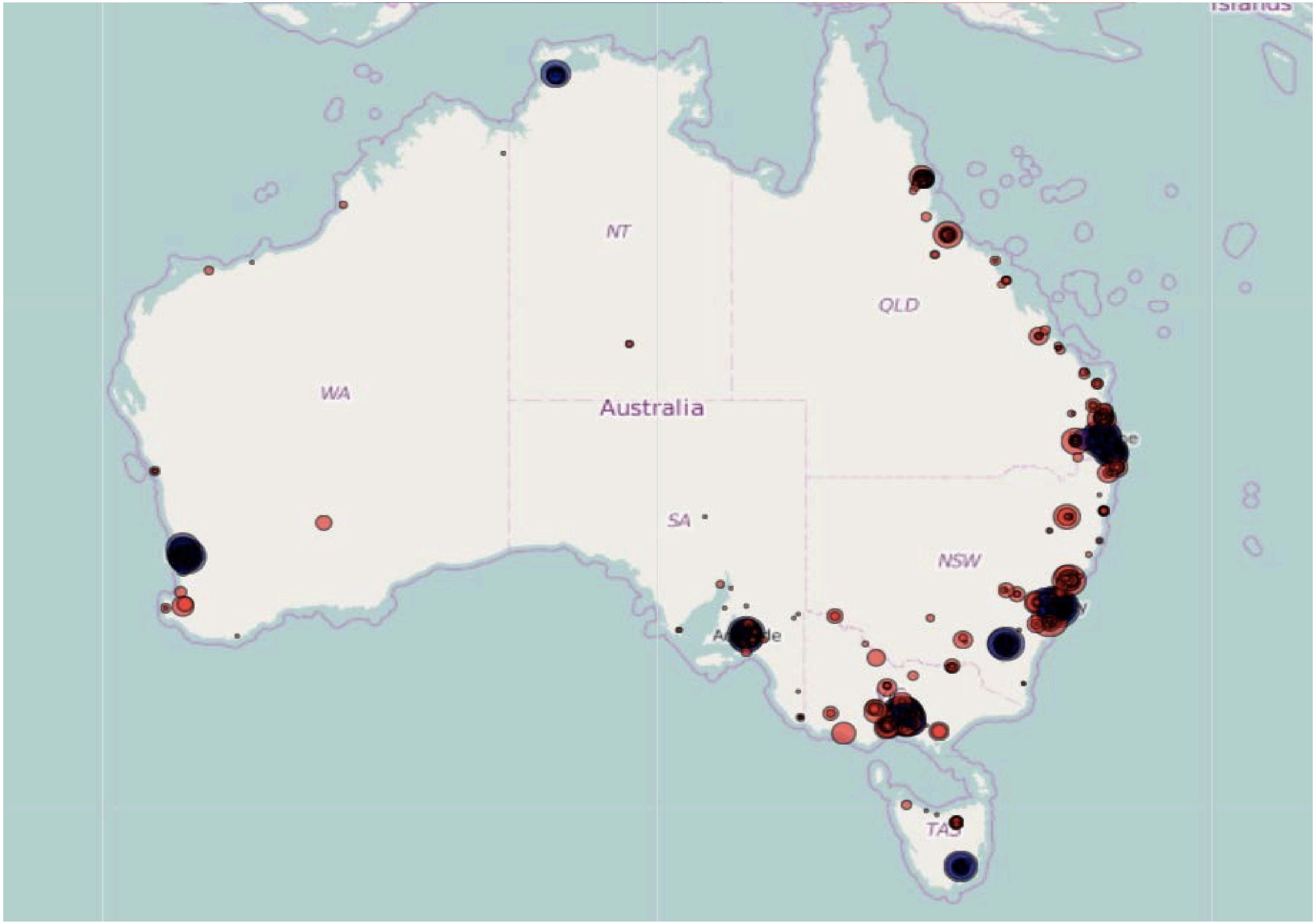
MONTHLY TIME SERIES OF STOCK, FLOW AND YEAR TO DATE OF STUDENT ENROLMENTS – ALL SECTORS



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Commencements	30,857	59,294	53,399	21,638	14,756	16,052	76,150	23,869	20,804	29,745	26,635	4,774
Total in month	298,069	340,291	367,490	370,239	368,708	365,466	383,868	375,288	378,582	387,954	394,038	371,219
Start of month	267,212	280,997	314,091	348,601	353,952	349,414	307,718	351,419	357,778	358,209	367,403	366,445
Year to date Commencements	30,857	90,151	143,550	165,188	179,944	195,996	272,146	296,015	316,819	346,564	373,199	377,973
Year to date Enrolments	298,069	357,363	410,762	432,400	447,156	463,208	539,358	563,227	584,031	613,776	640,411	645,185

Sourced from the Austrade international Student data.

Distribution of ELICOS Students Nationally



The complete picture


English Australia

Survey of major ELICOS regional markets in 2015

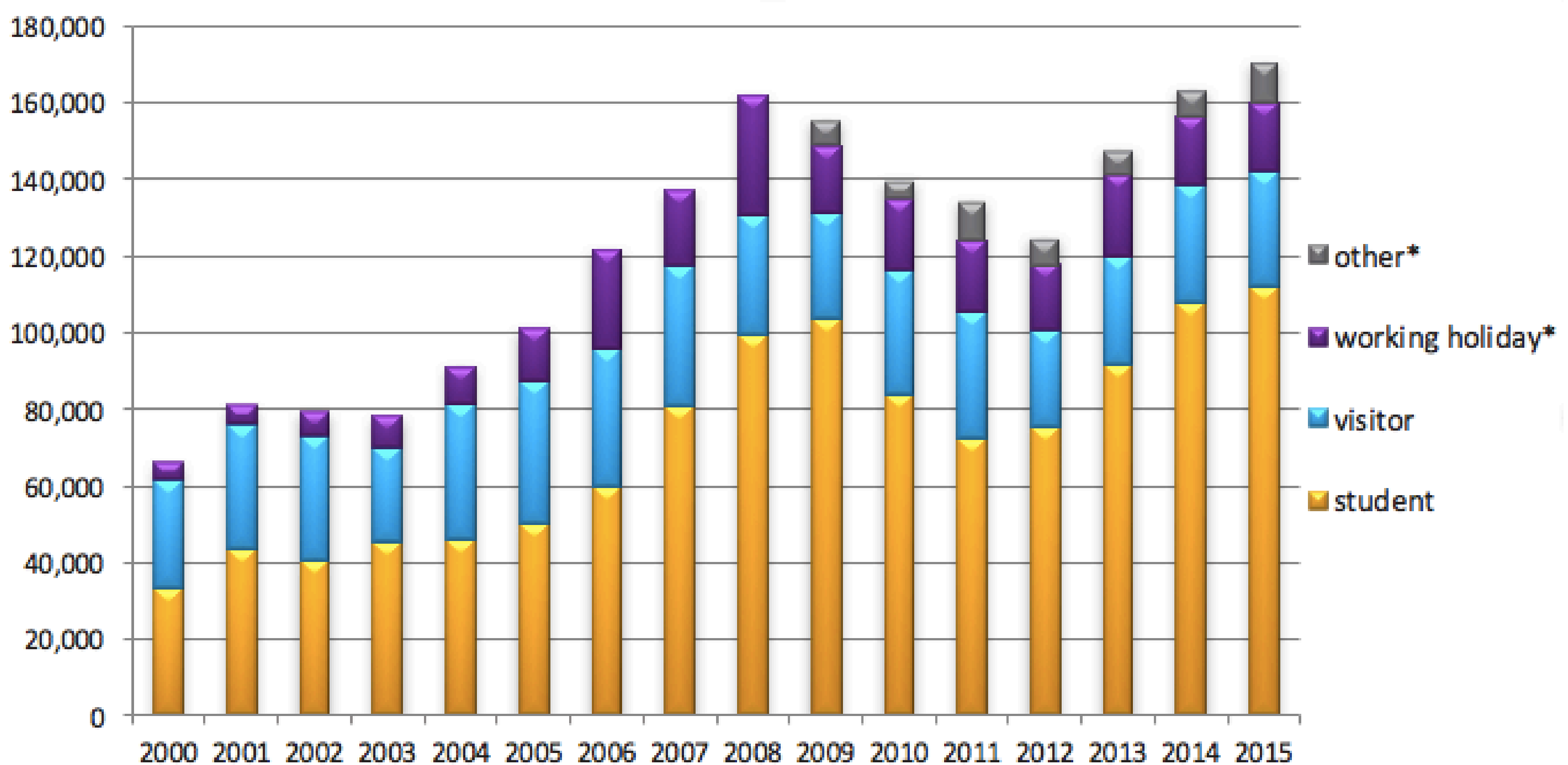
June 2016

ENGLISH AUSTRALIA

QUALITY | SUPPORT | ASSURANCE

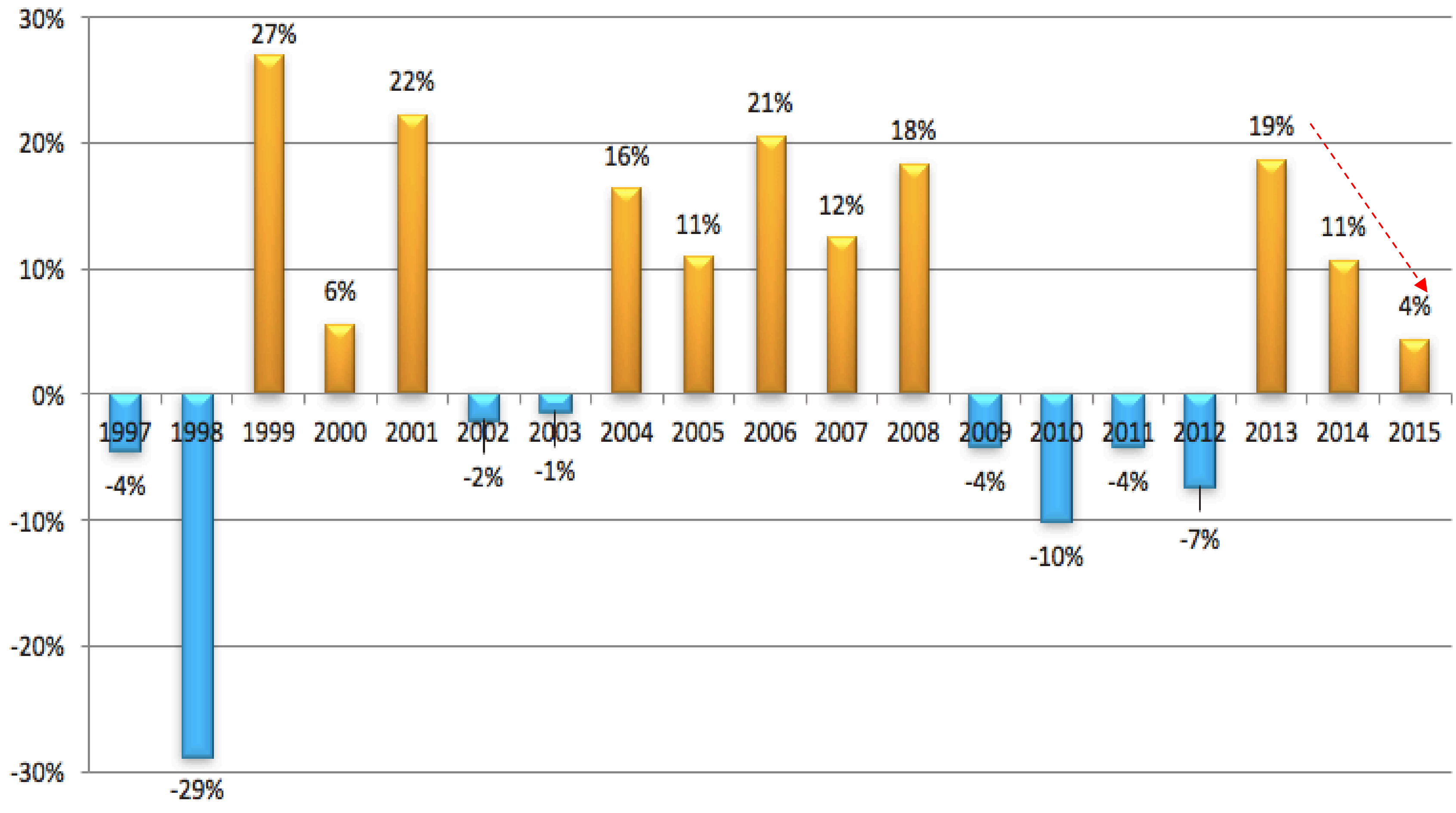
- Department of Education and Training funded sector wide survey.
- 20th Year of publication.
- Excellent sector wide participation.
- English Australia member colleges accounted for 86% of total enrolments in 2015

Importance of the combined visa programs

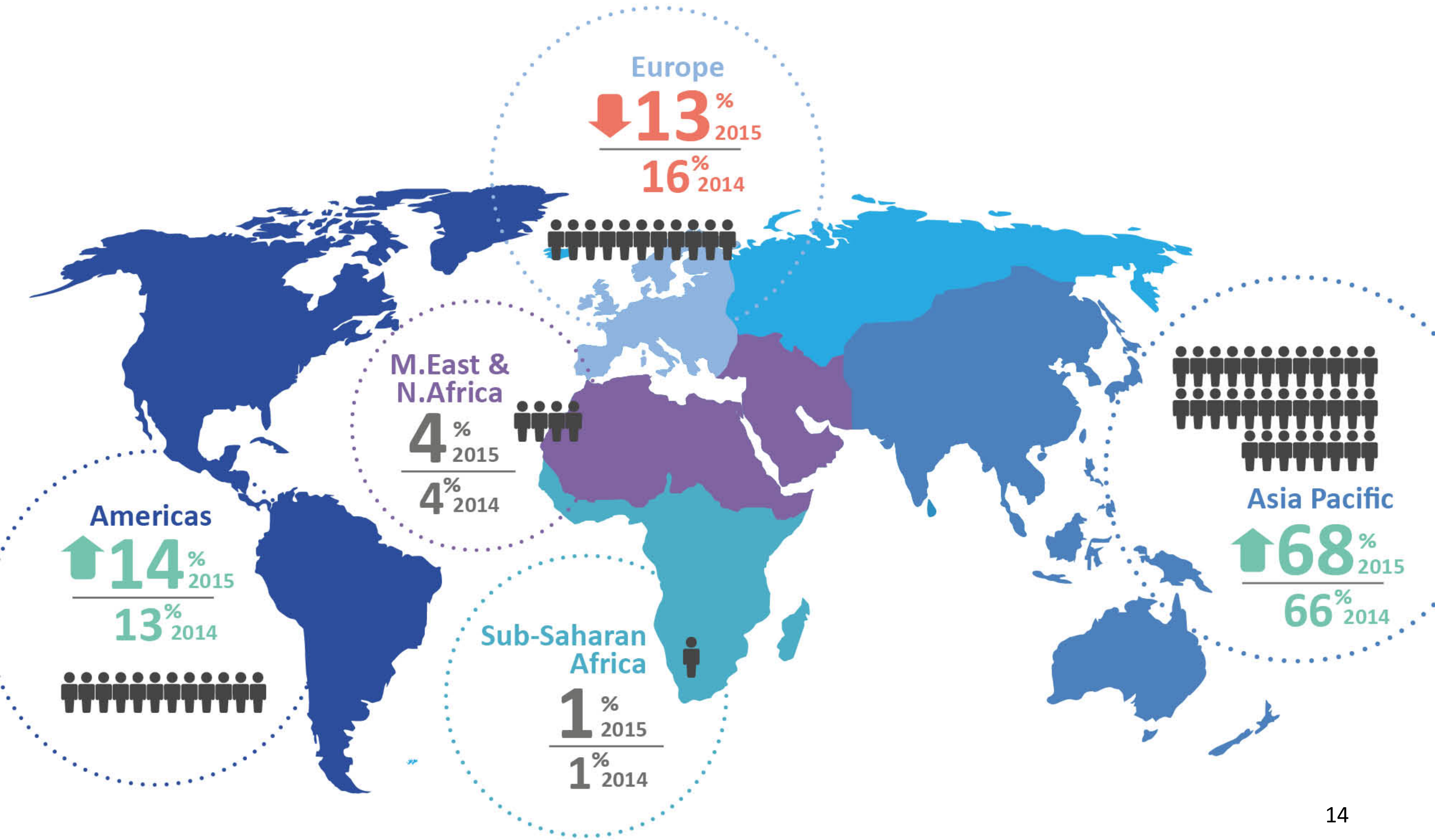


* *prior to 2009, working holiday & other visas were combined together*

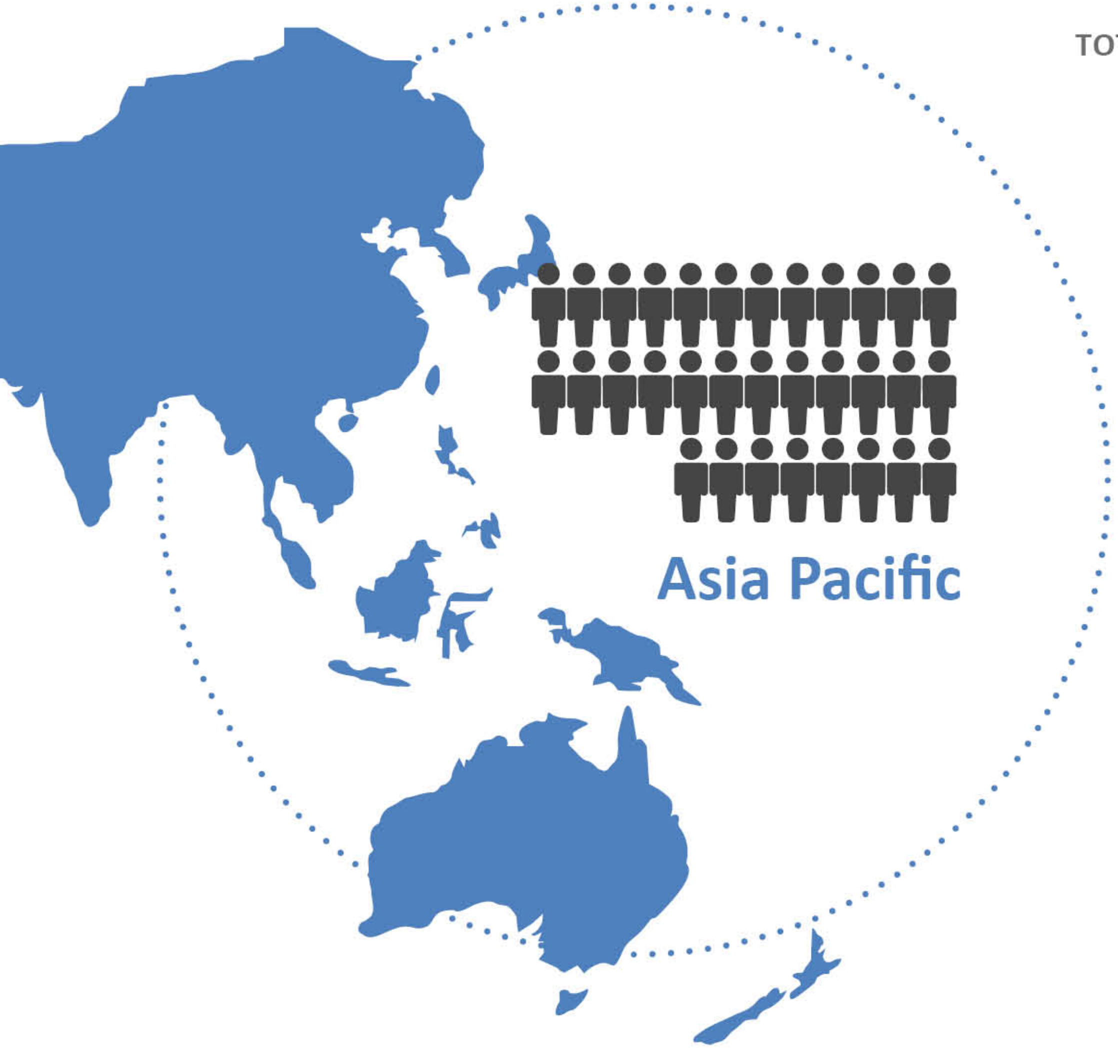
The Peaks and the Troughs - ELICOS



Market performance



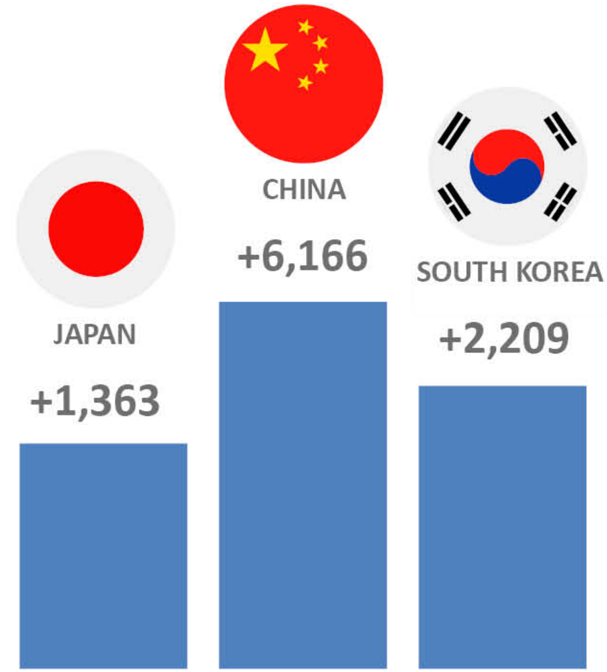
Market performance – Asia Pacific



TOTAL NUMBER OF ENROLMENTS

116,409 2015 — ↑ 8%

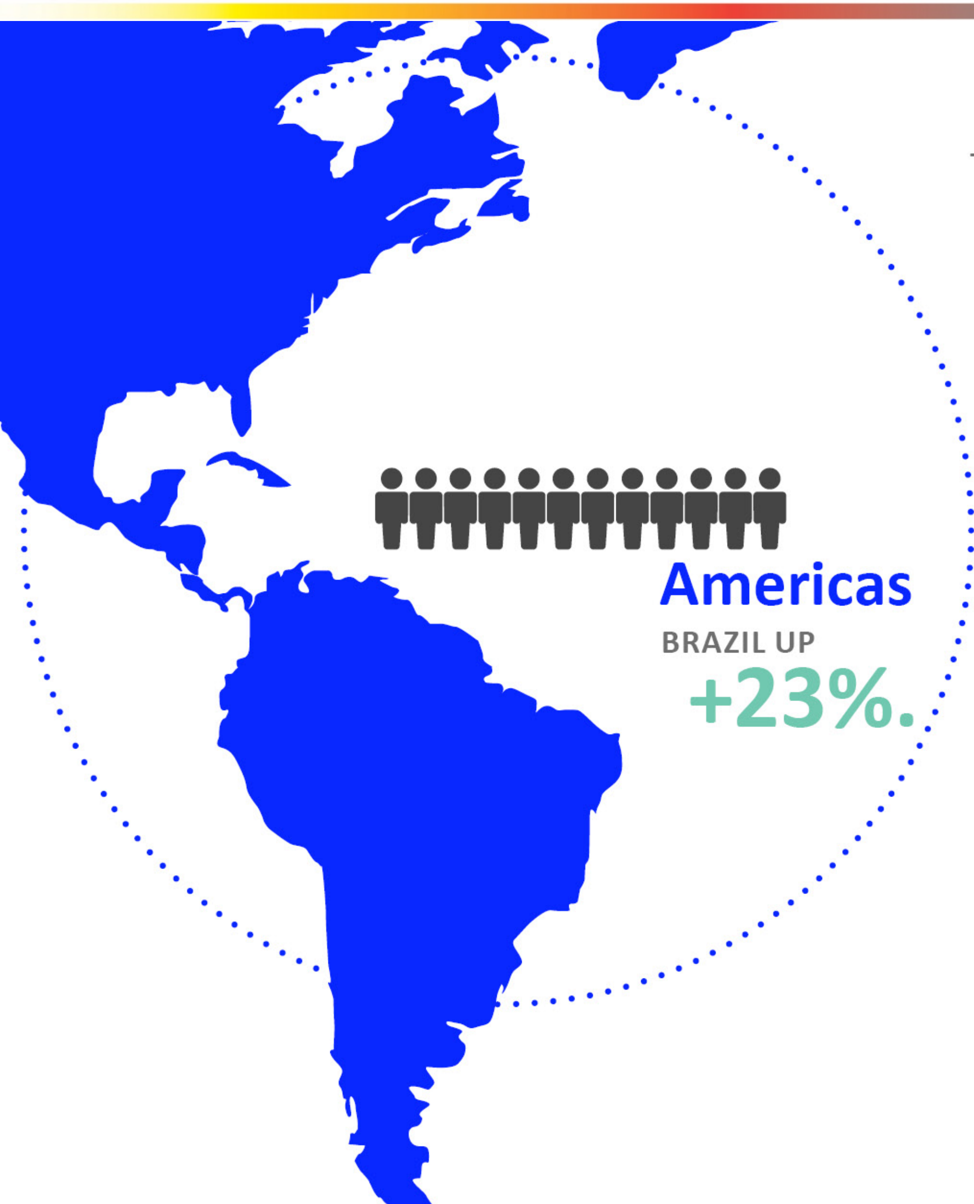
108,273 2014 — +8,136



THESE WERE ALSO THE THREE KEY COUNTRIES.

Market performance – the Americas

ENGLISH AUSTRALIA
QUALITY | SUPPORT | ASSURANCE



TOTAL NUMBER OF ENROLMENTS

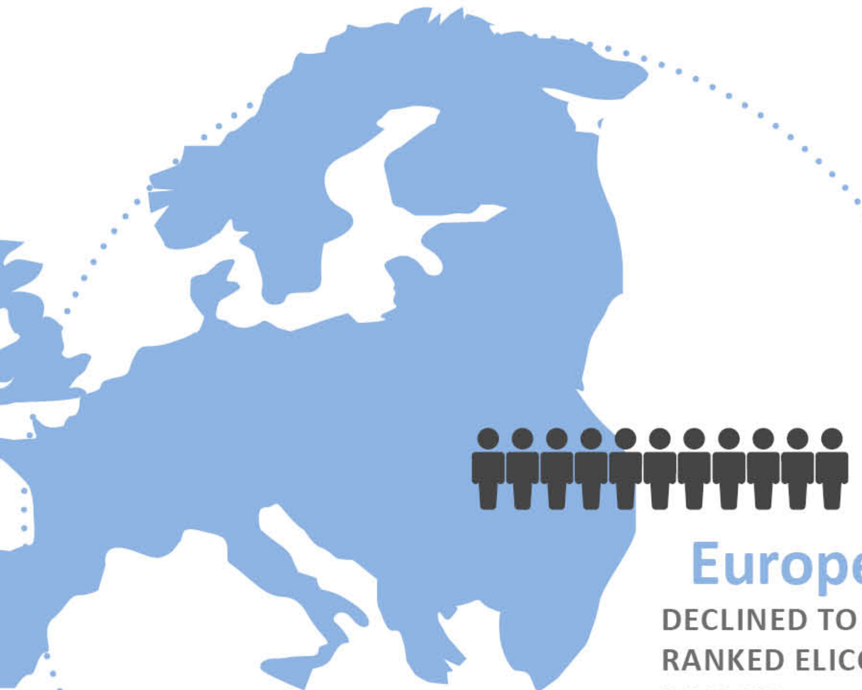
24,603 2015 ⬆15%

21,408 2014 +3,195

BRAZIL	Colombia
51%	34%

OF ENROLMENTS

Market performance - Europe



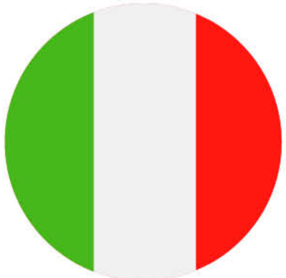
Europe

DECLINED TO 3RD RANKED ELICOS REGION.

TOTAL NUMBER OF ENROLMENTS

21,855 2015 ⬇16%

26,081 2014 -4,226



ITALY

5,345

ITALY IS THE KEY COUNTRY BUT DECLINED IN STUDENT ENROLMENTS IN 2015.

⬇18%

ENROLMENT DROPS

⬇42%

⬇24%

⬇7%

Market performance - Middle East and North Africa

MIDDLE EAST AND NORTH AFRICA

THERE WERE MIXED RESULTS ACROSS THE REGION WITH SOME COUNTRIES EXPERIENCING SIGNIFICANT POSITIVE SHIFTS

TOTAL NUMBER OF ENROLMENTS

7,105 2015 ↑ 1%

7,051 2014

OMAN ↑24%

UAE ↑23%

SAUDI ARABIA ↑8%

AND OTHERS STRONG NEGATIVE SHIFTS:

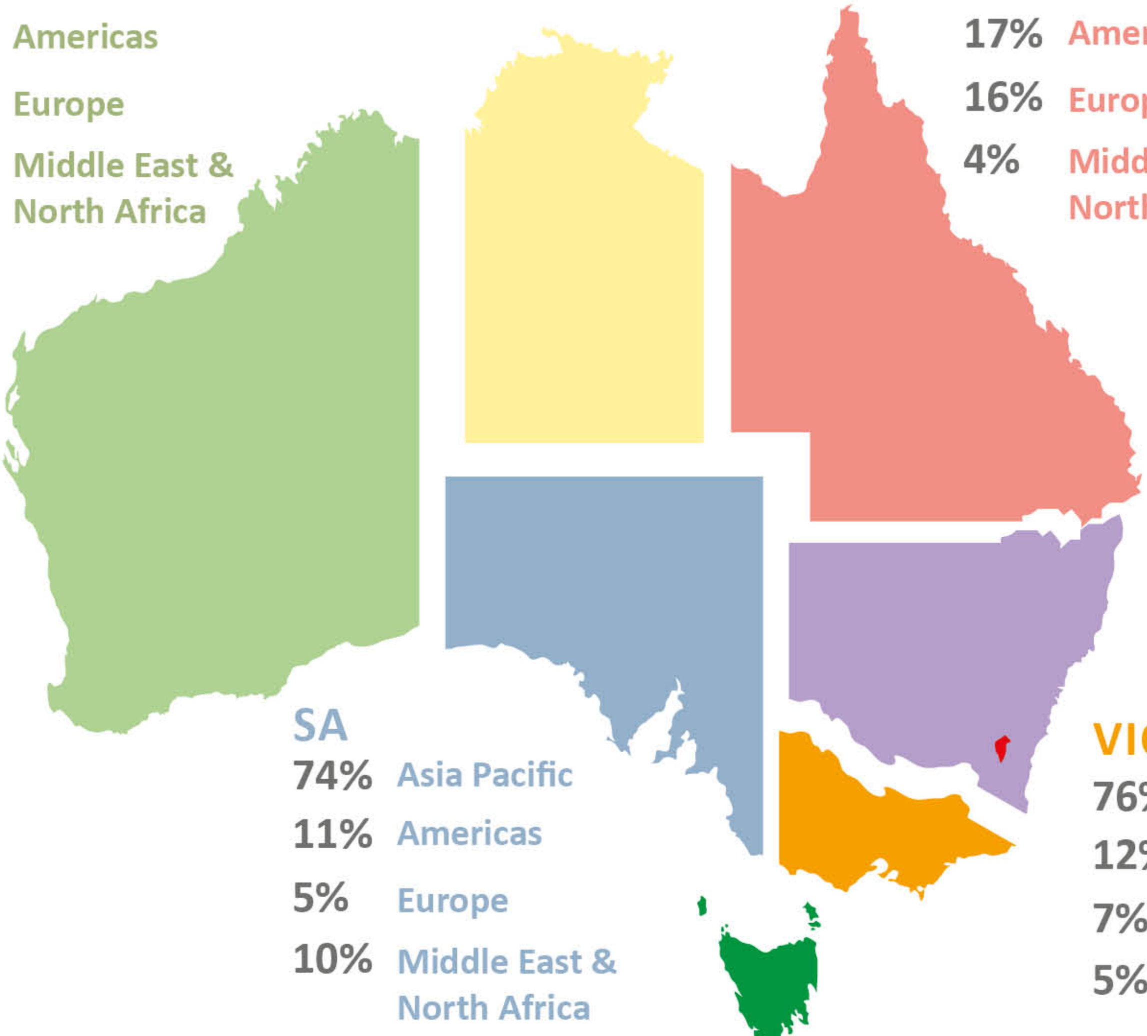
Libya -60%	Kuwait -42%
Iraq -38%	Egypt -30%
Turkey -22%	Lebanon -17%

National Picture – Source Regions by State

WA
62% Asia Pacific
15% Americas
17% Europe
3% Middle East & North Africa

QLD
63% Asia Pacific
17% Americas
16% Europe
4% Middle East & North Africa

SOURCE REGIONS BY STATE

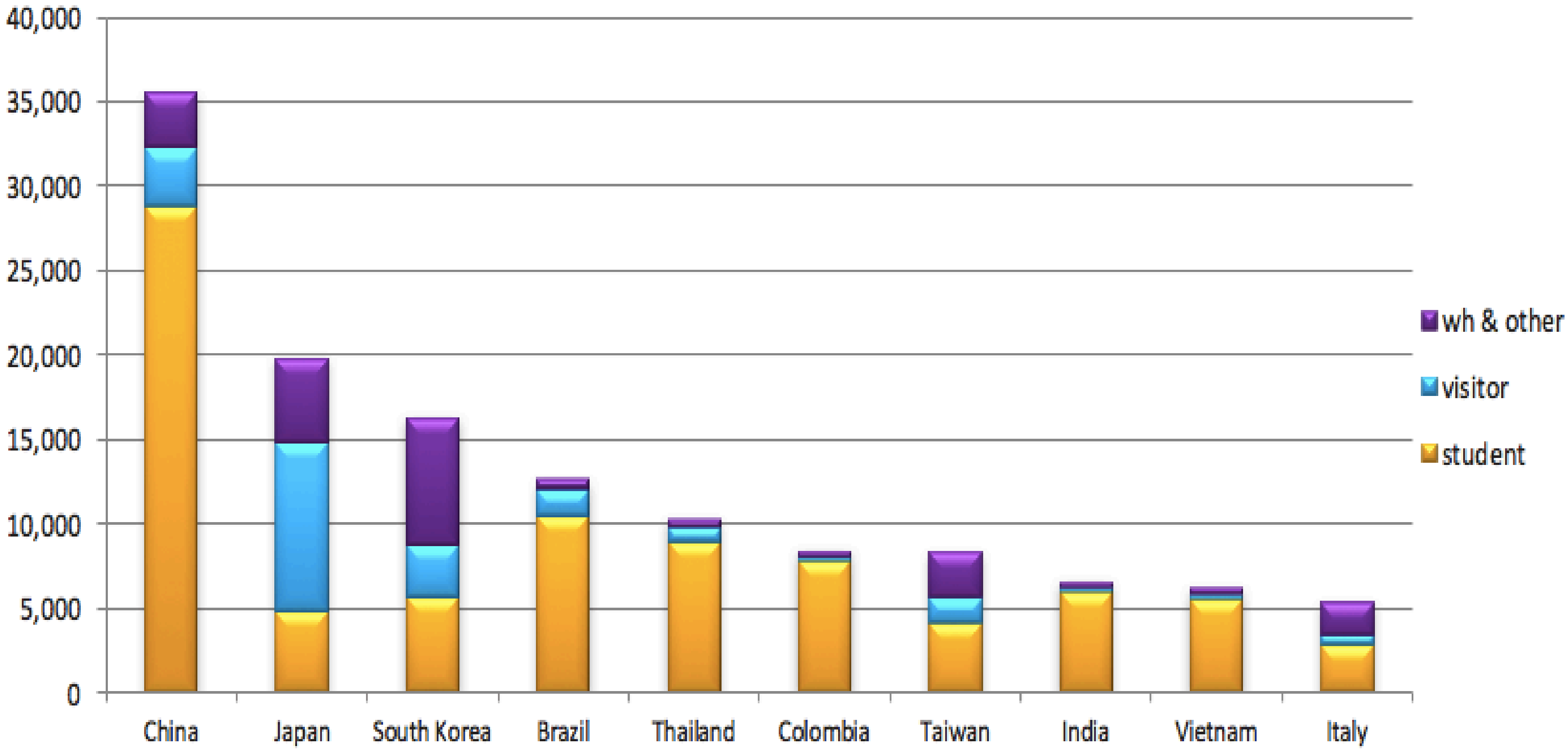


NSW
67% Asia Pacific
15% Americas
14% Europe
3% Middle East & North Africa

SA
74% Asia Pacific
11% Americas
5% Europe
10% Middle East & North Africa

VIC
76% Asia Pacific
12% Americas
7% Europe
5% Middle East & North Africa

Top 10 Source Countries in 2015 - ELICOS



Top 10 as % of total market

ELICOS STUDENTS

76%
2015

CHINA | JAPAN | SOUTH KOREA | BRAZIL | THAILAND

COLUMBIA | TAIWAN | INDIA | VIETNAM | ITALY

2% 2015
2010

43%
2015

CHINA

SOUTH KOREA | JAPAN

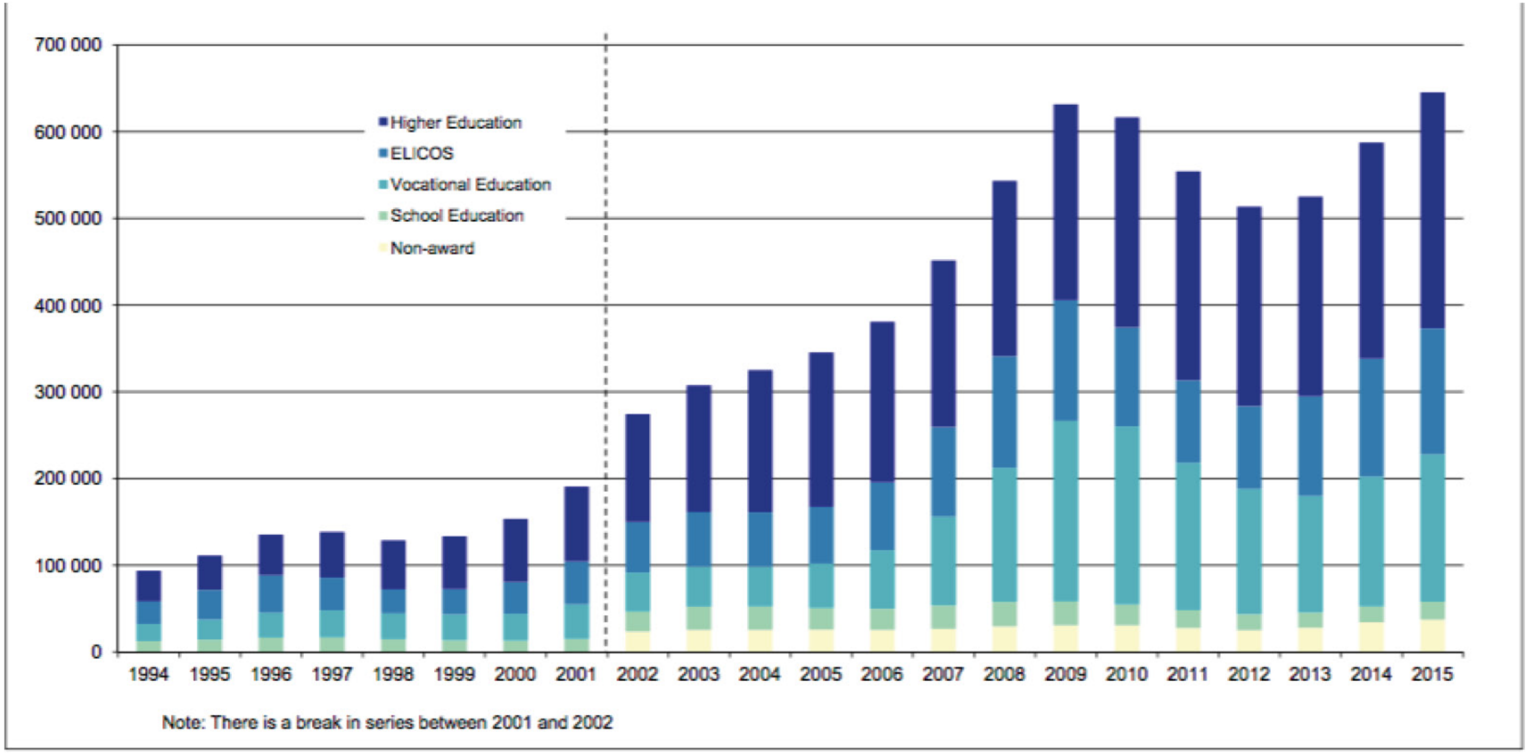
21%

CHINA

3%

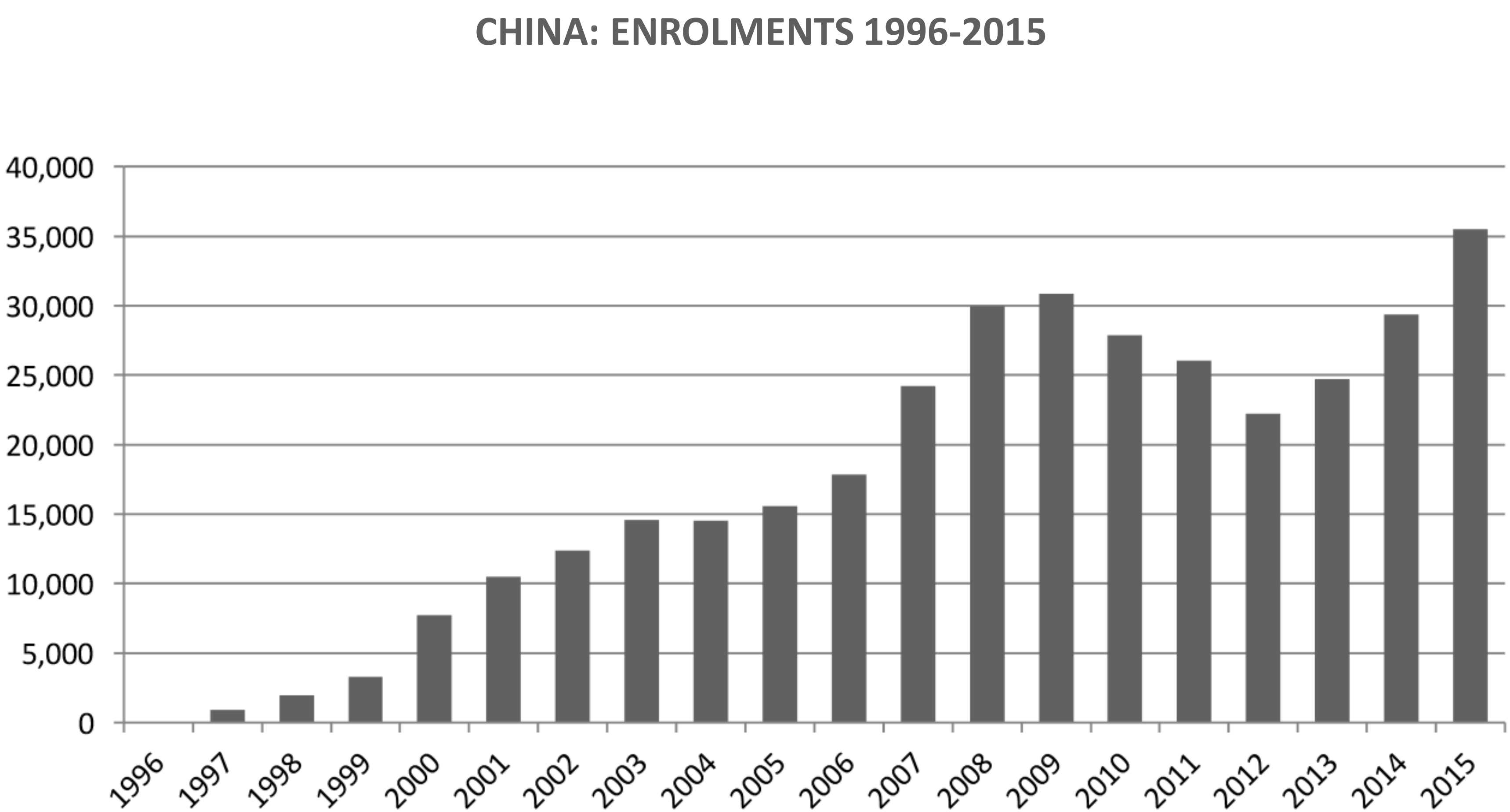
Comparison to industry trend

Australian Government
Department of Education and Training



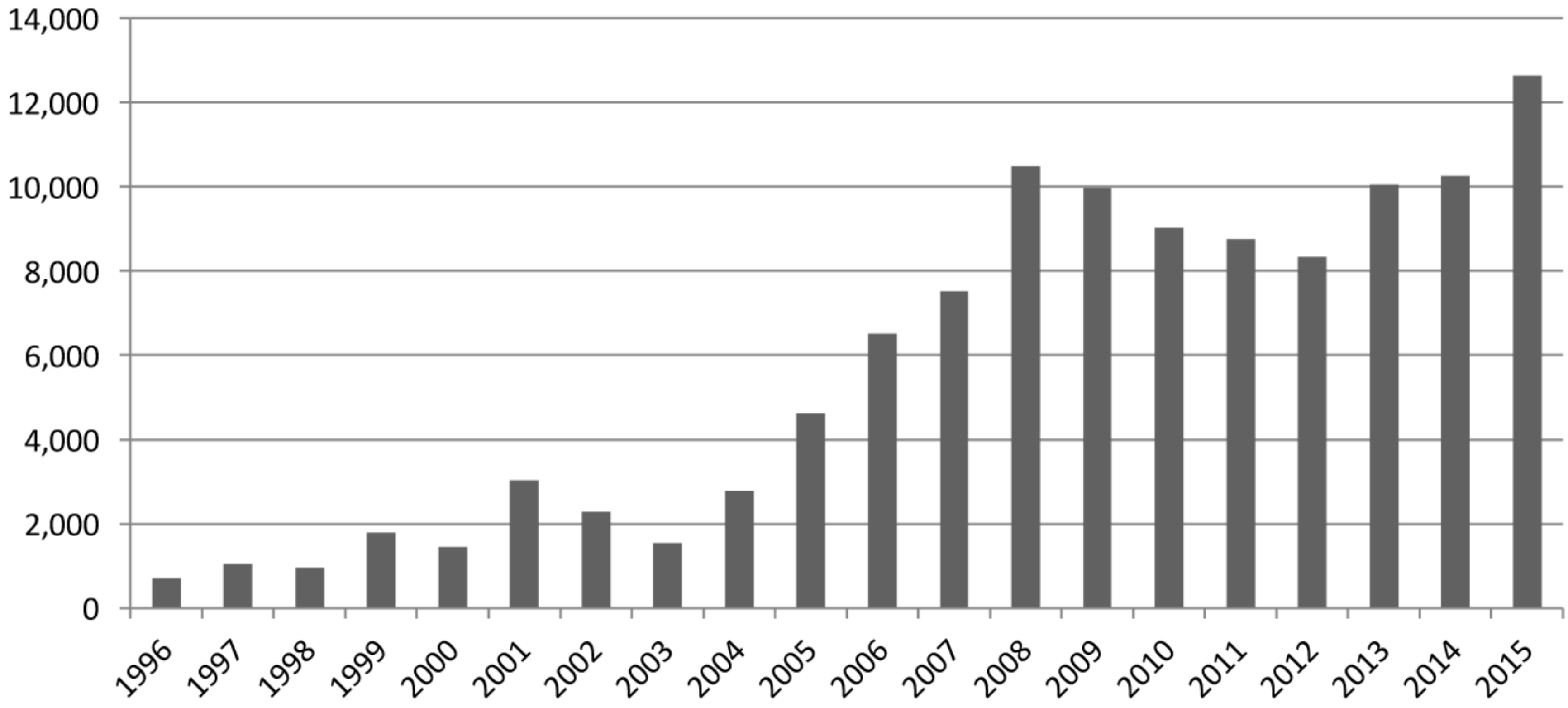
Observations – with trend

ENGLISH AUSTRALIA
QUALITY | SUPPORT | ASSURANCE



Observations – with trend

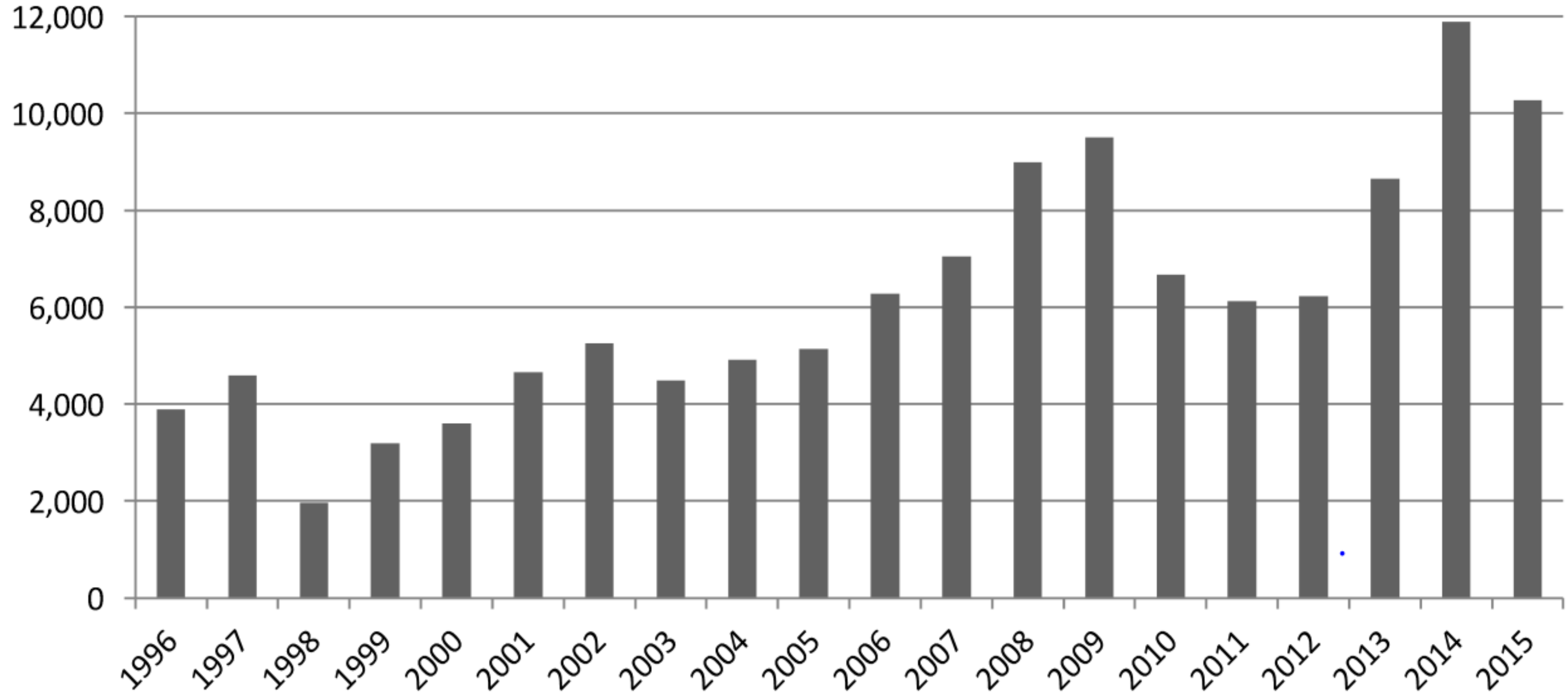
BRAZIL: ENROLMENTS 1996-2015



Note

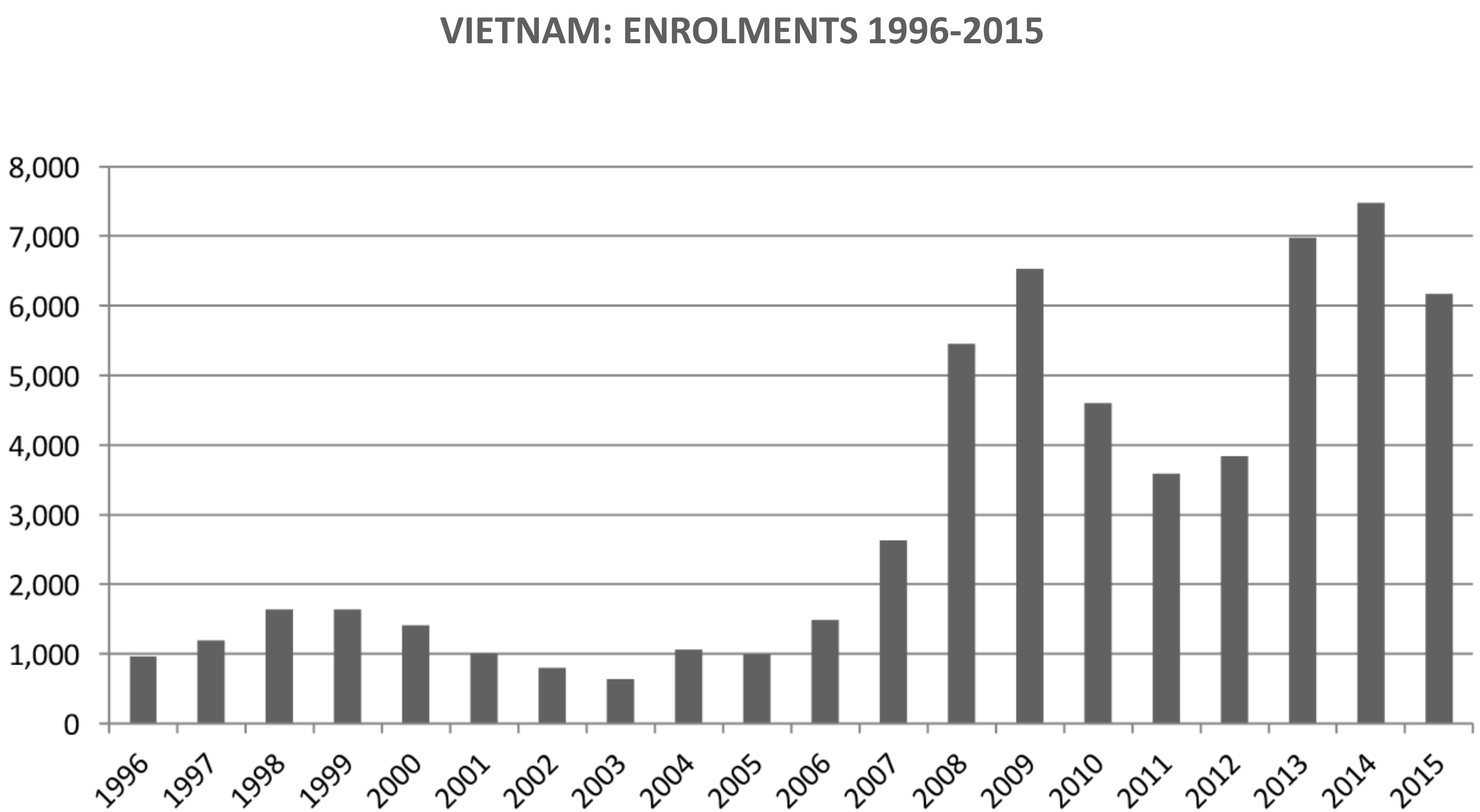
Observations – with trend up until 2015

THAILAND: ENROLMENTS 1996-2015



Note

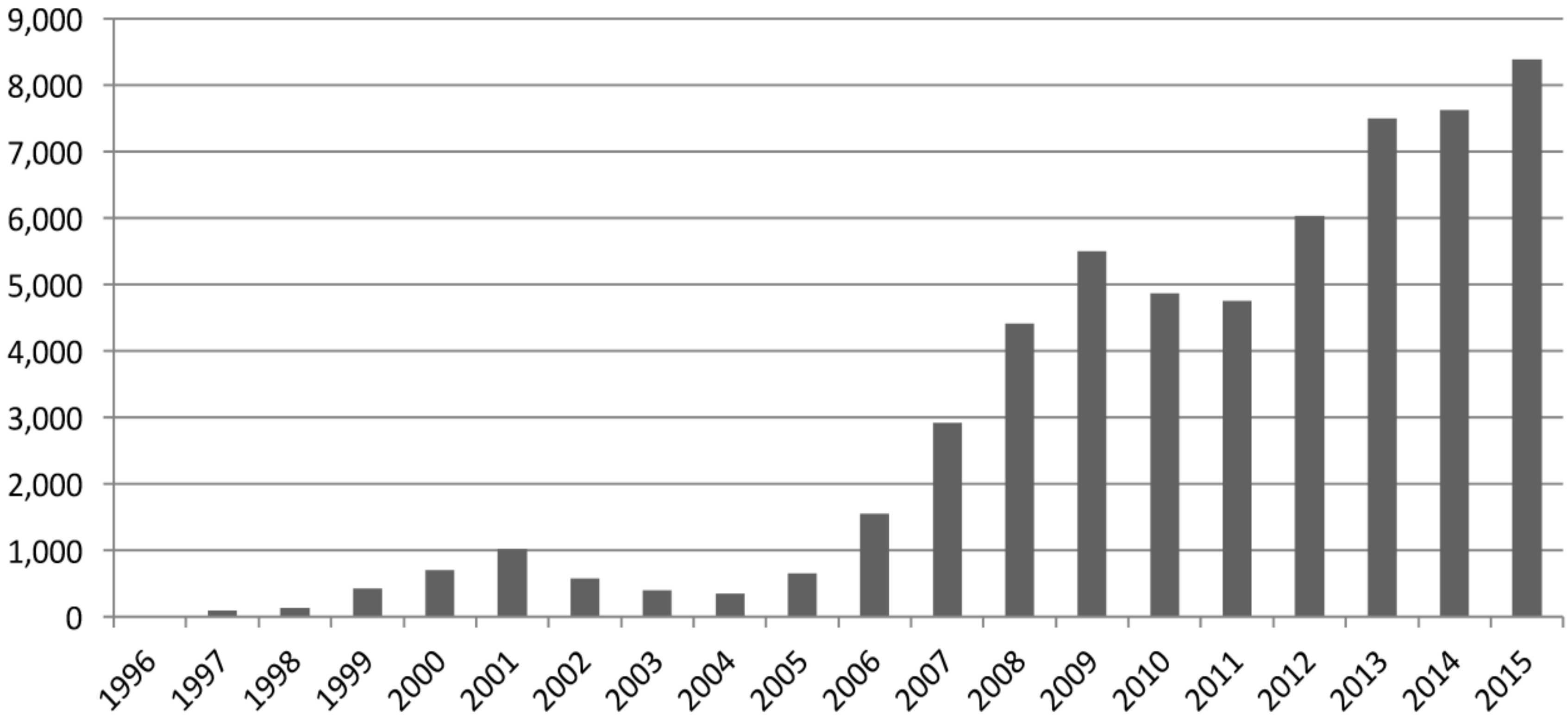
Observations – with trend up until 2015



Note

Observations – with trend

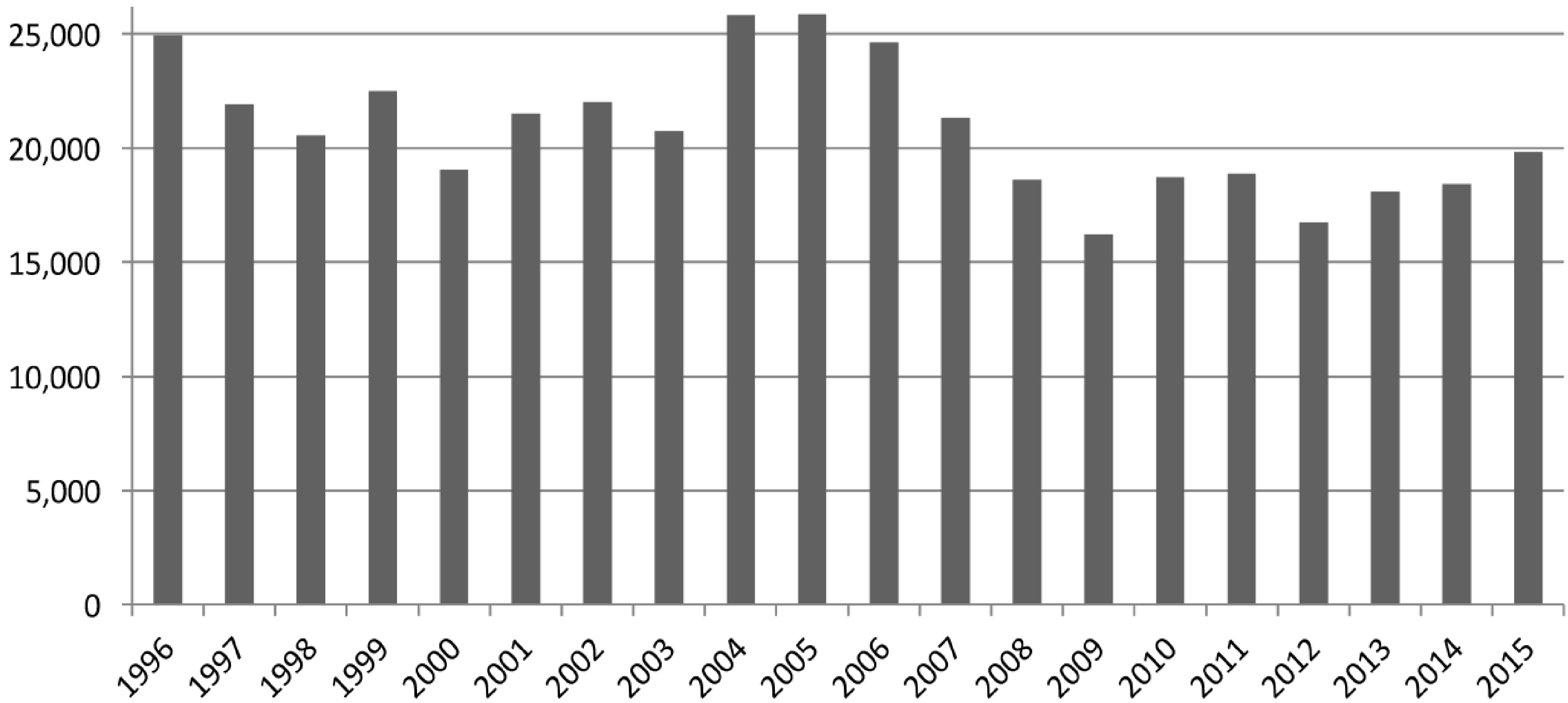
COLOMBIA: ENROLMENTS 1996-2015



Note

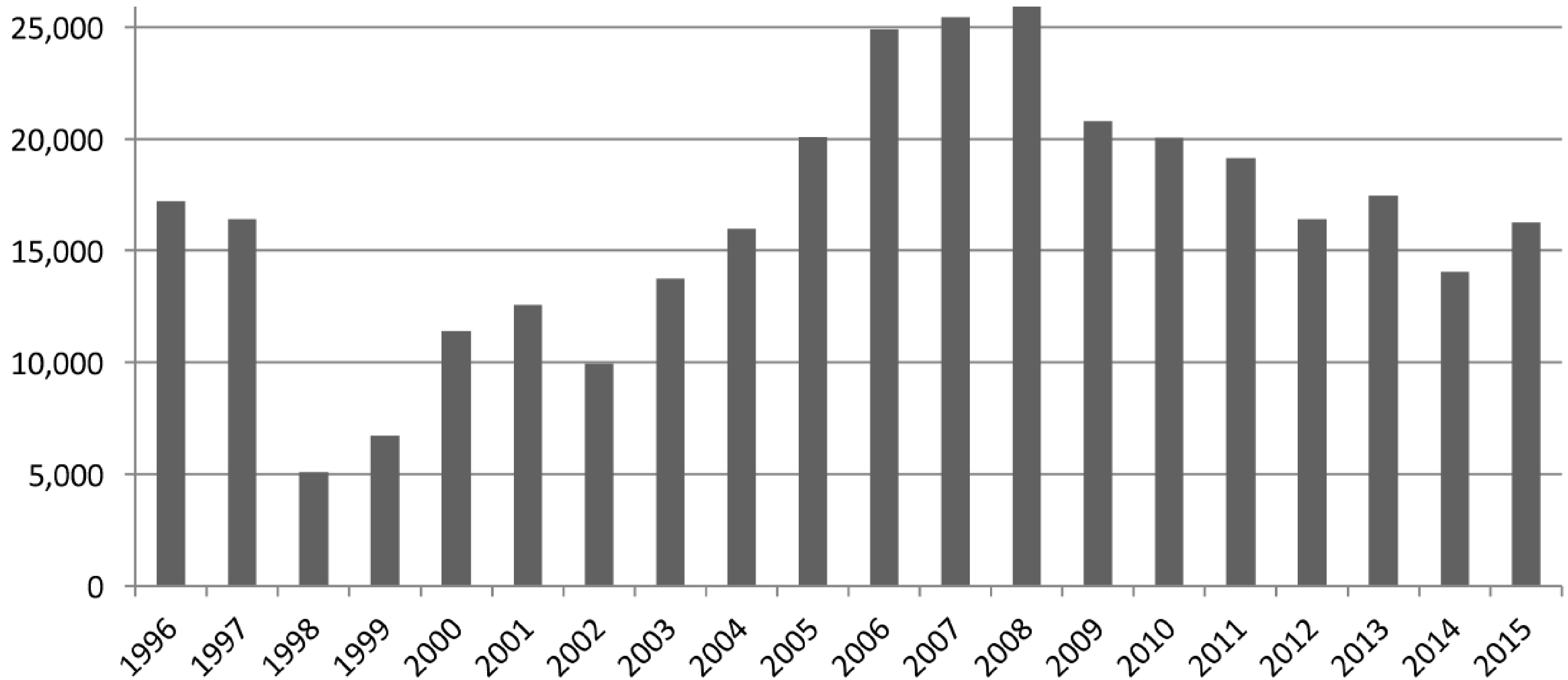
Observations – with trend from lower base

JAPAN: ENROLMENTS 1996-2015



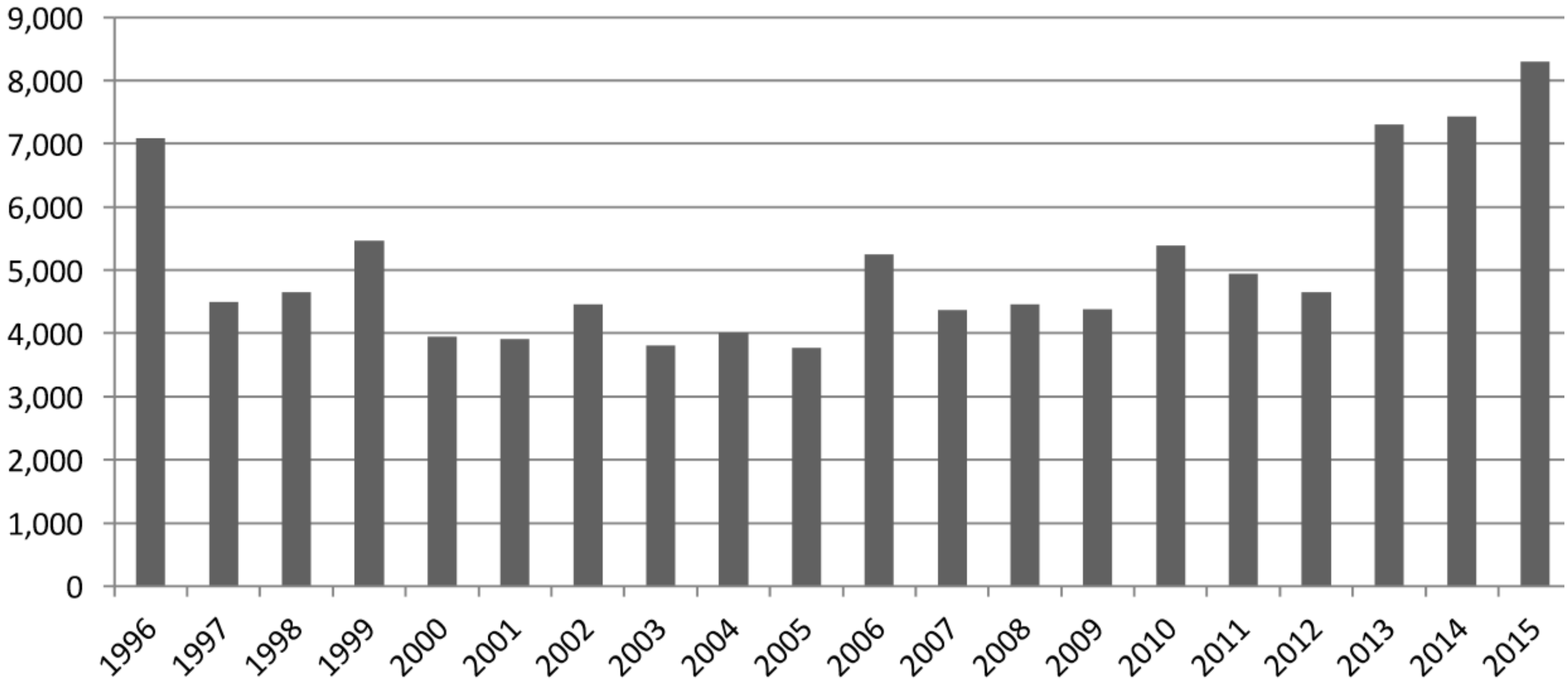
Observations – against trend

SOUTH KOREA: ENROLMENTS 1996-2015

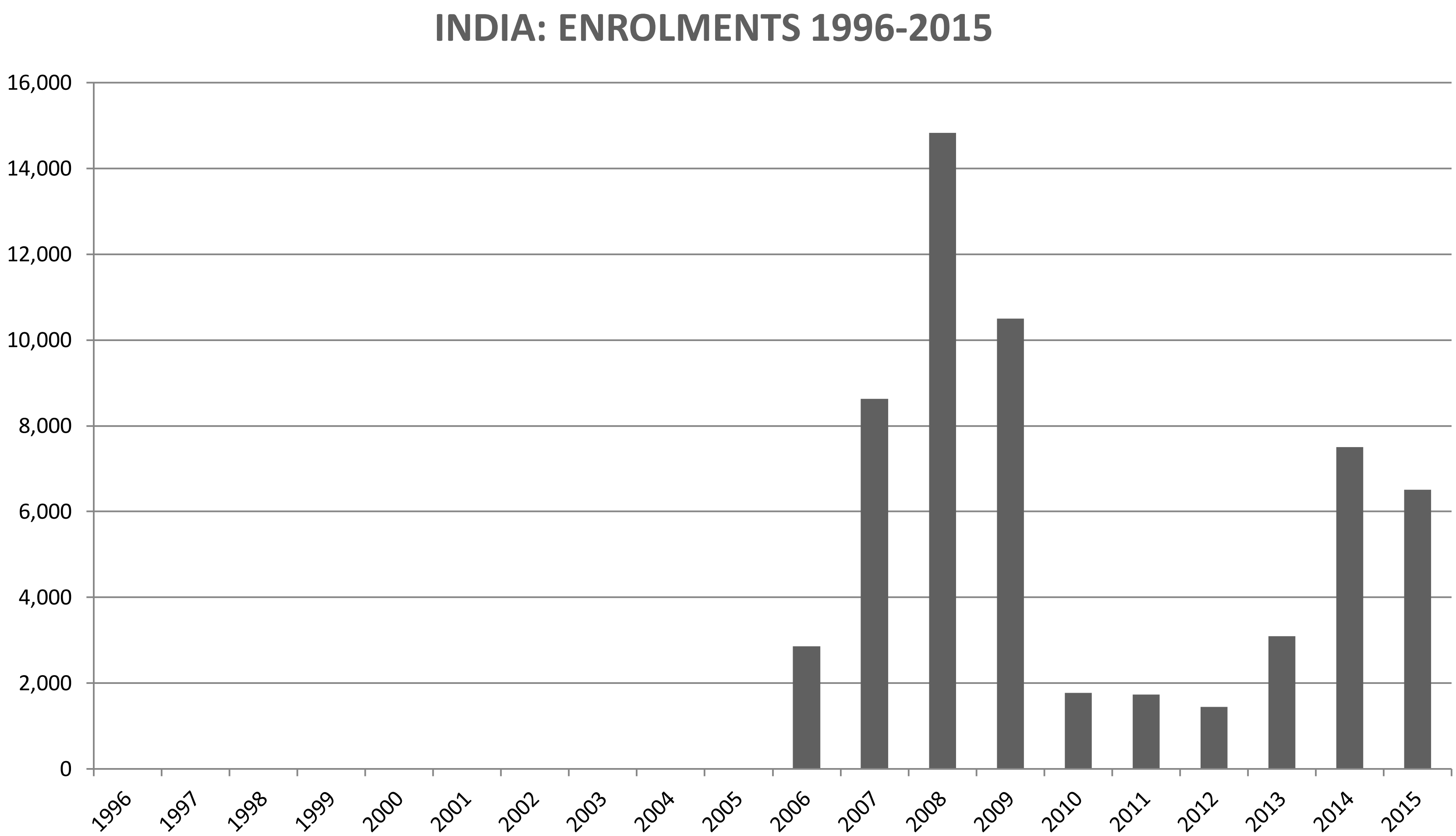


Observations – with trend

TAIWAN: ENROLMENTS 1996-2015



Observations – sporadic

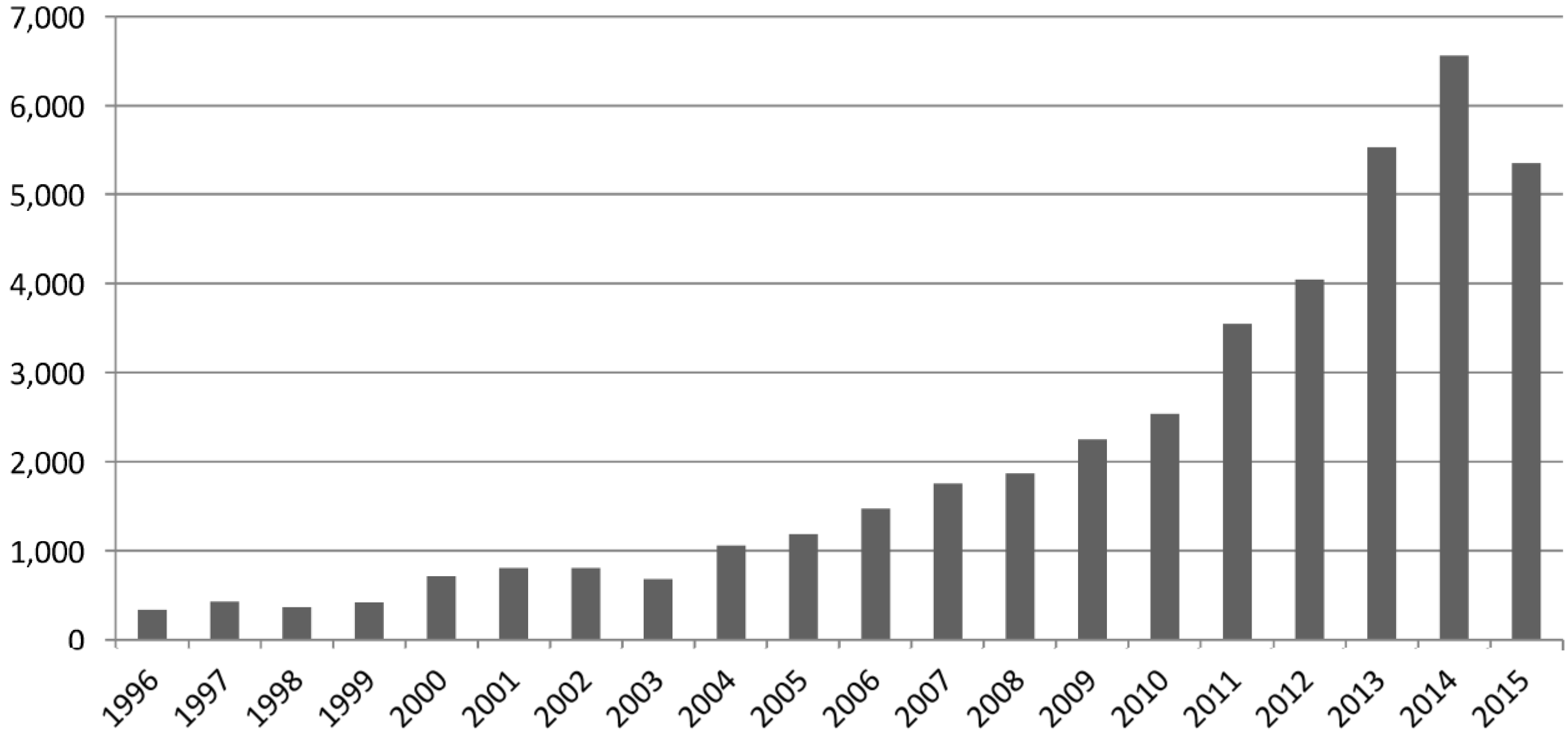


Note

Observations – against trend

ENGLISH AUSTRALIA
QUALITY | SUPPORT | ASSURANCE

ITALY: ENROLMENTS 1996-2015



Top 5 Nationalities with Enrolment Increases

FIVE LARGEST INCREASES 2014-2015

	CHINA	SOUTH KOREA	BRAZIL	JAPAN	TAIWAN
2015	35,528	16,266	12,641	19,809	8,291
2014	29,362	14,057	10,259	18,446	7,435
CHANGE %	21%	16%	23%	7%	12%
Change	+6,166	+2,209	+2,382	+1,363	+856

Note: All in top 10 countries.

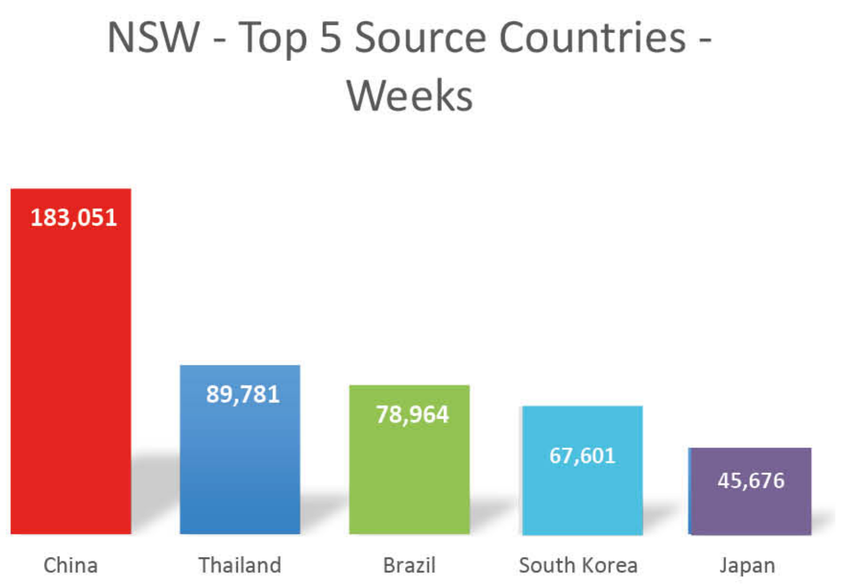
Top 5 Nationalities with Enrolment Decreases

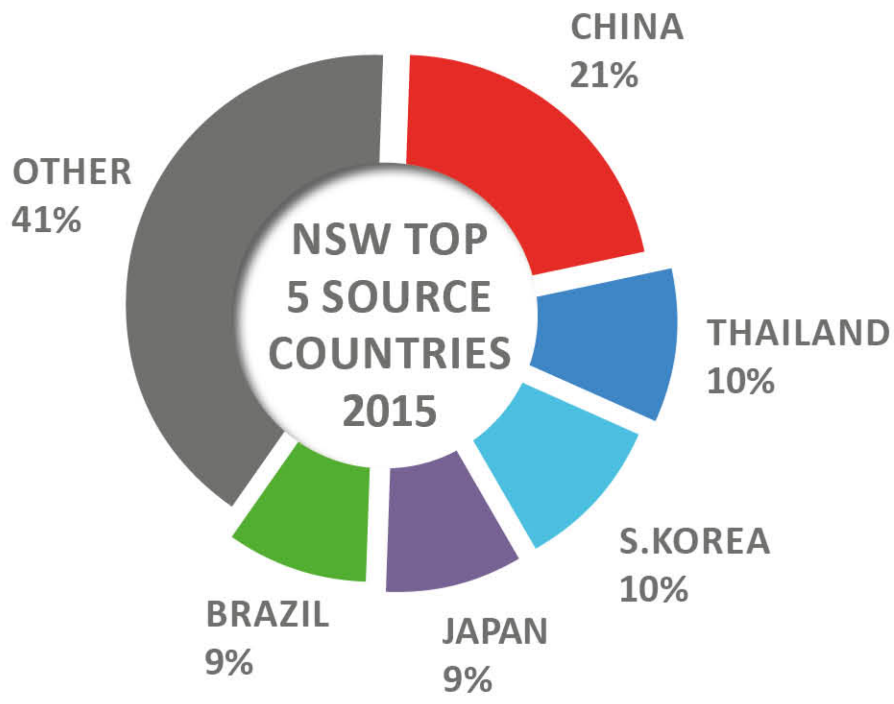
FIVE LARGEST DECREASES 2014-2015

	THAILAND	VIETNAM	ITALY	GERMANY	INDIA
2015	10,269	6,174	5,354	1,469	6,509
2014	11,888	7,480	6,562	2,546	7,503
CHANGE %	14%	17%	18%	42%	13%
Change	-1,619	-1,306	-1,208	-1,077	-994

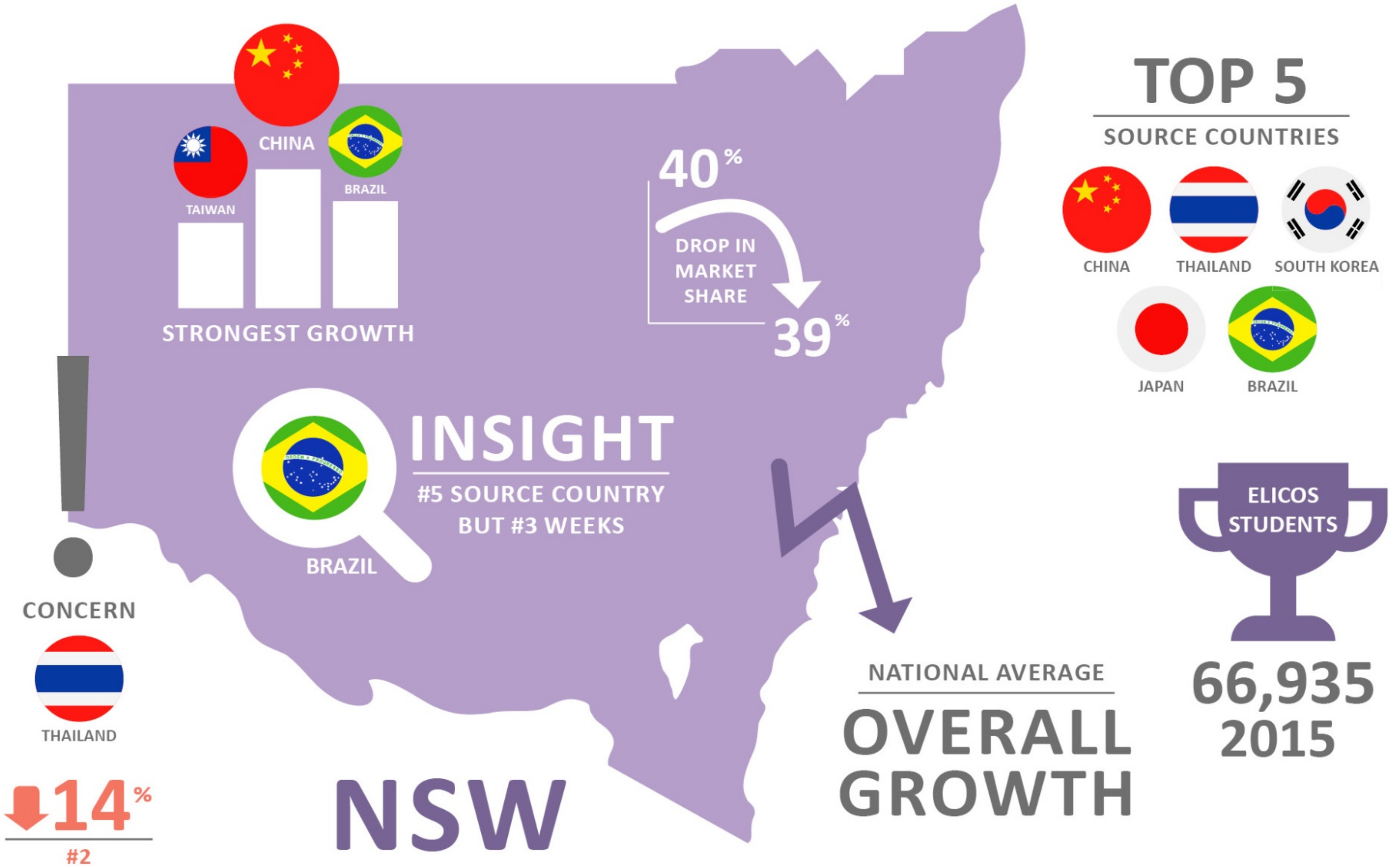
Note: Four of these are in top 10 countries (not Germany).

New South Wales - Top 5 Weeks and Enrols

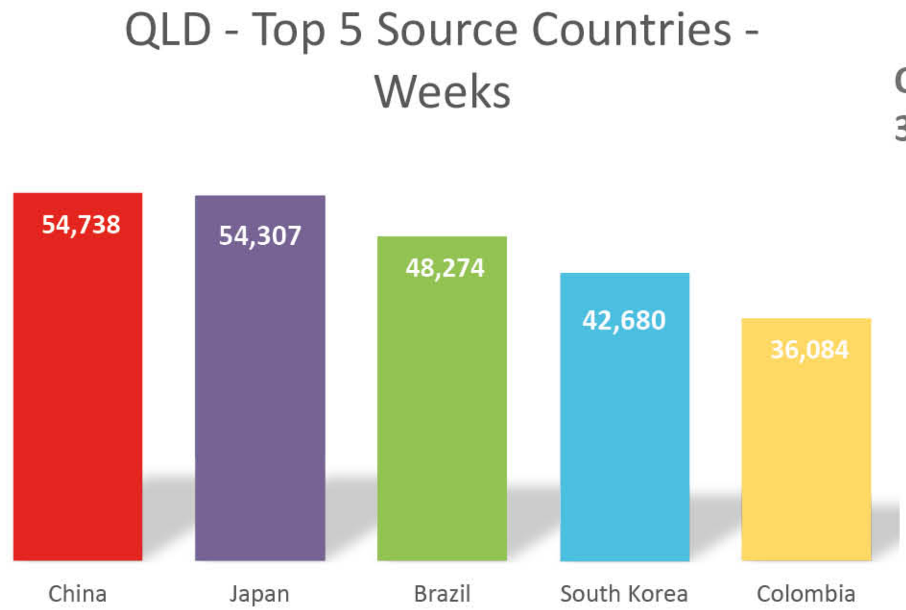


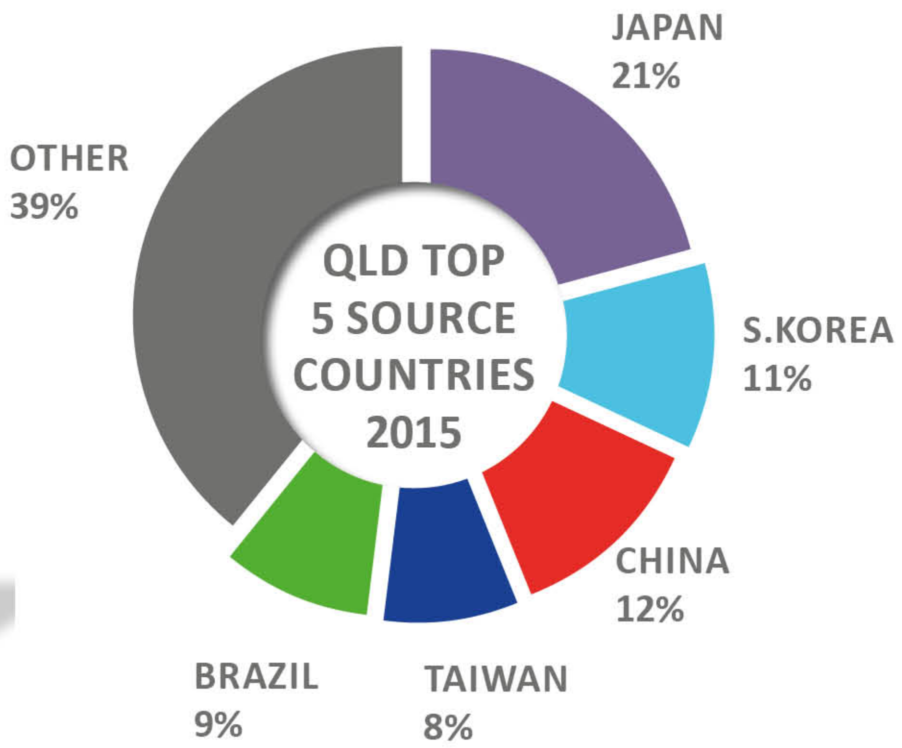


New South Wales– Highlights



Queensland - Top 5 Weeks and Enrols





Queensland – Highlights

ENGLISH AUSTRALIA
QUALITY | SUPPORT | ASSURANCE

ELICOS STUDENTS

41,743
2008

GRADUAL DECLINE SINCE 2013

2015
39,052

TOP 5

SOURCE COUNTRIES

JAPAN
CHINA
SOUTH KOREA
BRAZIL
TAIWAN

ONLY STATE WHERE CHINA IS NOT #1

2% SV

1% NSV

JAPAN
CHINA

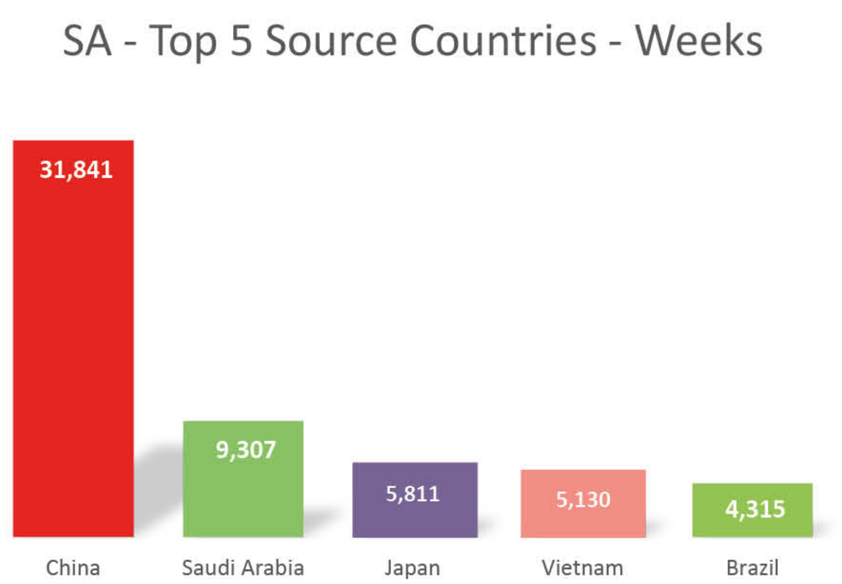
CHINA GREW 12% TO BECOME #2 IN ENROLMENTS AND #1 IN WEEKS.

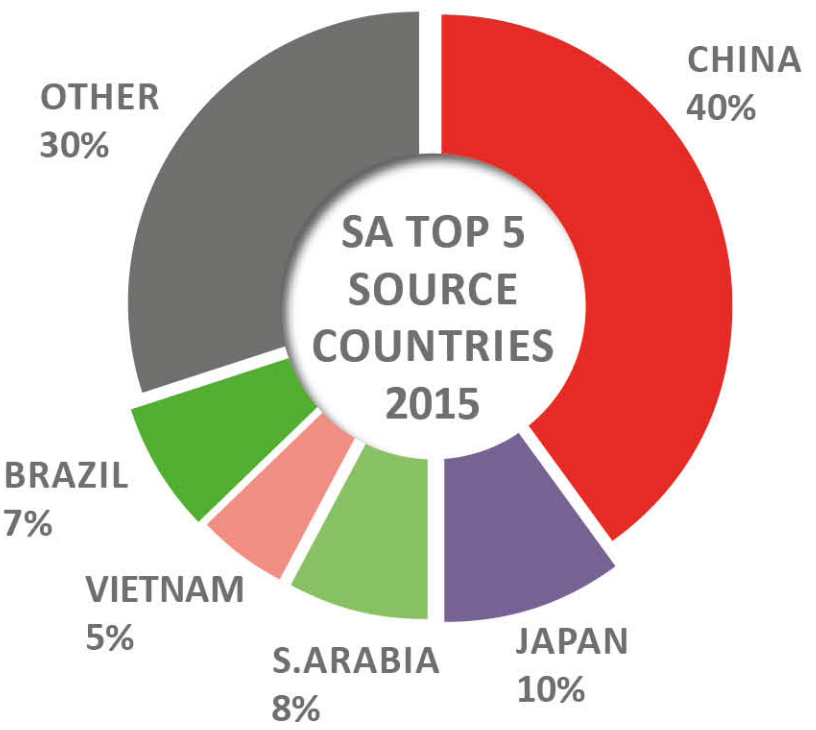
QLD

8% 2015

ALL REGIONS DECLINE EXCEPT AMERICAS

South Australia - Top 5 Weeks and Enrols





South Australia – Highlights

CONCERN
BIGGEST DECLINES
FROM TOP 3

SAUDI ARABIA	CHINA	JAPAN
3,045	2,519	1,549

CHINA

40% 2015

41% 2014

ENROLMENTS

↓ 1%

2015

6,631

GRADUAL
DECLINE SINCE 2008

ELICOS
STUDENTS

SA

↑ 4% Nationally

↓ 1% SA

TOP 5

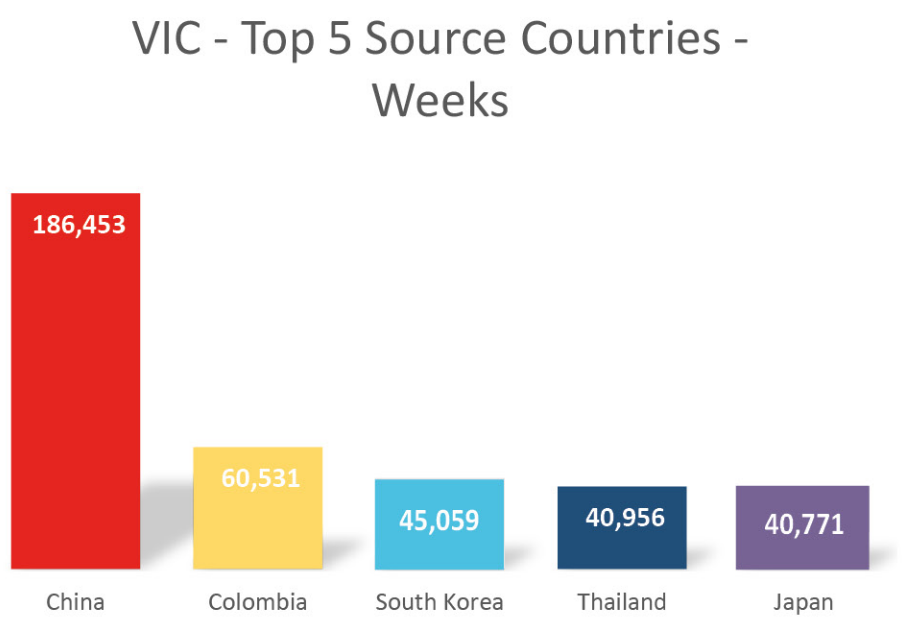
SOURCE COUNTRIES

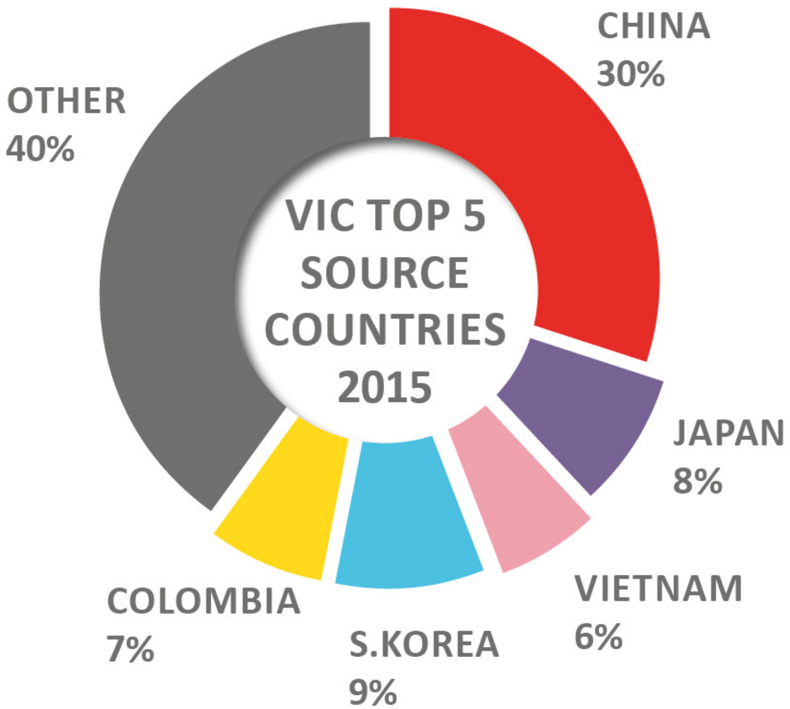
CHINA, JAPAN, SAUDI ARABIA, VIETNAM, BRAZIL

CHINA -34%	INDIA +70%
SOUTH KOREA -28%	BRAZIL +28%
ITALY +76%	TAIWAN +17%

MIXED REACTIONS WITH 5 OF THE TOP 10 INCREASING AND DECLINING

Victoria - Top 5 Weeks and Enrols





Victoria – Highlights

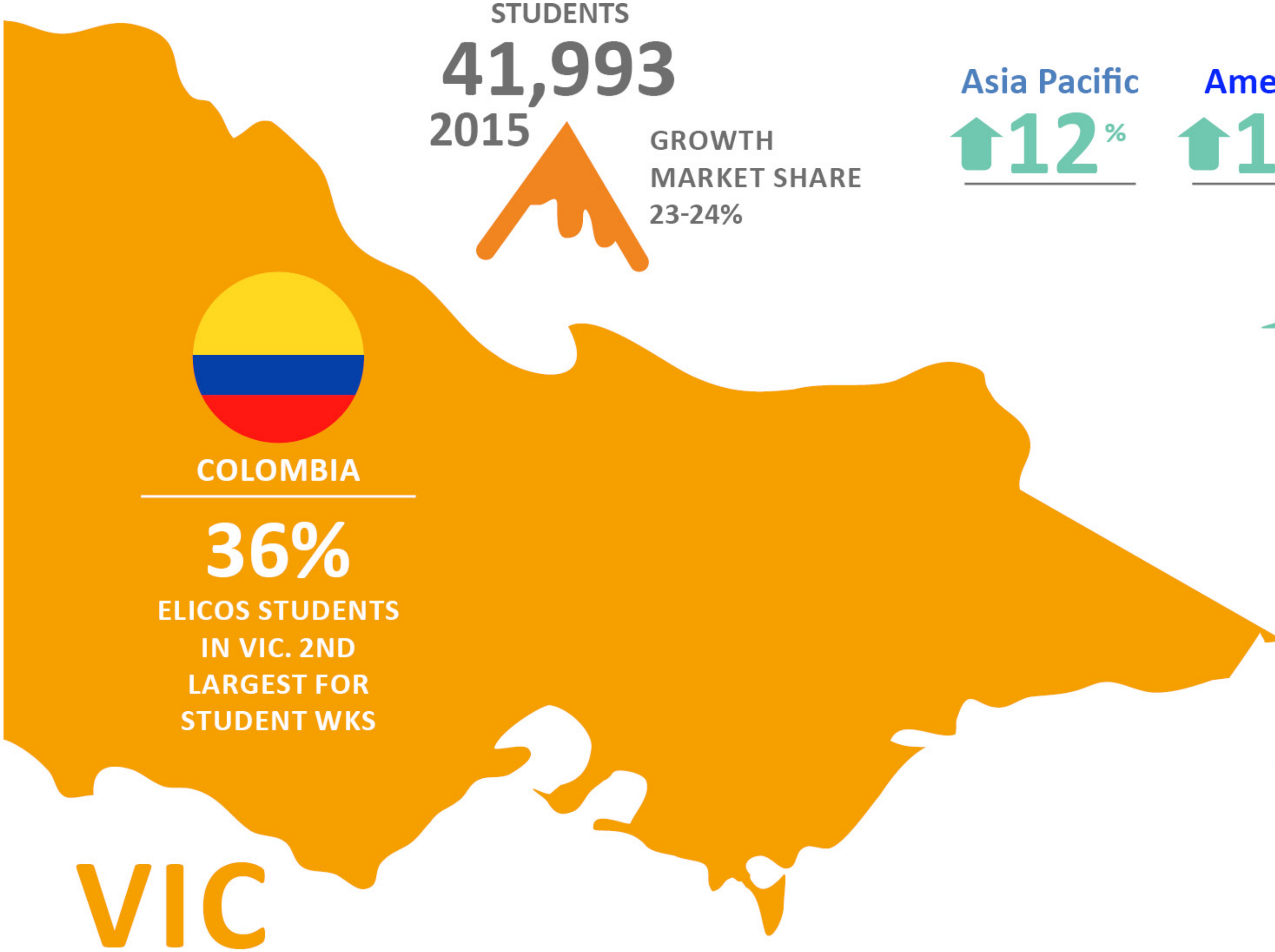
ELICOS STUDENTS

41,993

2015

GROWTH MARKET SHARE 23-24%

Asia Pacific	Americas	Europe
↑ 12%	↑ 17%	↓ 19%



COLOMBIA

36%

ELICOS STUDENTS IN VIC. 2ND LARGEST FOR STUDENT WKS

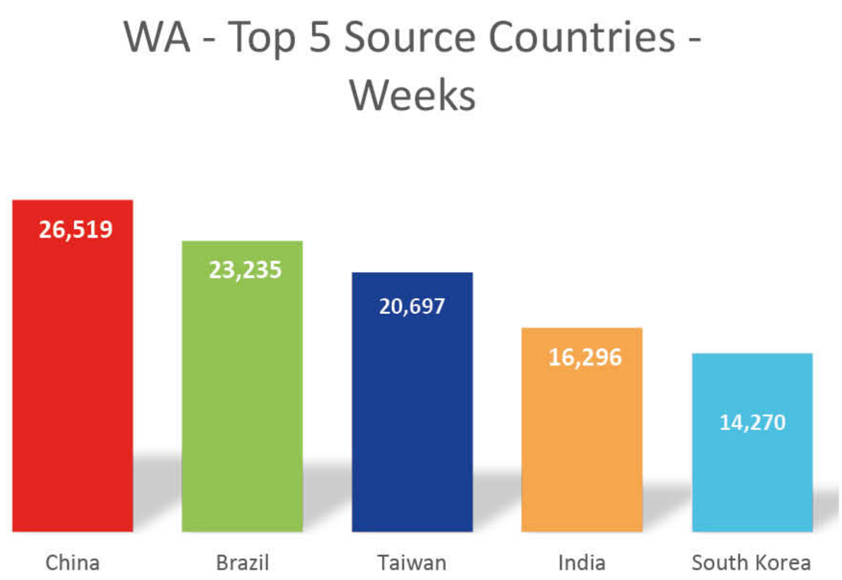
NON-STUDENT VISA HOLDERS

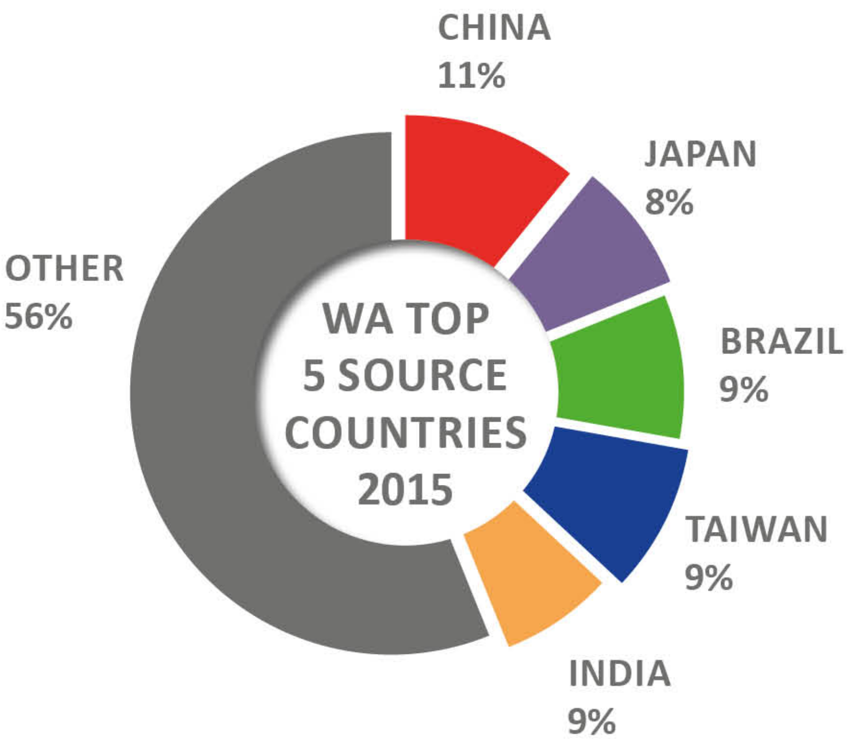
23%

↑ 9% VIC

4% Nationally

Western Australia - Top 5 Weeks and Enrols





Western Australia – Highlights

ENGLISH AUSTRALIA
QUALITY | SUPPORT | ASSURANCE

WA

↑15%

DRIVEN BY STRONG GROWTH FROM MIDDLE EAST & ASIA PACIFICA

↑10% 2015

MARKET SHARE INCREASED FROM 9%

ELICOS STUDENTS

17,392
2015

GROWN STEADILY OVER LAST 3 YEARS

16,064
2008

TOP 5

SOURCE COUNTRIES

CHINA
JAPAN
BRAZIL
TAIWAN
INDIA

↑16% 2015

NON STUDENT VISA HOLDERS

↑15% 2015

STUDENT VISA HOLDERS

The true value of pathway students

WORK HARD
PLAY HARD
AND
STUDY
HARDER

Course duration – length of study

4.9 Wks
VISITOR VISA HOLDER

8.4 Wks
WORKING HOLIDAY VISA HOLDER

9.8 Wks
OTHER

15 Wks
STUDENT VISA HOLDER

Course duration – Total # of weeks by State

ENGLISH AUSTRALIA
QUALITY | SUPPORT | ASSURANCE

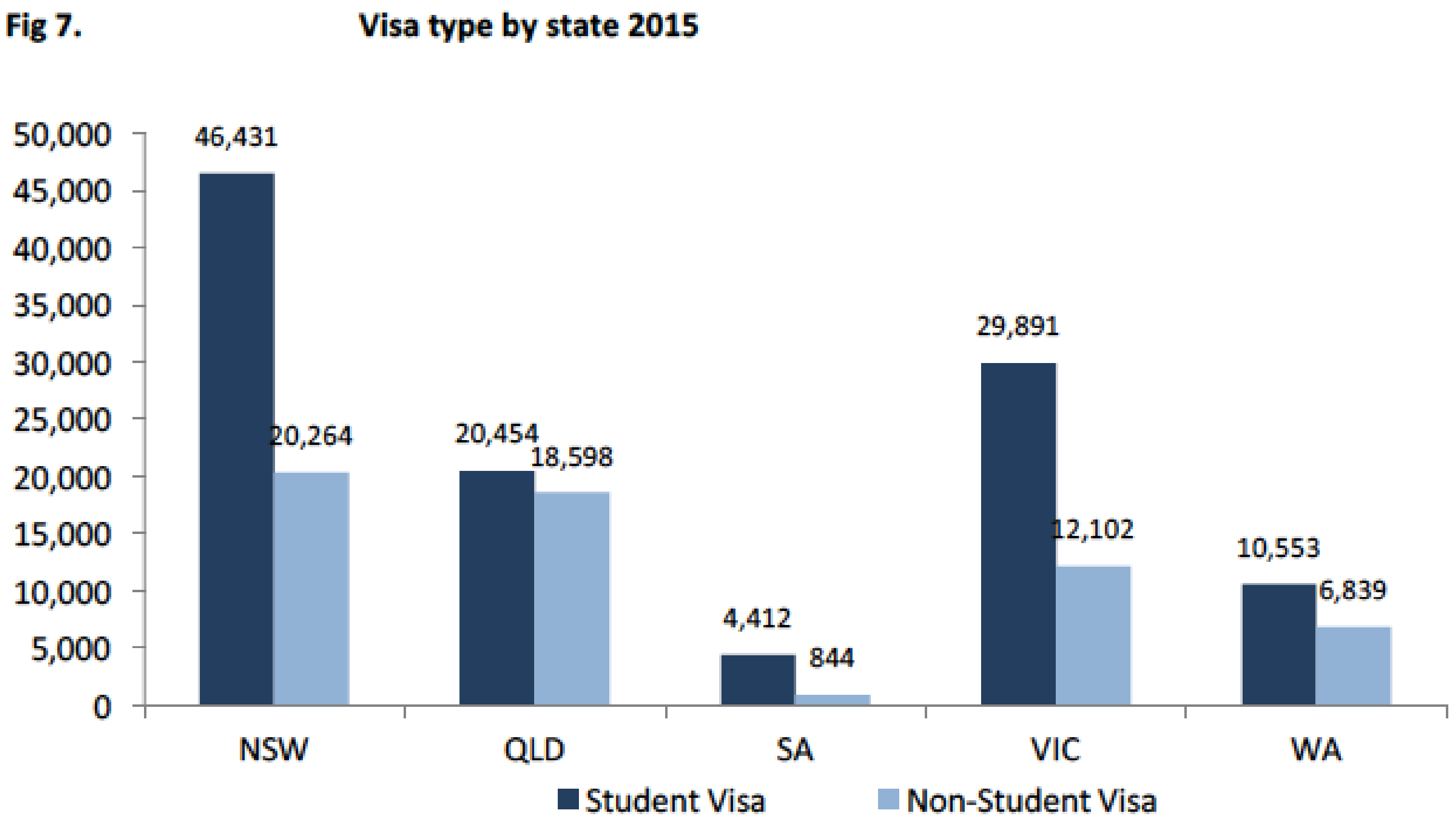
TOTAL STUDENT WEEKS BY STATE 2014 & 2015: ACTUAL AND PERCENTAGE CHANGE

	2014	2015	change	% change
NSW	812,417	796,198	-16,219	-2%
QLD	450,793	401,618	-49,175	-11%
SA	86,735	79,082	-7,653	-9%
VIC	576,821	615,931	+39,110	+7%
WA	178,066	214,195	+36,129	+20%
Total	**2,104,832**	**2,107,024**	**+2,192**	**+0.1%**

Visa Type – Variation of importance by state

NON-STUDENT VISAS ARE MORE IMPORTANT IN QUEENSLAND AND WESTERN AUSTRALIA

Fig 7.



Course duration length of study by week

AVERAGE COURSE LENGTH BY STATE 2015 V 2014

	2014	2015
NSW	12.5	11.9
QLD	11.4	10.3
SA	16.4	15.1
VIC	14.9	14.7
WA	11.8	12.3
Total	12.9	12.4

Course duration – Total ave weeks by visa

ENGLISH AUSTRALIA
QUALITY | SUPPORT | ASSURANCE

TOTAL AVERAGE STUDENT WEEKS BY VISA TYPE 2015

	Student visas	Visitor (tourist) visas	Working holiday visas	Other visas	Total
Asia Pacific	15.0	4.3	9.0	9.8	**12.1**
Europe	12.8	6.0	6.2	6.9	**9.5**
Americas	16.5	6.1	7.8	8.3	**15.1**
M. East & N. Africa	19.2	6.7	8.9	15.2	**16.8**
Sub-Saharan Africa	8.9	4.1	0	7.3	**8.0**
Total	**15.3**	**4.9**	**8.4**	**9.8**	**12.4**

Economic impact – by region

ASIA PACIFIC
TOTAL ESTIMATED SPENDING

$1,432.1M 2015

$1,407M 2014

↑ 2%

EUROPEAN
TOTAL ESTIMATED SPENDING

$176.3M 2015

$225.3M 2014

↓ 22%

AMERICAS
TOTAL ESTIMATED SPENDING

$329M 2015

$304 2014

↑ 8%

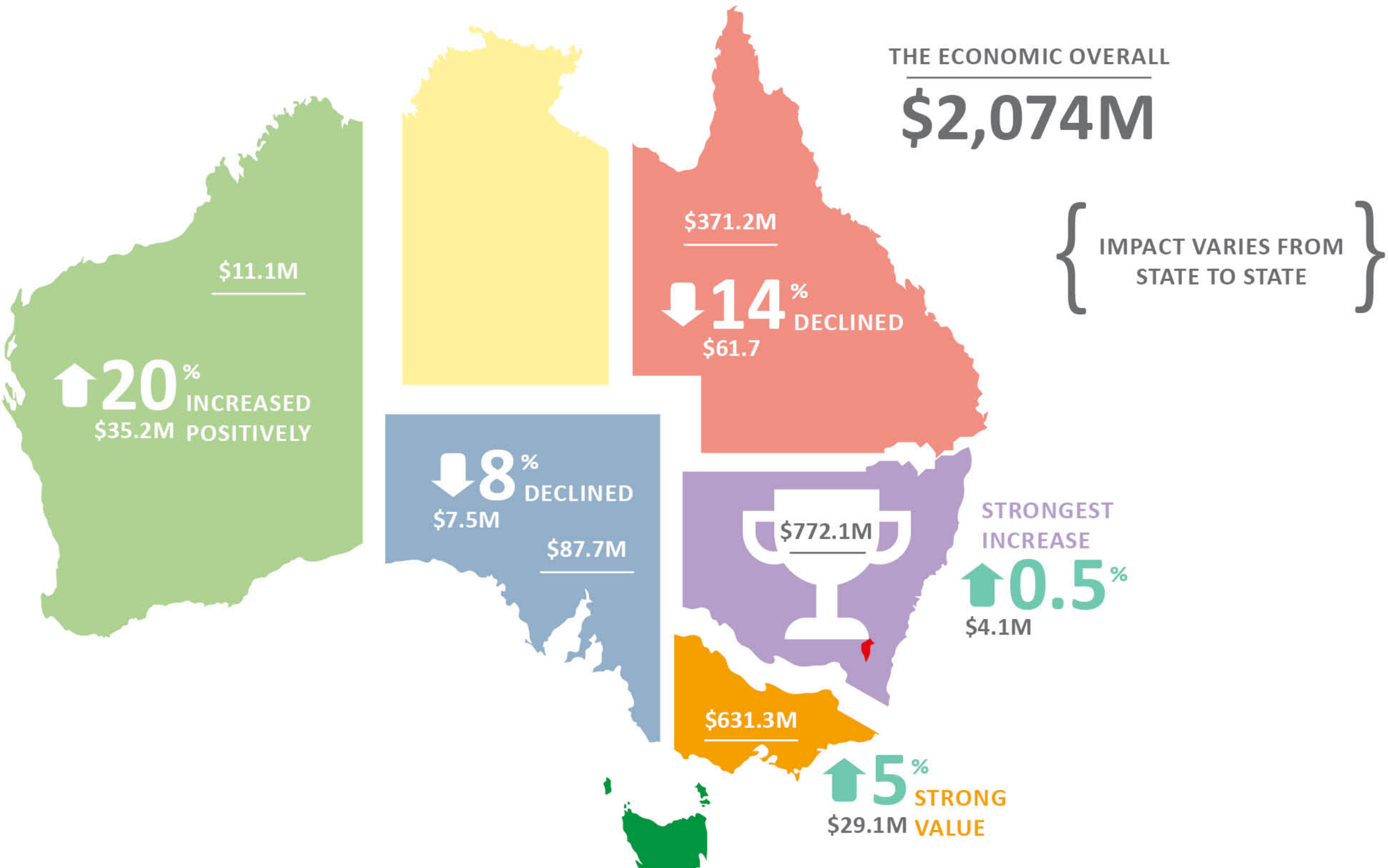
MIDDLE EAST & NORTH AFRICA
TOTAL ESTIMATED SPENDING

$132.1M 2015

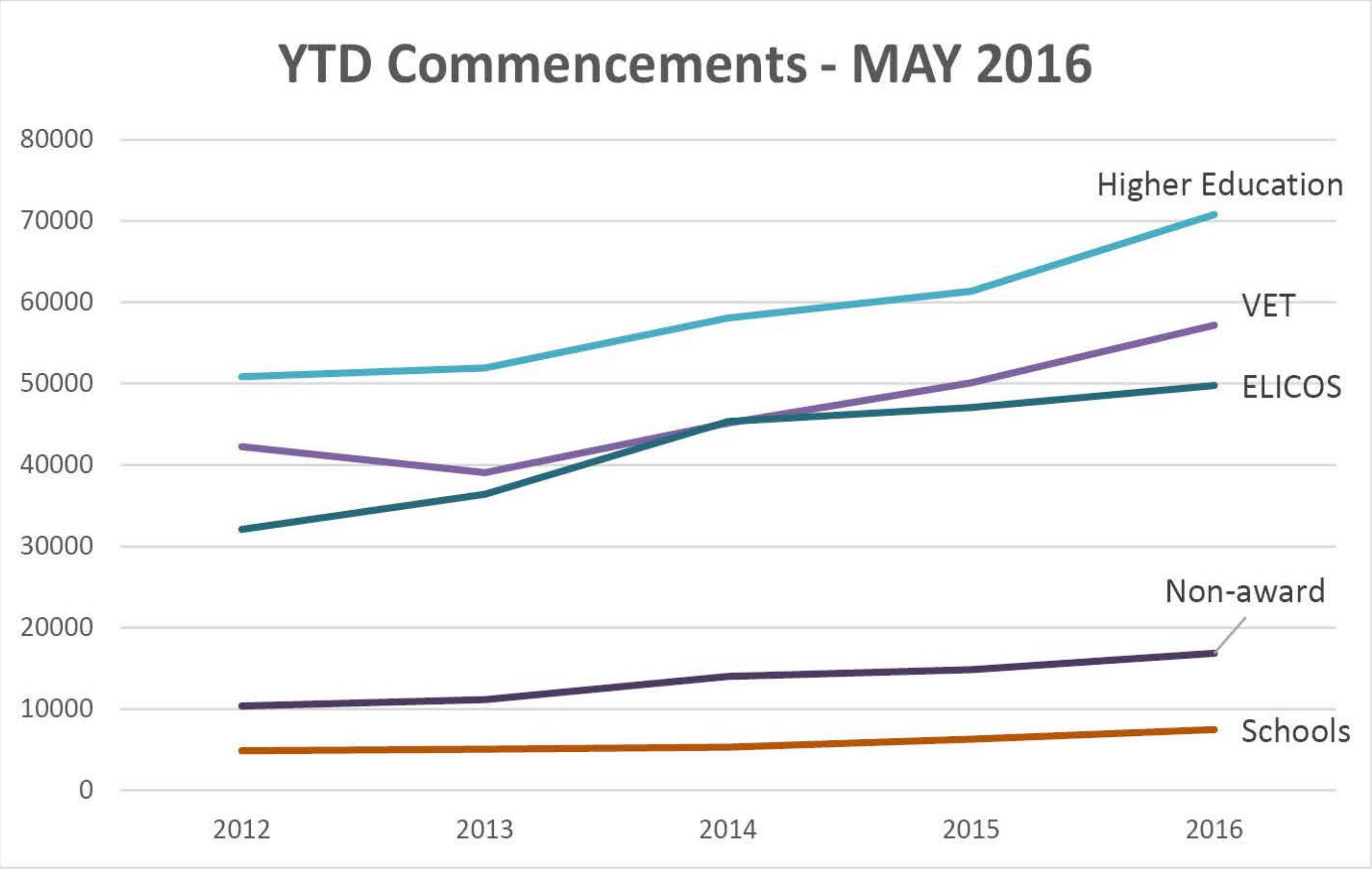
$133.7M 2014

↓ 1%

Economic impact – State comparison



Student Visa – Year to date 2016



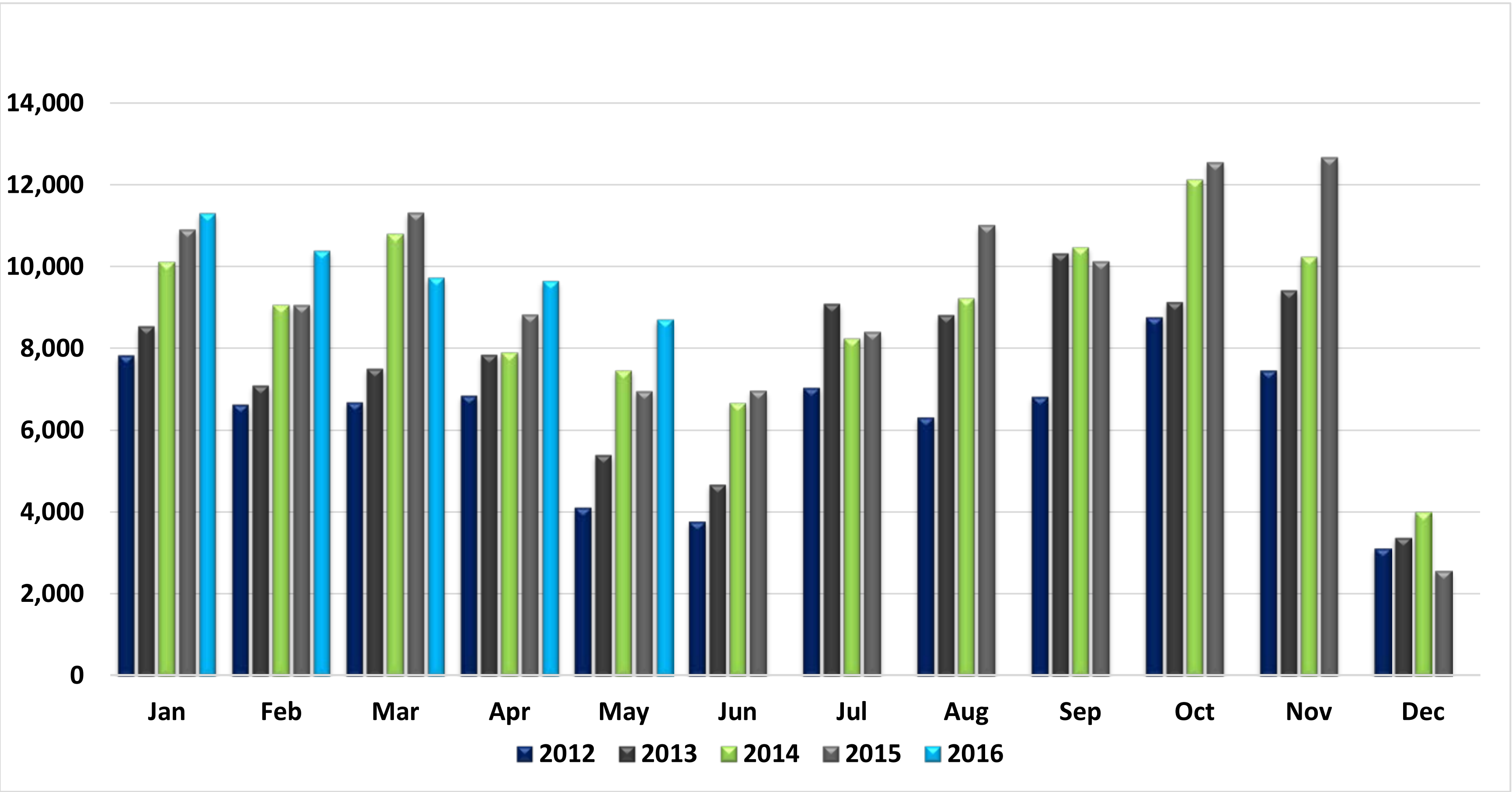
Student Visa – Year to date 2016

ENROLMENTS	YTD May 2015	YTD May 2016	Contrib. %	Growth %
Enrolments by Sector				
Higher Education	217,286	245,299	49.0%	12.9%
VET	109,732	124,811	25.0%	13.7%
ELICOS	80,692	85,604	17.1%	6.1%
Other	23,375	26,045	5.2%	11.4%
Schools	15,790	18,430	3.7%	16.7%
Total	**446,875**	**500,189**	**100.0%**	**11.9%**

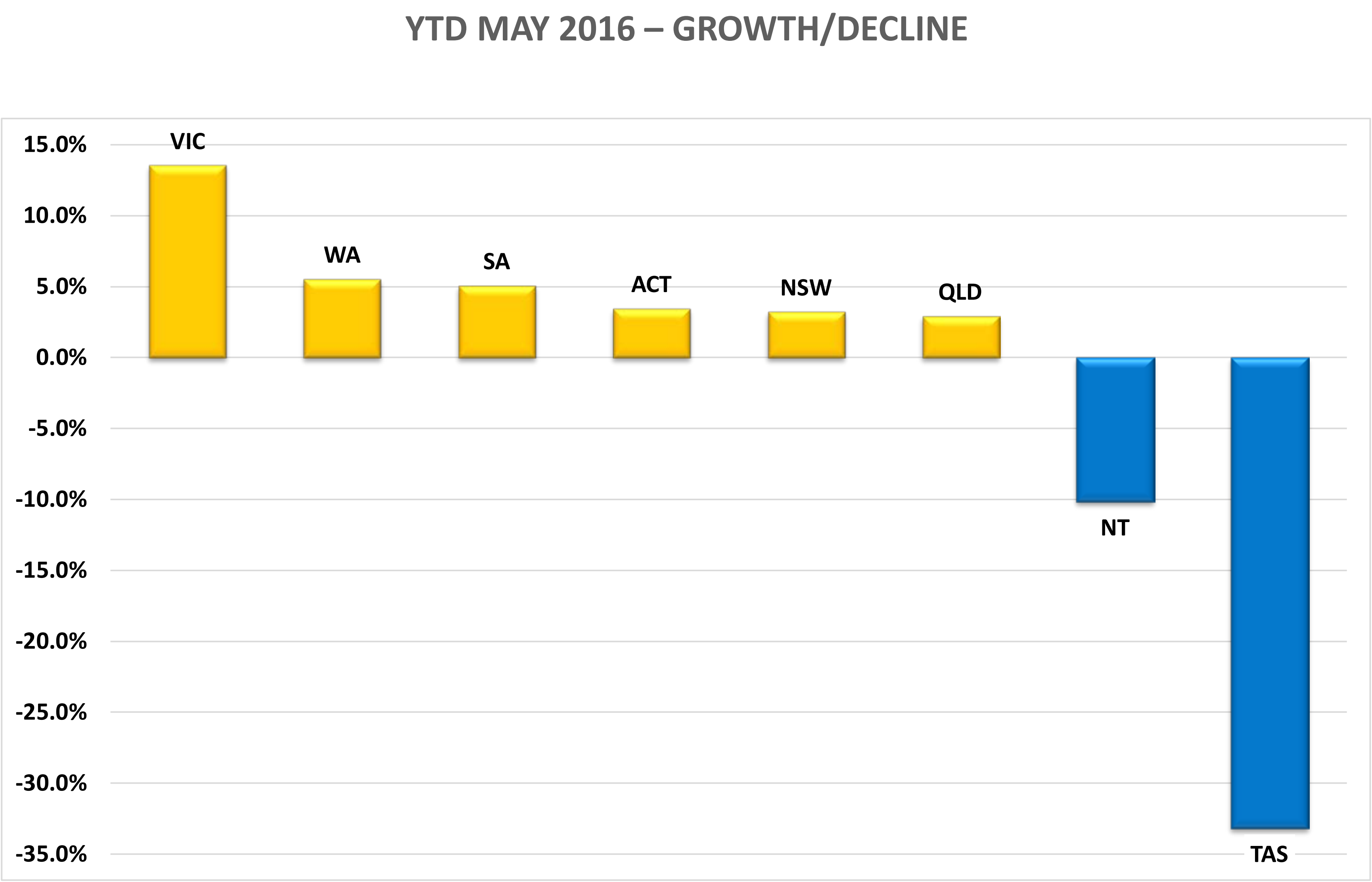
Commencements – Monthly YTD 2016 ELICOS

ENGLISH AUSTRALIA
QUALITY | SUPPORT | ASSURANCE

MONTHLY COMMENCEMENTS YTD MAY 2016



Commencements – State performance



Student Visa (ELICOS) – Year to date 2016

Sum of DATA YTD Commencements	Year						
State	2011	2012	2013	2014	2015	2016	
NSW	14,093	13,283	14,701	17,740	19,171	19,791	3%
VIC	6,905	7,092	8,977	11,914	11,998	13,623	14%
QLD	7,360	6,990	7,488	8,930	8,732	8,988	3%
SA	1,417	1,194	1,238	1,752	1,672	1,757	5%
WA	2,853	2,772	3,322	3,914	4,382	4,625	6%
TAS	270	219	160	217	404	270	-33%
NT	70	75	84	123	128	115	-10%
ACT	501	491	432	679	605	626	3%
NAT	0	0	2	94	2	0	-100%
Grand Total	33,469	32,116	36,404	45,363	47,094	49,795	6%

Commencements – student visa holders – Top 10 ELICOS Markets

ENGLISH AUSTRALIA
QUALITY | SUPPORT | ASSURANCE

ELICOS COMMENCEMENTS YTD MAY 2016

	Nationality	2012		2013		2014		2015		2016	
1	China	6,823	-19.8%	7,515	10.1%	9,041	20.3%	10,395	15.0%	12,012	15.6%
2	Brazil	3,218	-3.6%	2,910	-9.6%	3,604	23.8%	4,002	11.0%	4,700	17.4%
3	Colombia	2,513	24.4%	3,223	28.3%	3,330	3.3%	3,455	3.8%	4,027	16.6%
4	Thailand	2,199	3.4%	2,866	30.3%	4,244	48.1%	3,866	-8.9%	3,980	2.9%
5	South Korea	2,743	-3.8%	2,812	2.5%	2,828	0.6%	2,515	-11.1%	2,875	14.3%
6	Japan	1,938	7.5%	2,078	7.2%	2,126	2.3%	2,249	5.8%	2,741	21.9%
7	Vietnam	1,354	-14.5%	2,438	80.1%	3,522	44.5%	2,736	-22.3%	2,394	-12.5%
8	India	535	2.3%	814	52.1%	2,990	267.3%	2,773	-7.3%	1,977	-28.7%
9	Taiwan	705	-5.6%	865	22.7%	1,134	31.1%	1,629	43.7%	1,895	16.3%
10	Italy	573	57.4%	786	37.2%	1,082	37.7%	1,296	19.8%	1,195	-7.8%

Commencements – student visa holders – Top 11 -20 ELICOS Markets

ENGLISH AUSTRALIA
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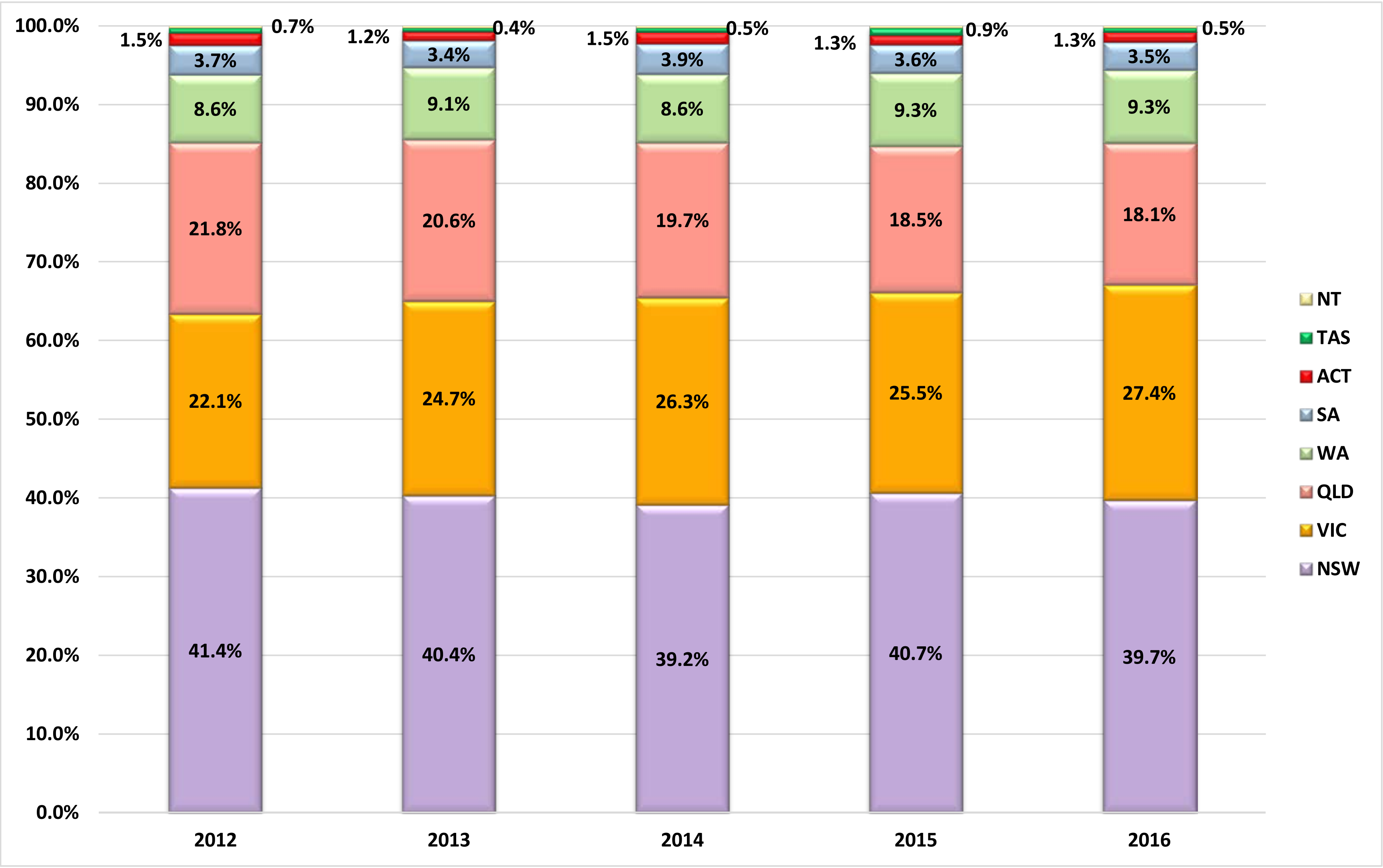
ELICOS COMMENCEMENTS YTD MAY 2016

	Nationality	2012		2013		2014		2015		2016	
11	Saudi Arabia	1,619	-5.9%	1,449	-10.5%	1,654	14.1%	1,766	6.8%	1,115	10.1%
12	Spain	664	49.5%	869	30.9%	978	12.5%	1,012	3.5%	1,105	-9.6%
13	Malaysia	325	25.5%	411	26.5%	496	20.7%	651	31.3%	1,066	28.3%
14	Hong Kong	356	-15.4%	444	24.7%	546	23.0%	733	34.2%	891	30.3%
15	Indonesia	606	7.3%	561	-7.4%	613	9.3%	652	6.4%	583	2.5%
16	Nepal	344	-1.1%	402	16.9%	695	72.9%	673	-3.2%	582	7.2%
17	Chile	382	-8.2%	390	2.1%	476	22.1%	473	-0.6%	574	80.1%
18	Czech Republic	393	-26.1%	560	42.5%	581	3.8%	588	1.2%	465	52.1%
19	Pakistan	299	7.6%	513	71.6%	618	20.5%	673	8.9%	404	22.7%
20	Mongolia	66	65.0%	95	43.9%	165	73.7%	332	101.2%	403	37.2%

Enrolments– student visa holders – Top 5 ELICOS Markets

ELICOS - Enrolments in Top 5 Nationalities				
China	20,093	22,971	26.8%	14.3%
Brazil	6,787	8,635	10.1%	27.2%
Thailand	6,611	6,875	8.0%	4.0%
Colombia	5,456	6,406	7.5%	17.4%
Rep. of Korea	3,999	4,488	5.2%	12.2%
Others	37,746	36,229	42.3%	-4.0%
Total	**80,692**	**85,604**	**100.0%**	**6.1%**

Commencements – State Market share YTD 2016



Benchmark Student Perceptions

i-graduate INTERNATIONAL INSIGHT
part of the Tribal Group plc

ENGLISH AUSTRALIA
QUALITY | SUPPORT | ASSURANCE

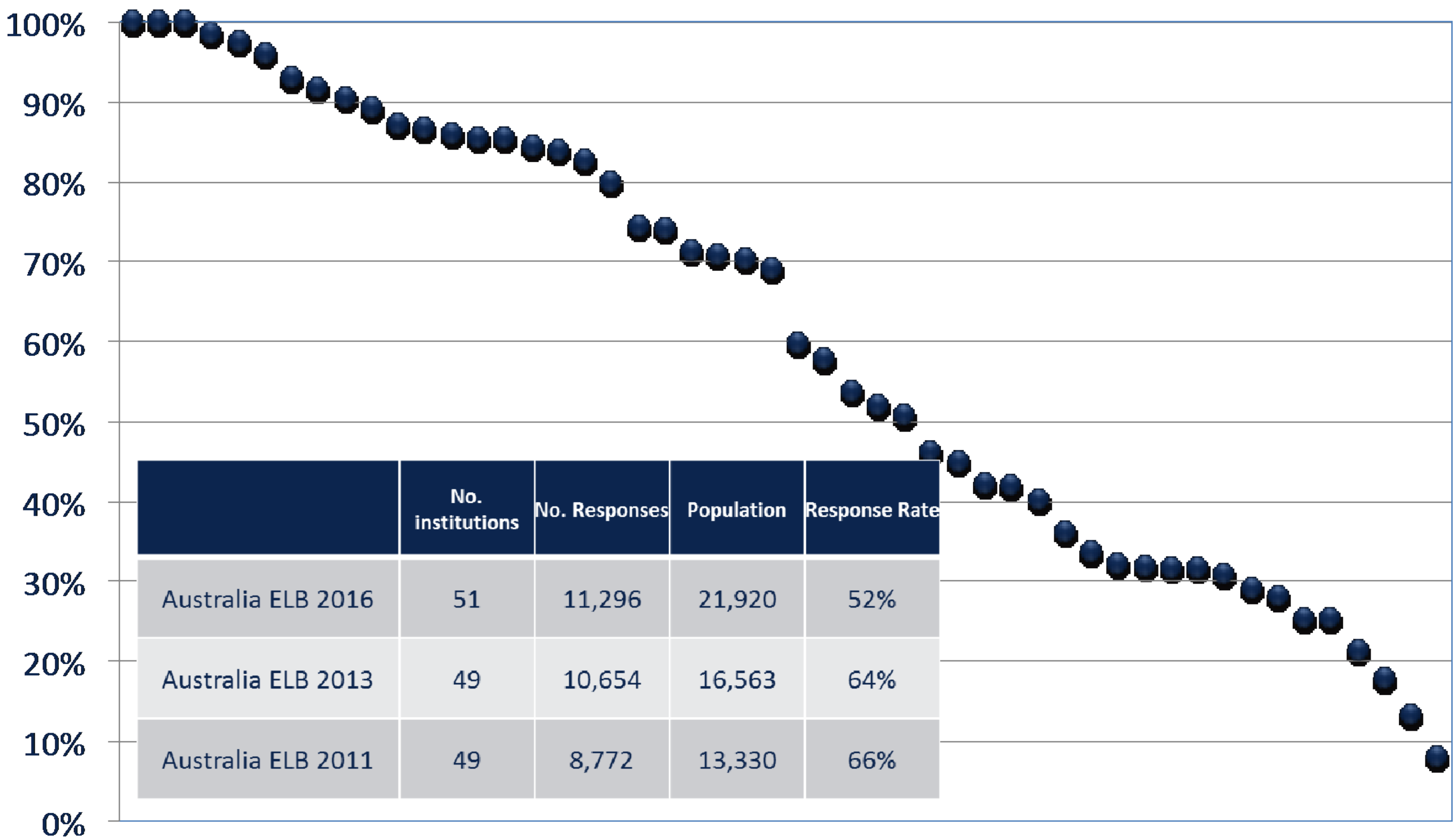
Australian English Language Barometer 2016

Summary slides

- Core questionnaire covering arrival, learning, living, support, recommendation, application and choice of institution
- Semi-standardised online questionnaire format, adapted and customised for the Australian English Language sector
- The questionnaire was available in 11 languages: Arabic, Chinese simplified, Chinese traditional, English, Italian, Japanese, Korean, Portuguese (Brazil), Spanish, Thai, Vietnamese
- Student feedback from January to March 2016. Previous years October to November.
- 11,296 students responded to the English Language Barometer from 51 English language centres across Australia. Response rate lower this year at 52%, down from 64%
- Responses were collected, collated and analysed centrally by i-graduate's team of researchers
- Aggregate sector results are compared against comparator benchmark and previous years in this report

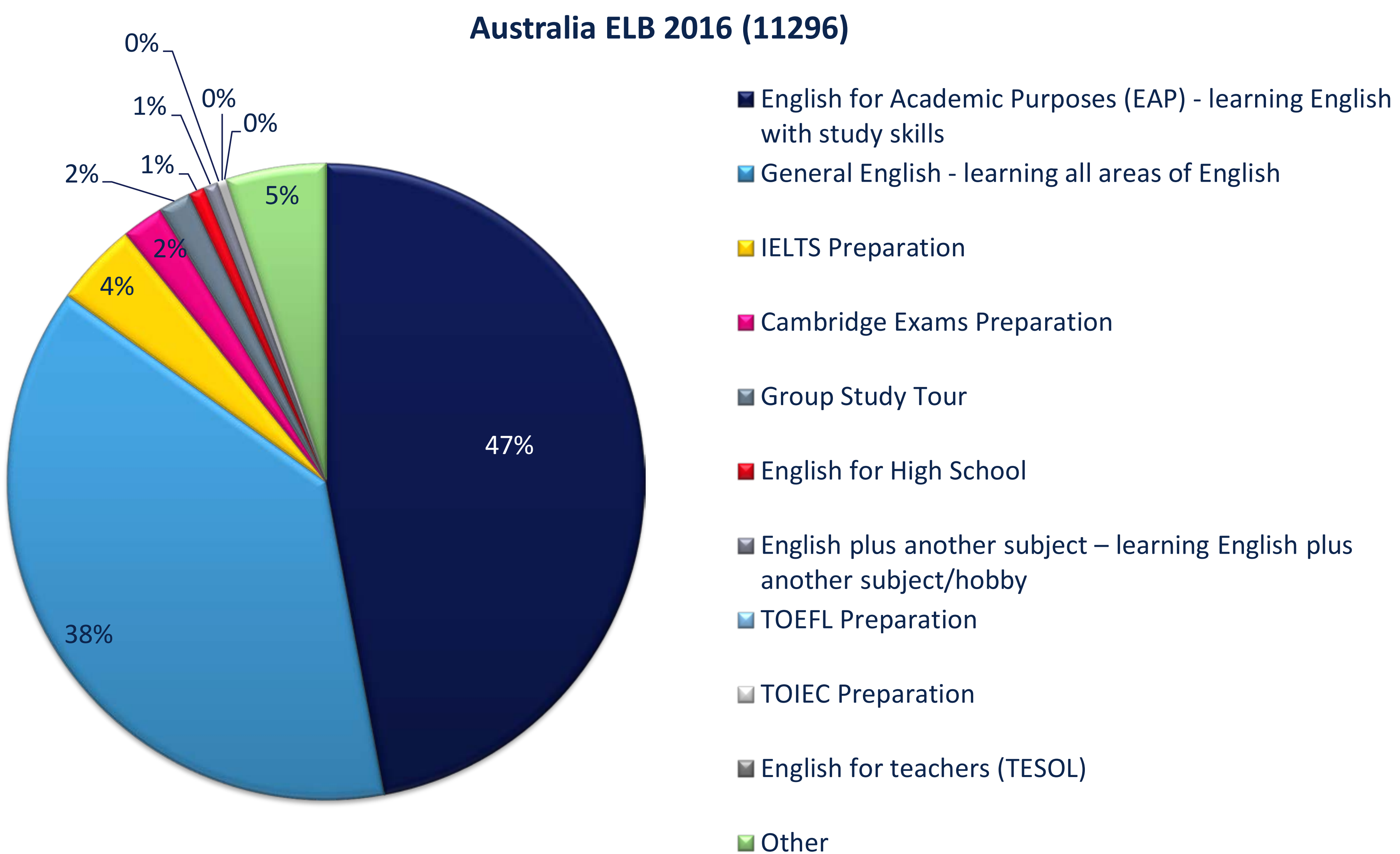
- Satisfaction over all elements shows continuous improvement
- Propensity to recommend lower than 2013, but consistent over 7 years at 29% average
- Response rate lower at 52% this year. Variation in response rate from 10% to 100%
- Note the significance of family funding (63%) & agents in the application process
- 87% applied to no other countries than Australia
- High satisfaction with visa process. Slight decline in satisfaction with agents.
- Students generally feel safe, but 39% feel isolated in the community & college, see also data re friends, multicultural environment. An area for attention.
- Sensitivity to costs apparent – 2016 big improvement on 2013, reflects AU$ value
- Colleges are more engaged in work experience and careers support, well received.

Survey Response

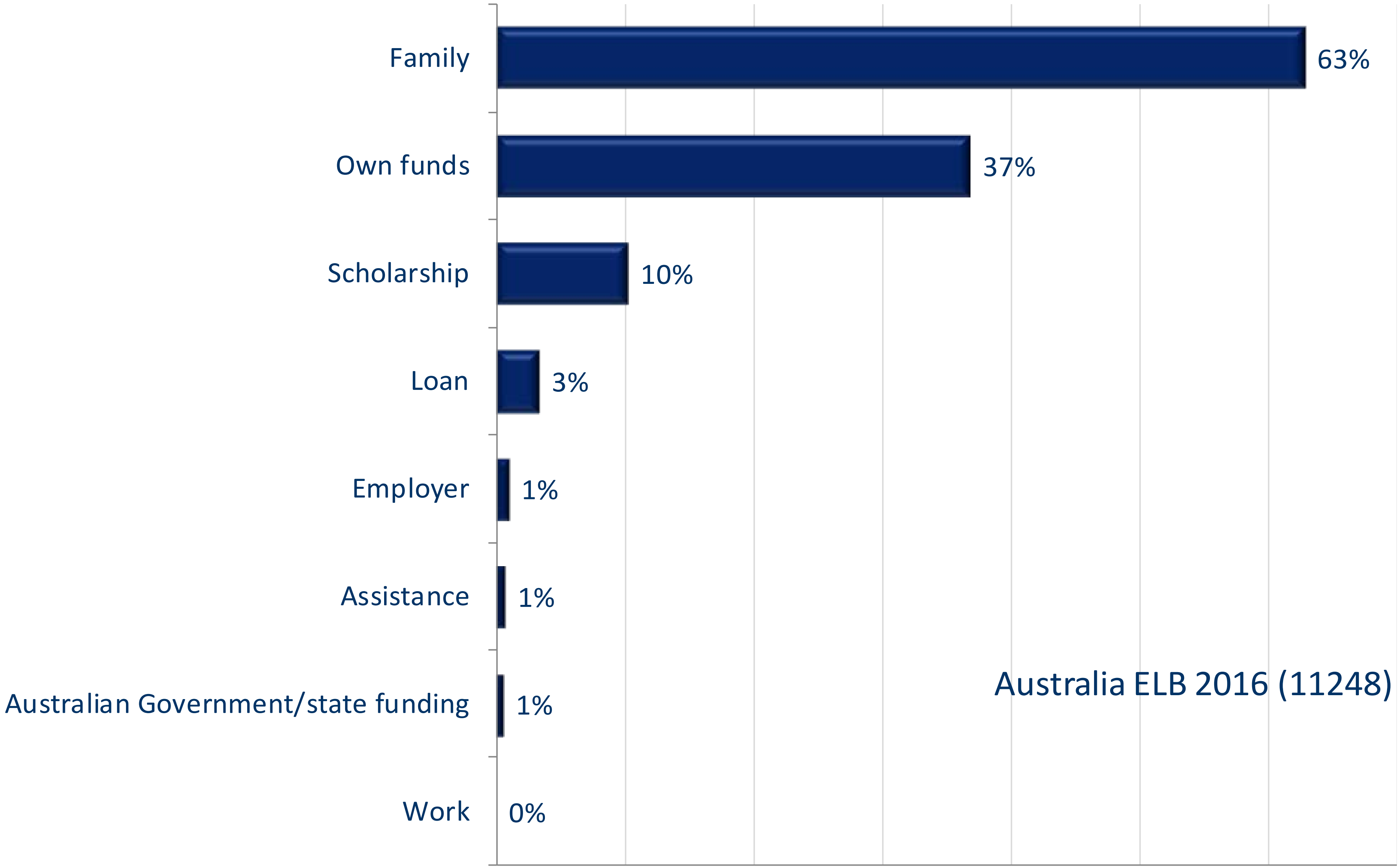


	No. institutions	No. Responses	Population	Response Rate
Australia ELB 2016	51	11,296	21,920	52%
Australia ELB 2013	49	10,654	16,563	64%
Australia ELB 2011	49	8,772	13,330	66%

Each blue dot represents an institution's response rate in the global benchmark


Australia ELB 2016 (11296)
0%
1%
0%
0%
2%
1%
5%
2%
4%
47%
38%
English for Academic Purposes (EAP) - learning English with study skills
General English - learning all areas of English
IELTS Preparation
Cambridge Exams Preparation
Group Study Tour
English for High School
English plus another subject – learning English plus another subject/hobby
TOEFL Preparation
TOIEC Preparation
English for teachers (TESOL)
Other

Funding breakdown

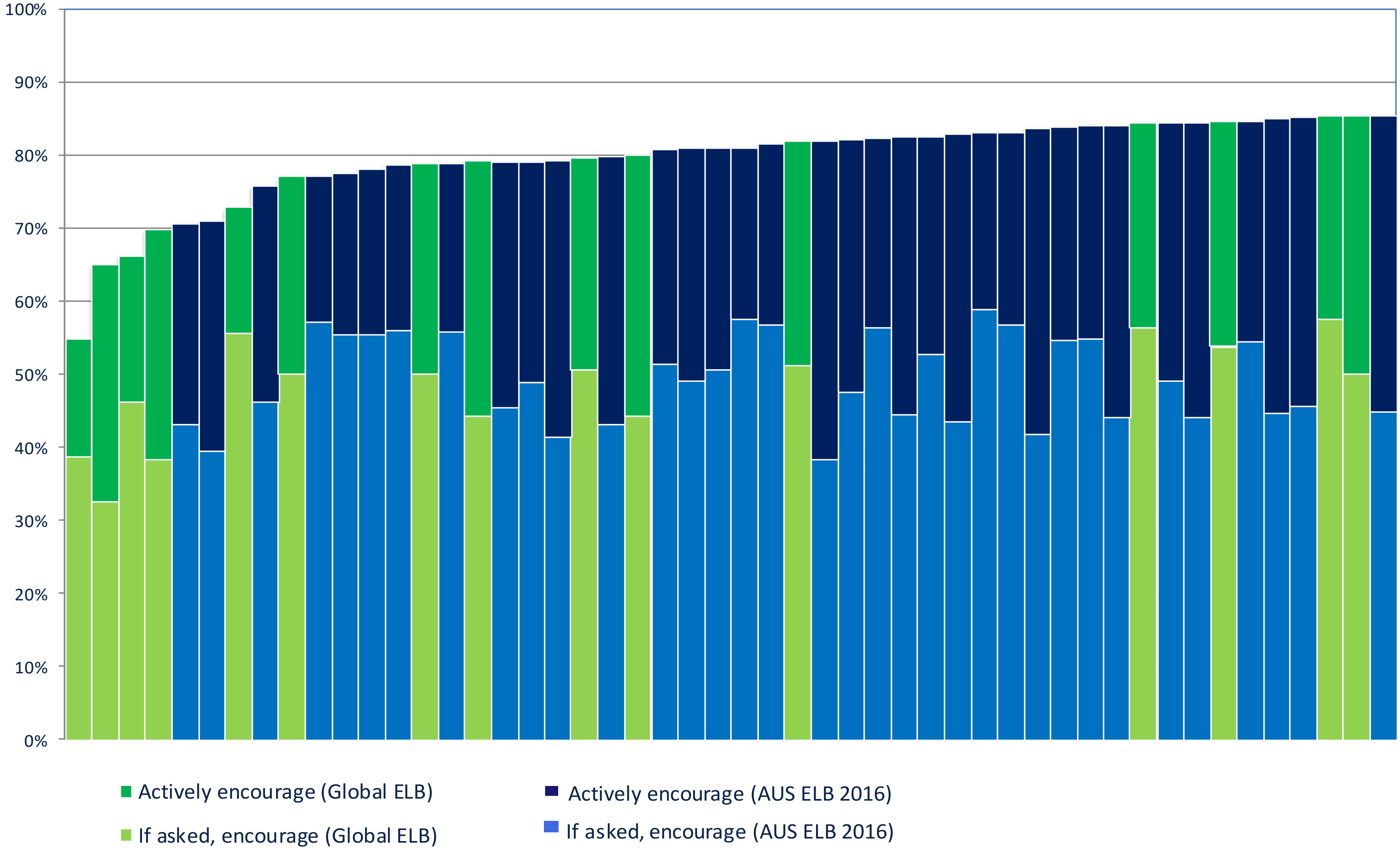


How are you funding your studies?

Headline Results

Australia ELB 2016 (10077)	2016 vs 2013		Global ELB (12349)
29%	-3%	I would actively encourage people to apply	30%
53%	3%	If asked, I would encourage people to apply	53%
15%	0%	I would neither encourage nor discourage people to apply	14%
2%	0%	If asked, I would discourage people from applying	2%
1%	0%	I would actively discourage people from applying	1%

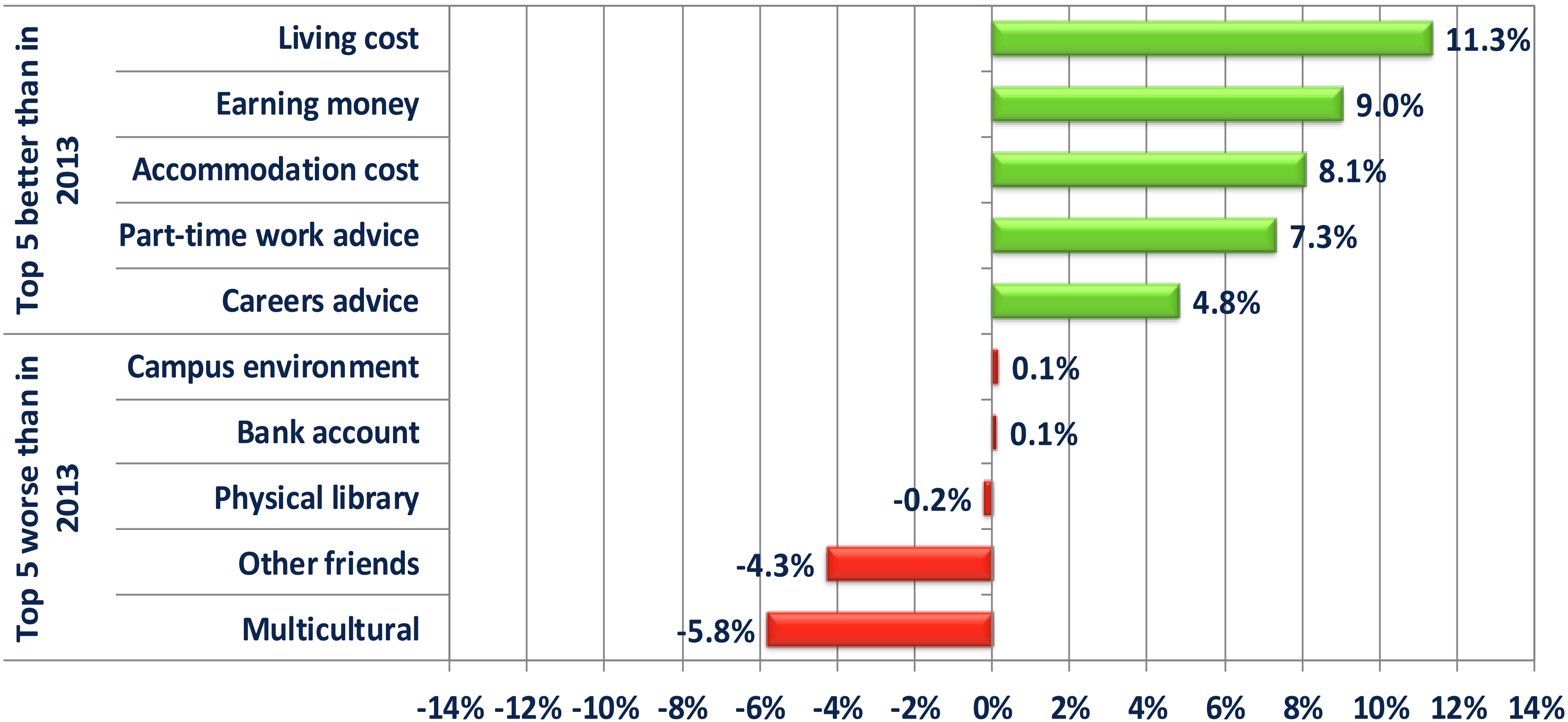
Would you recommend the institution to others thinking of applying here?



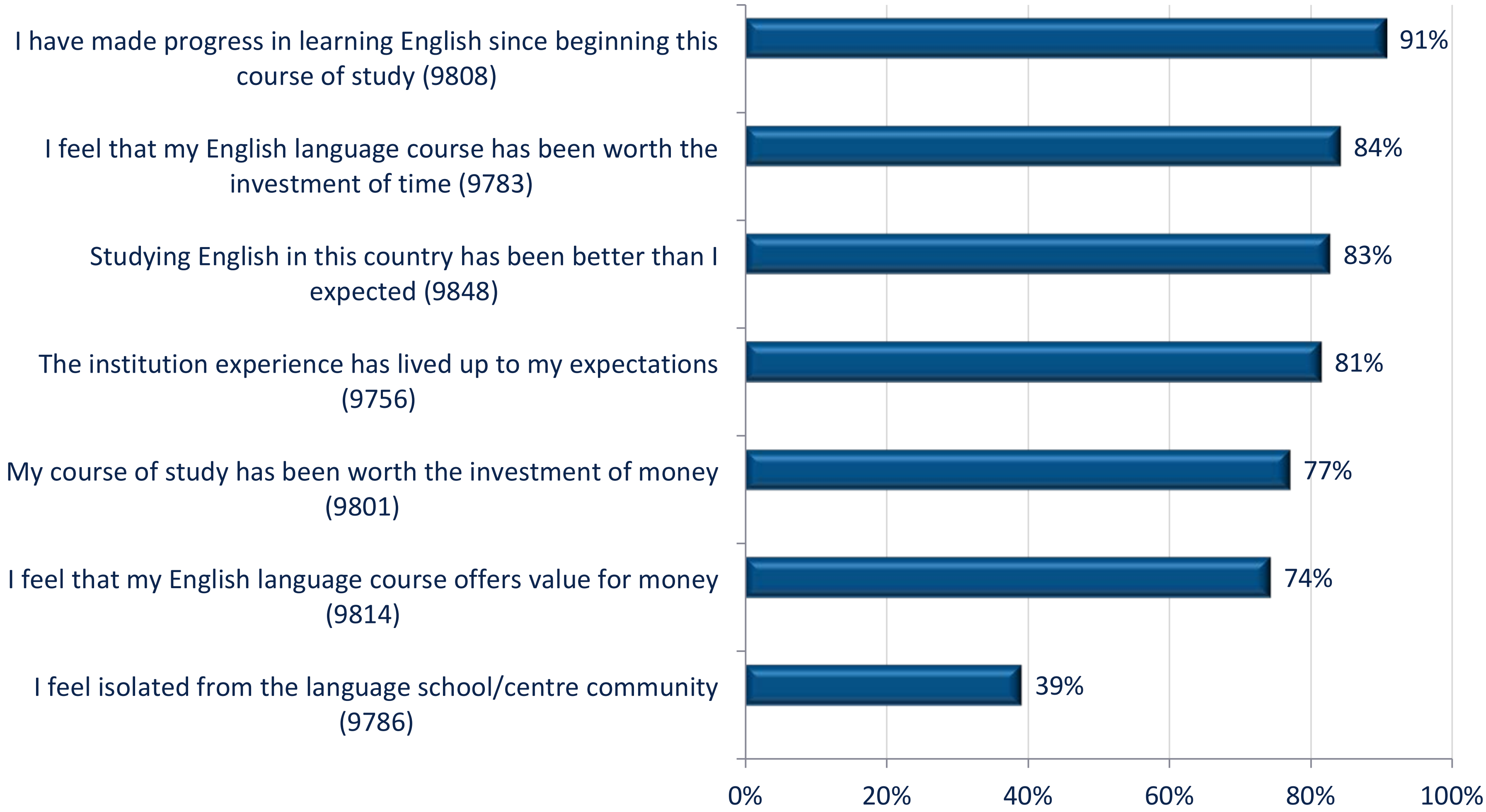
Would you recommend the institution to others thinking of applying here?

Element	Aus ELB 2009	Aus ELB 2011	Aus ELB 2013	Aus ELB 2016
Arrival overall	N/A	N/A	90%	92%
Learning overall	87%	91%	89%	90%
Living overall	86%	89%	89%	91%
Support overall	76%	83%	92%	93%
Satisfaction Overall	81%	87%	88%	89%

Australia ELB 2016 vs Australia ELB 2013



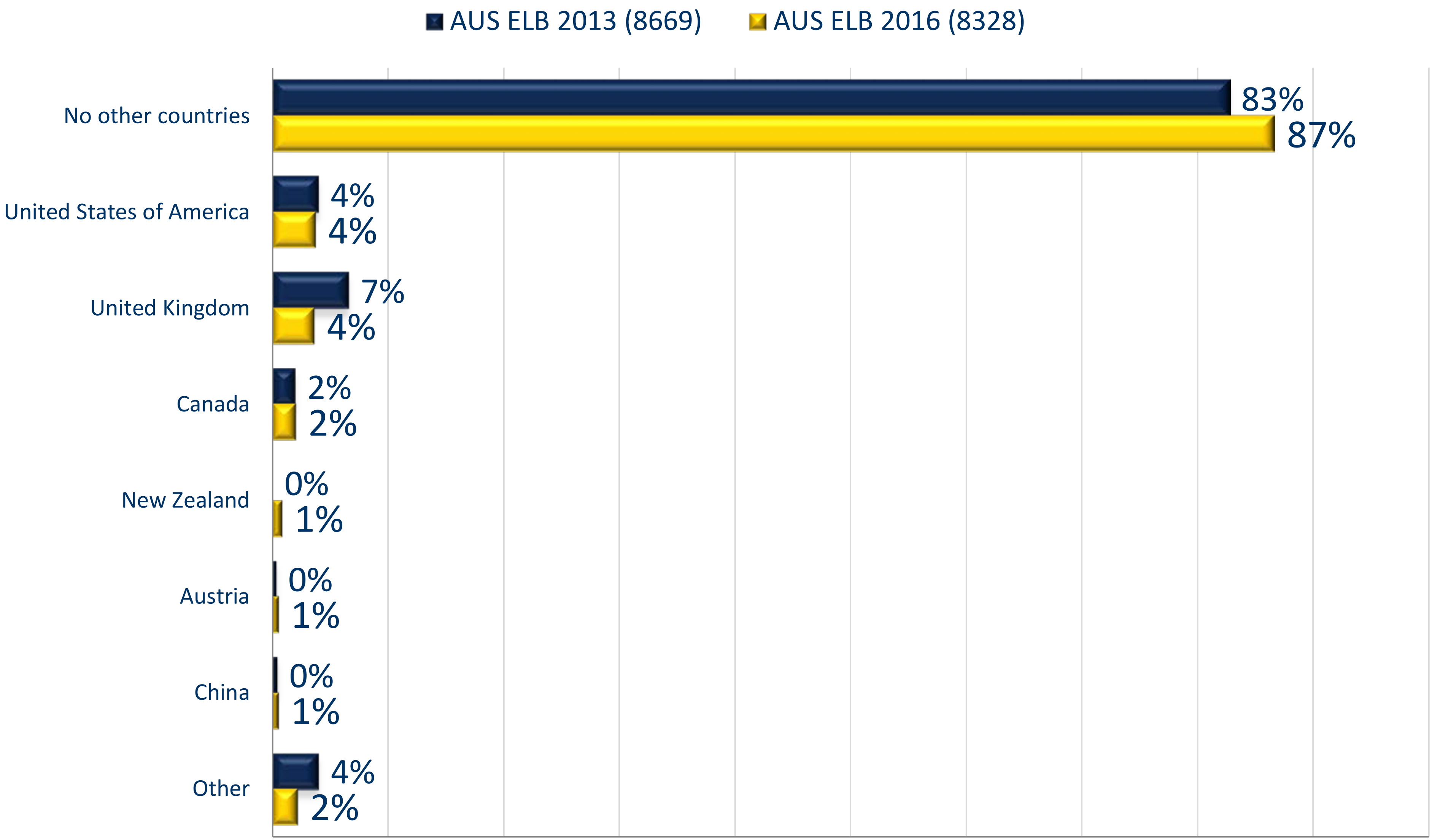
Australia ELB 2016



To what extent do you agree or disagree with the following statements:

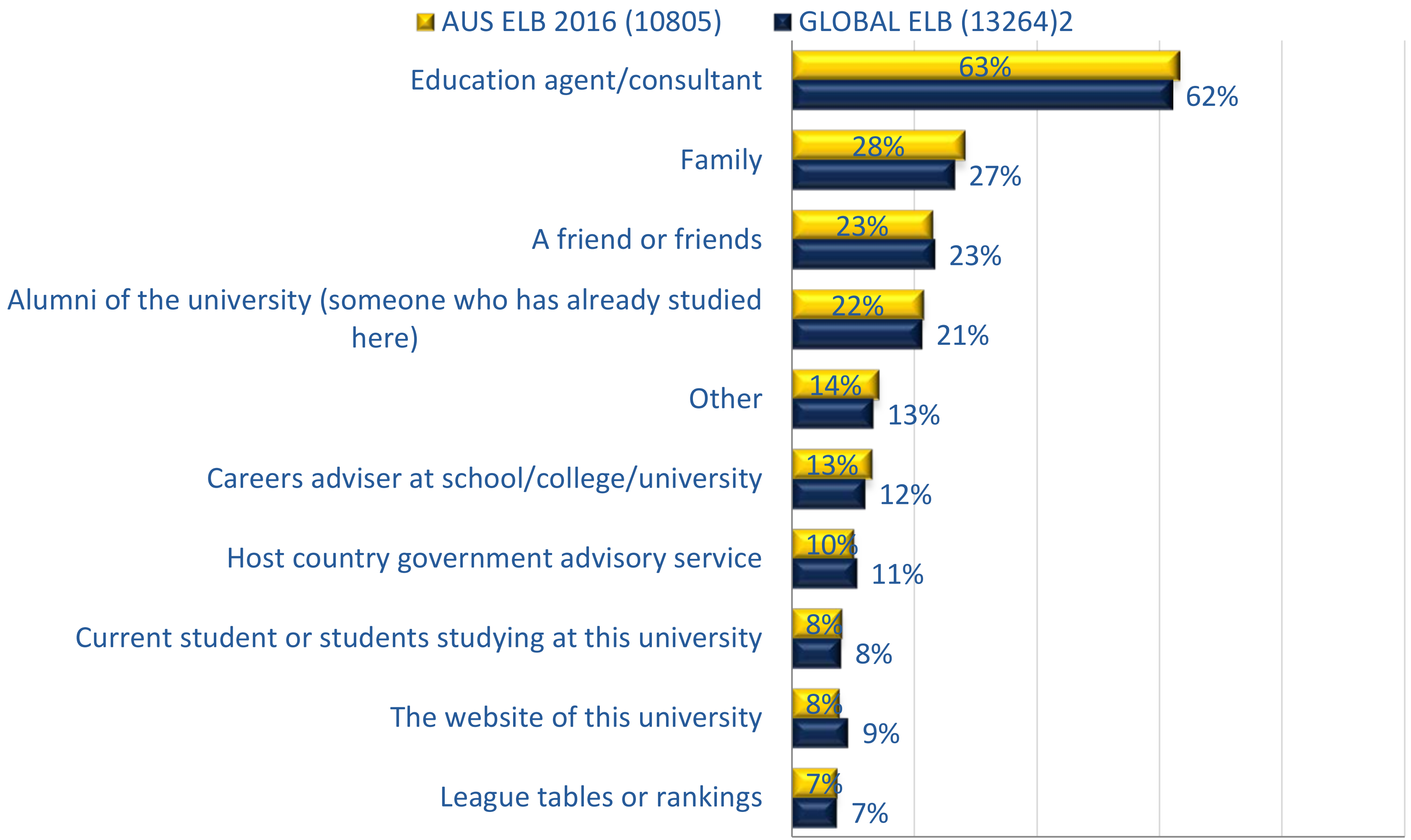
Choice of Destination

Countries applied to



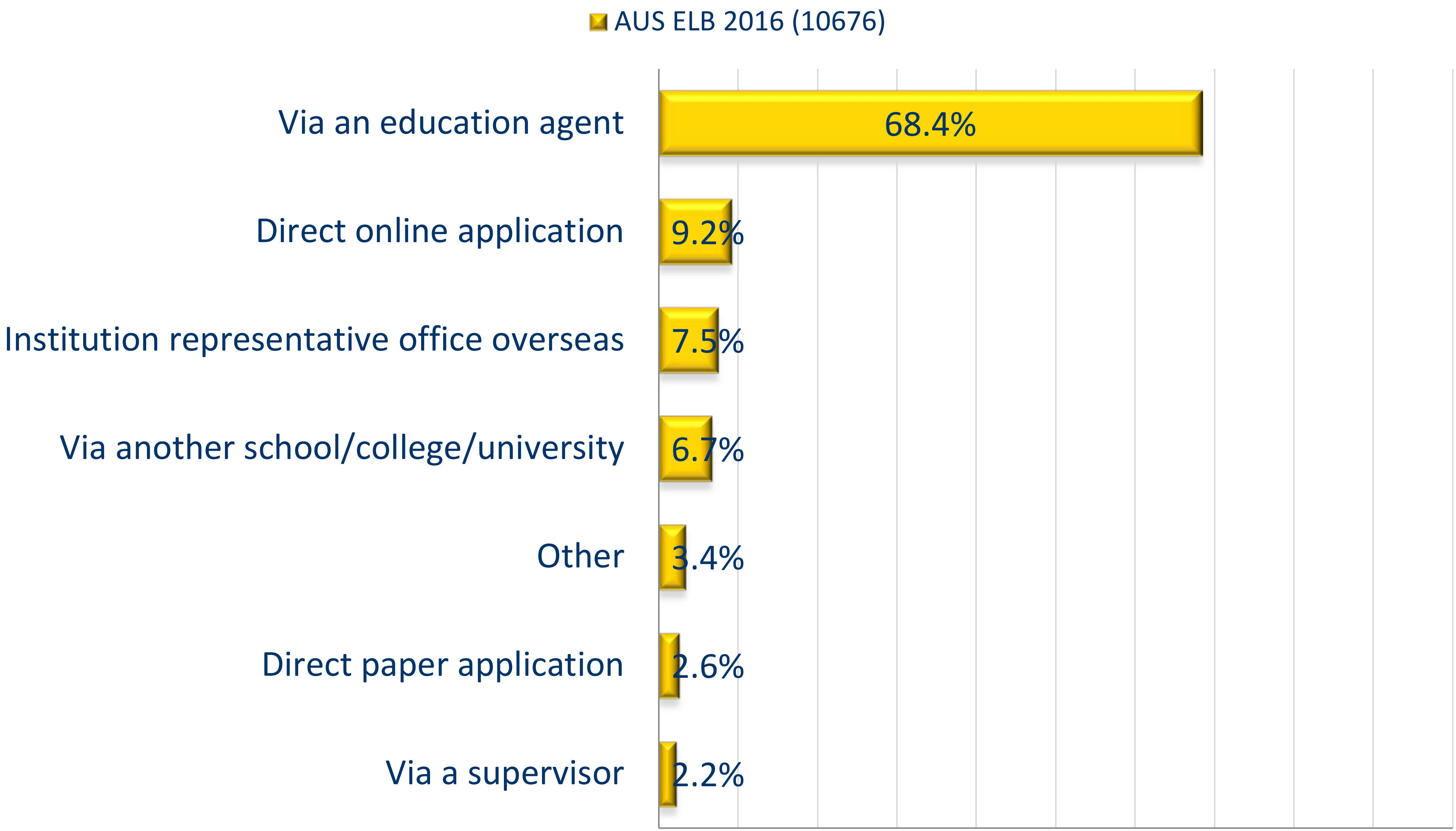
Did you apply to study at any language centres/schools in other countries?

Top 10 key influences (choice of institution)

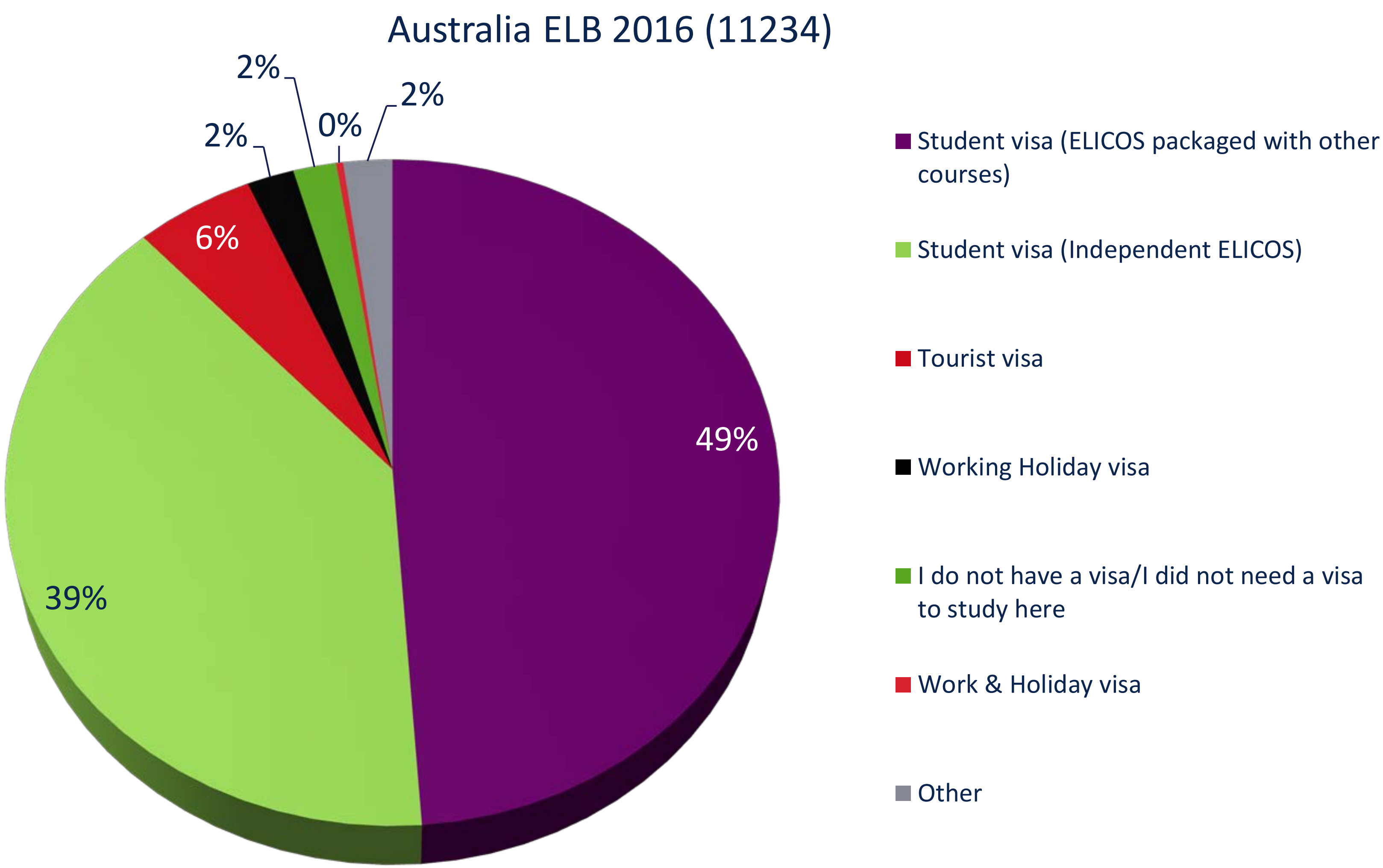


Which of the following helped you to choose this language school/centre?

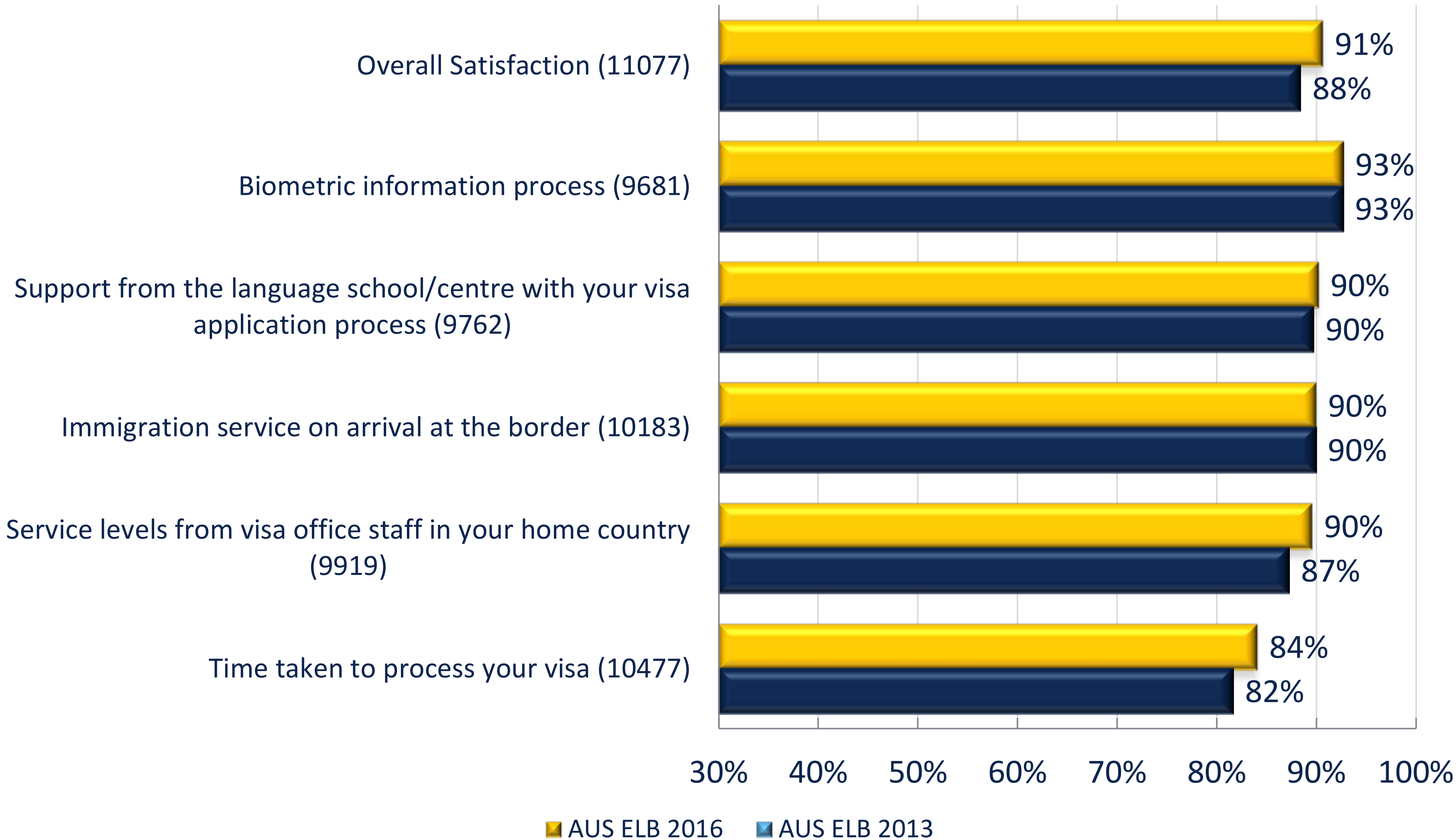
Application and visa



How did you apply to this language school/centre?

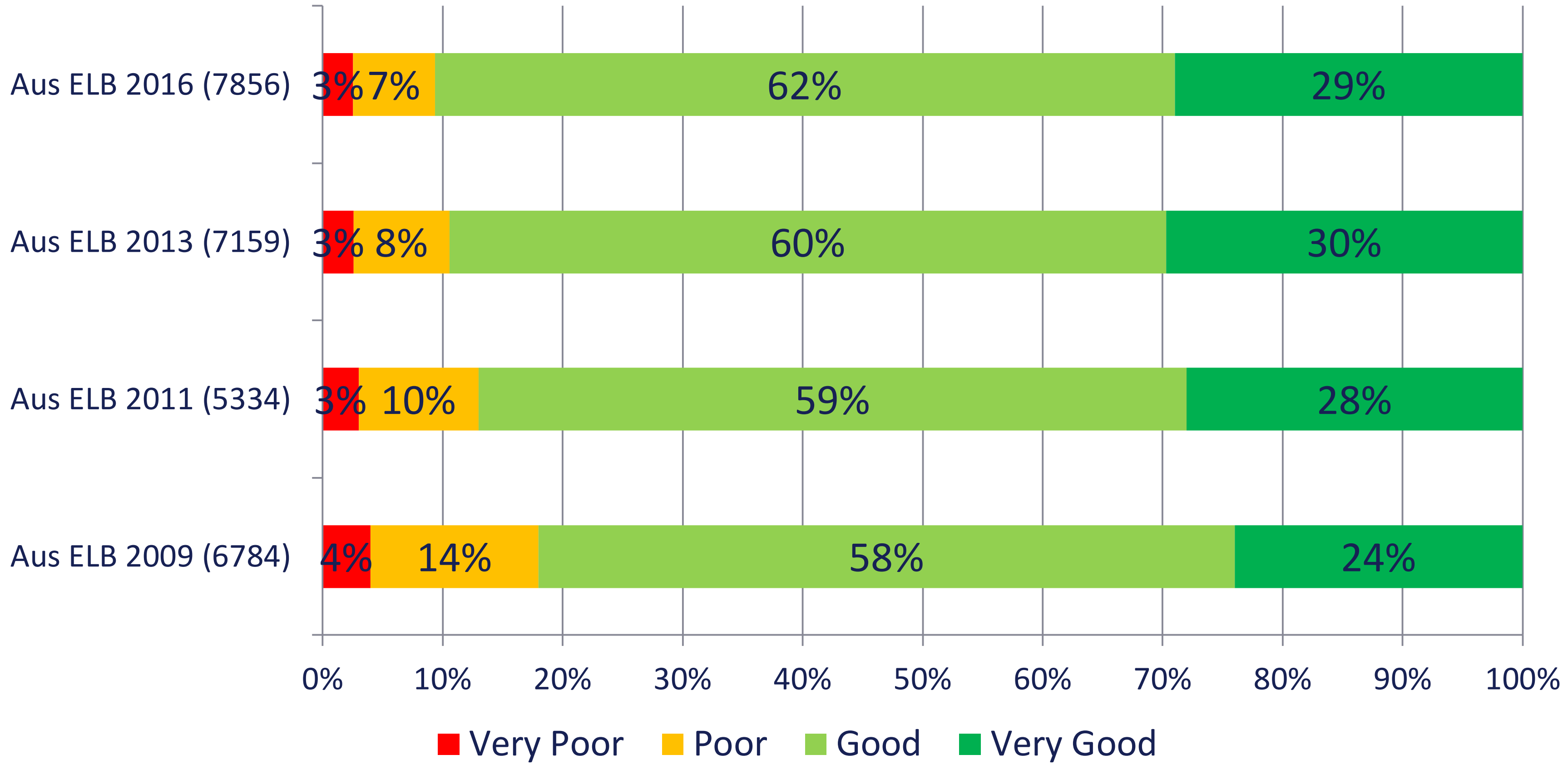


What type of visa do you have?



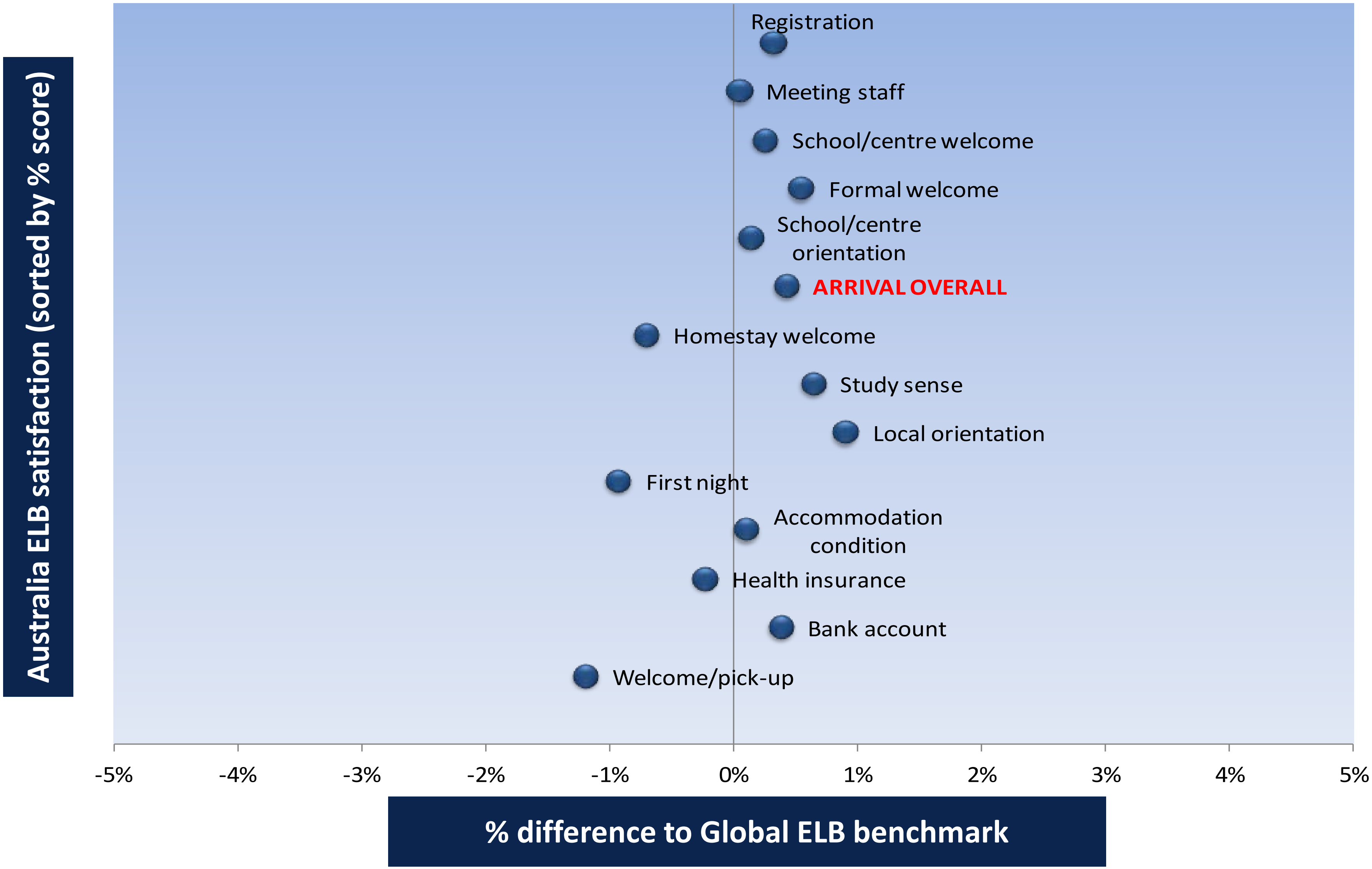
During the visa application process, how satisfied were you with the following:

Agents

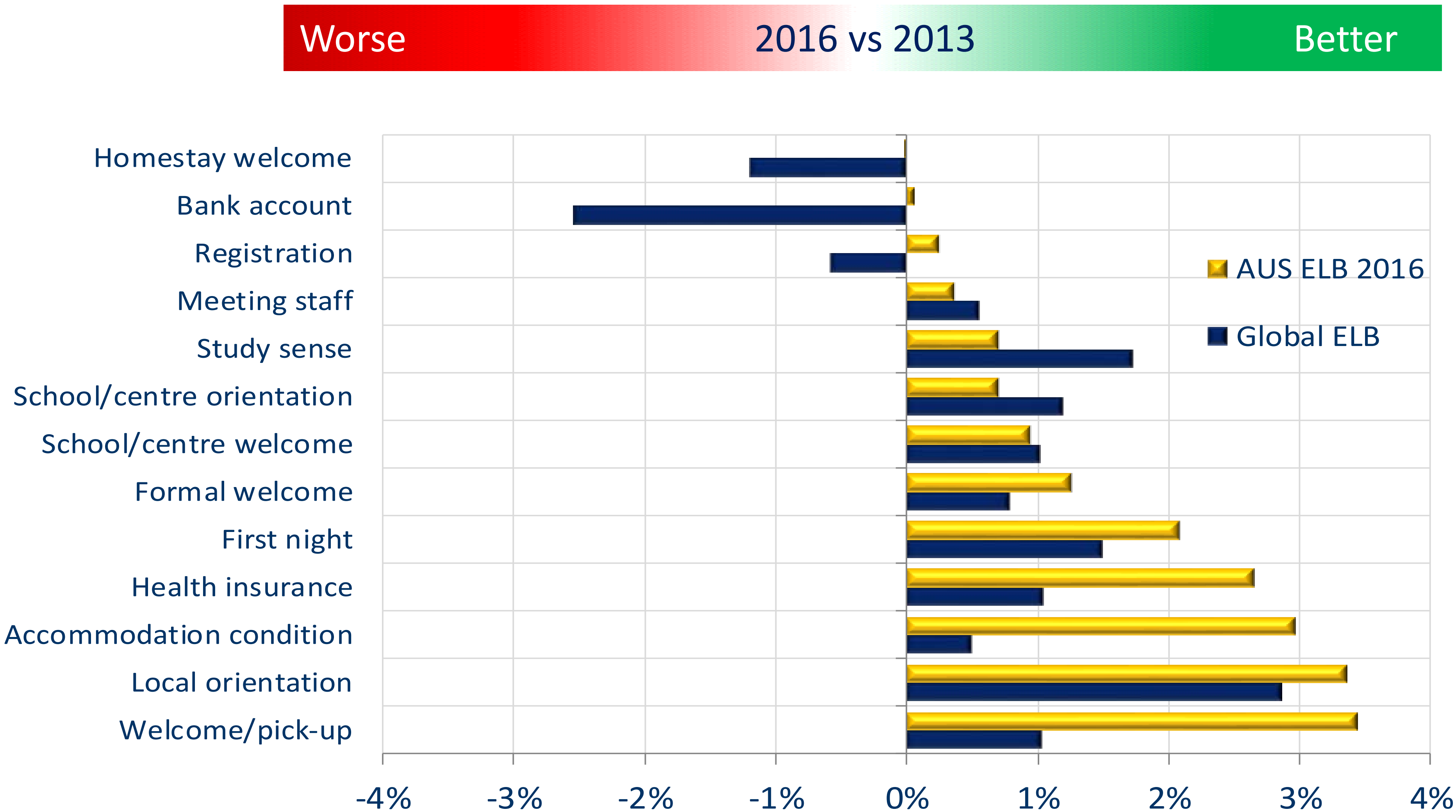


Please rate the service you received from the agent/representative office:

Arrival

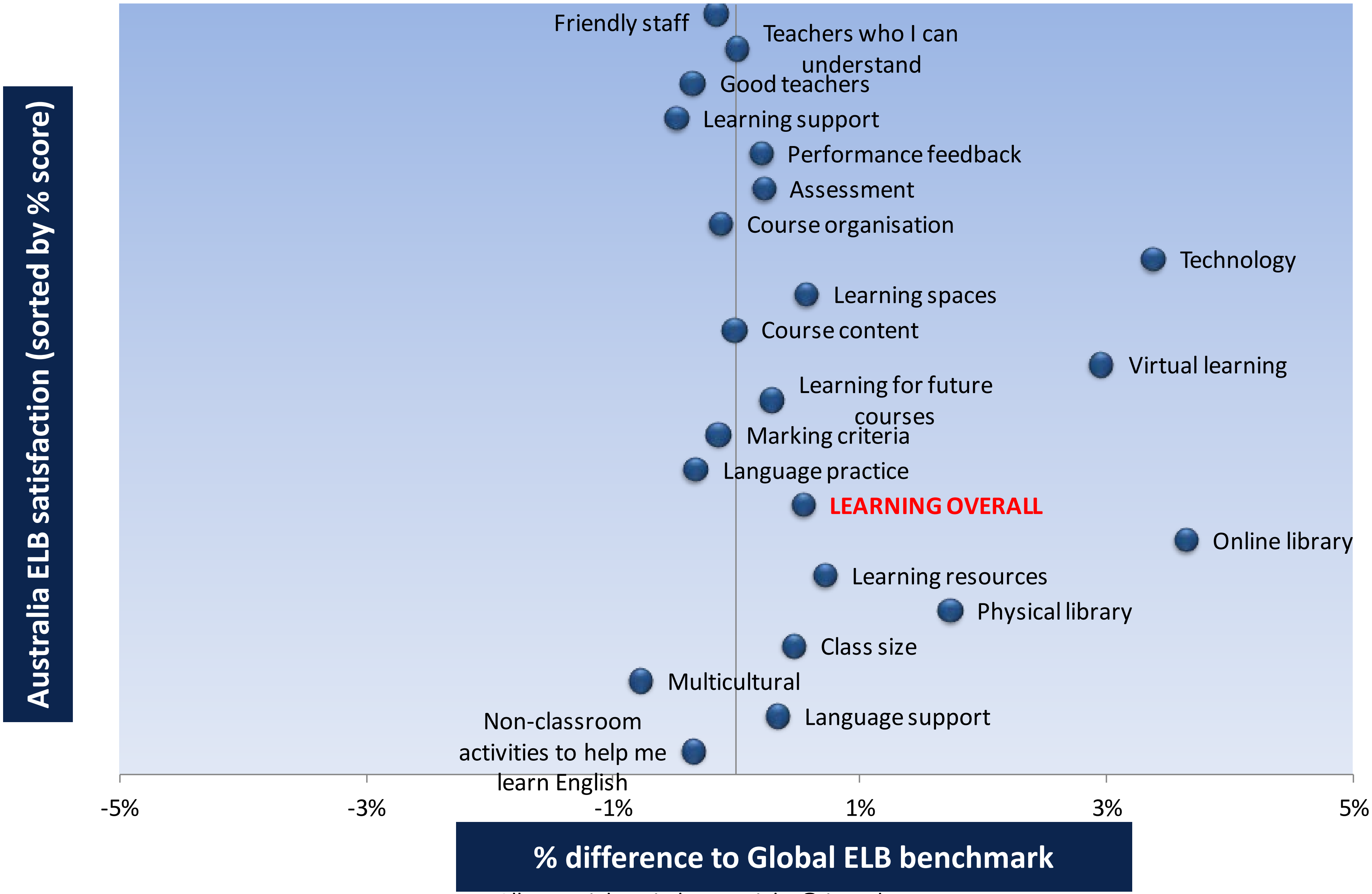

Australia ELB satisfaction (sorted by % score)
Registration
Meeting staff
School/centre welcome
Formal welcome
School/centre orientation
ARRIVAL OVERALL
Homestay welcome
Study sense
Local orientation
First night
Accommodation condition
Health insurance
Bank account
Welcome/pick-up
-5%
-4%
-3%
-2%
-1%
0%
1%
2%
3%
4%
5%
% difference to Global ELB benchmark

Arrival satisfaction – 2016 vs 2013

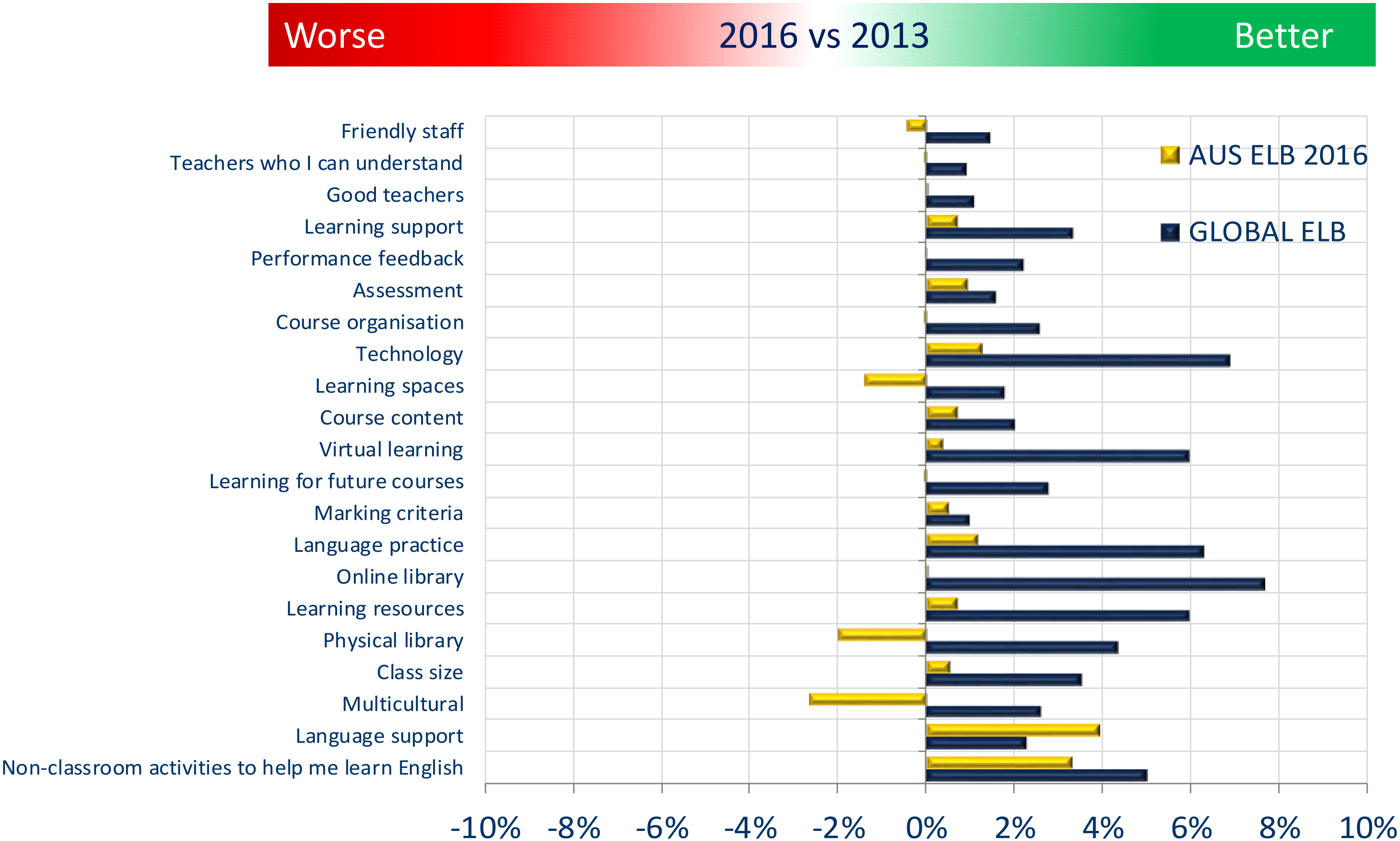


Learning

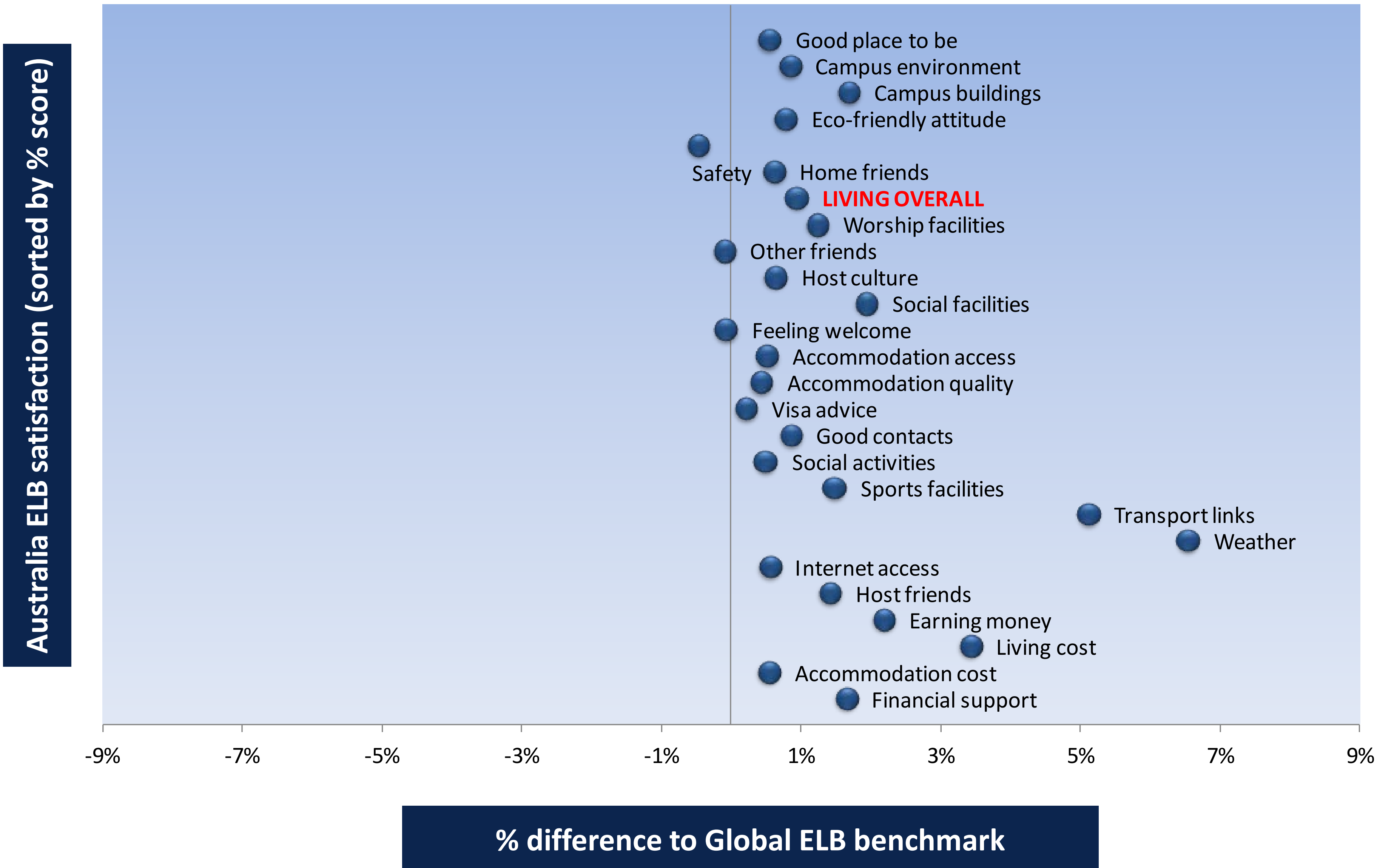
Learning matrix



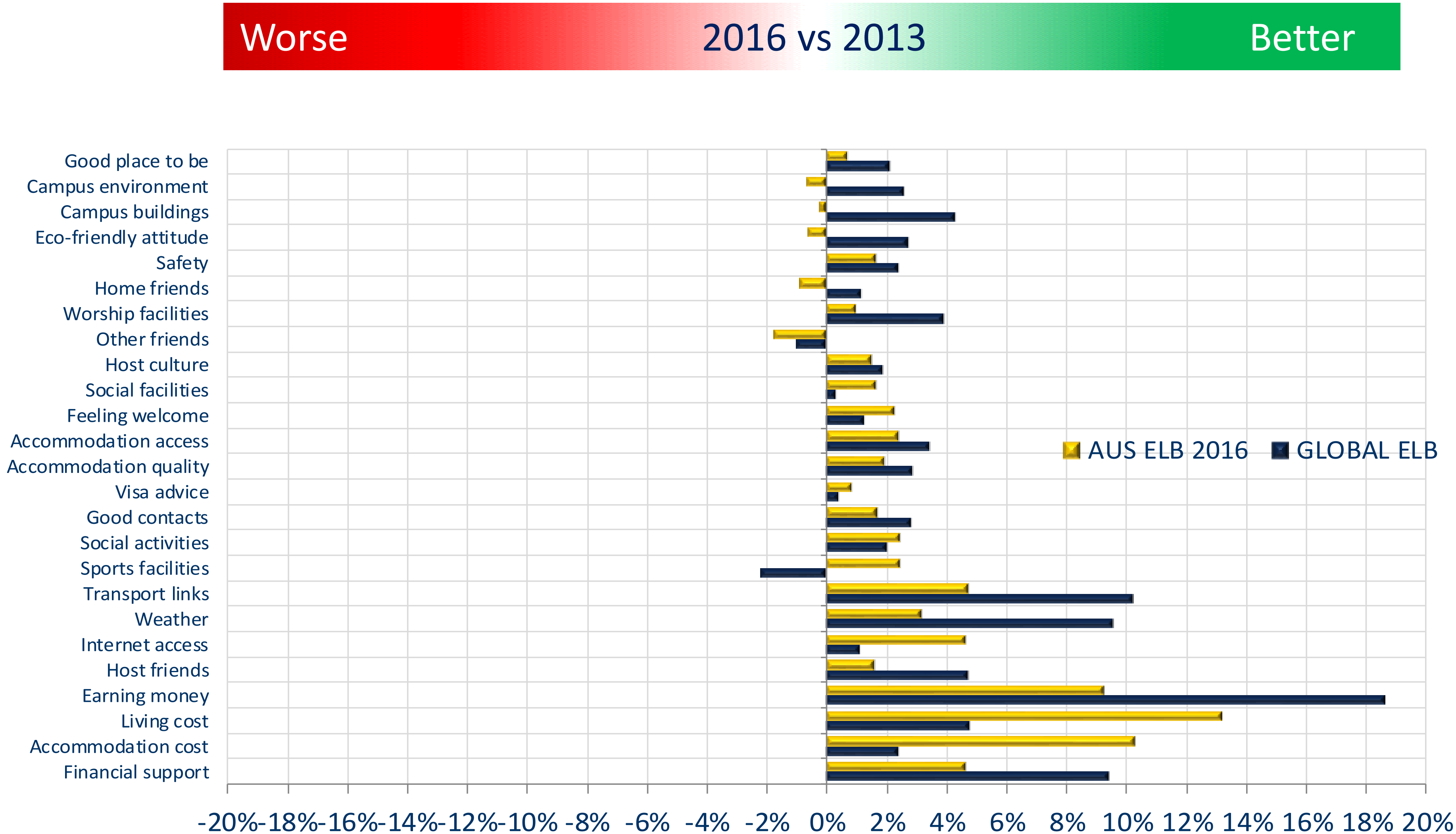
Learning satisfaction – 2016 vs 2013

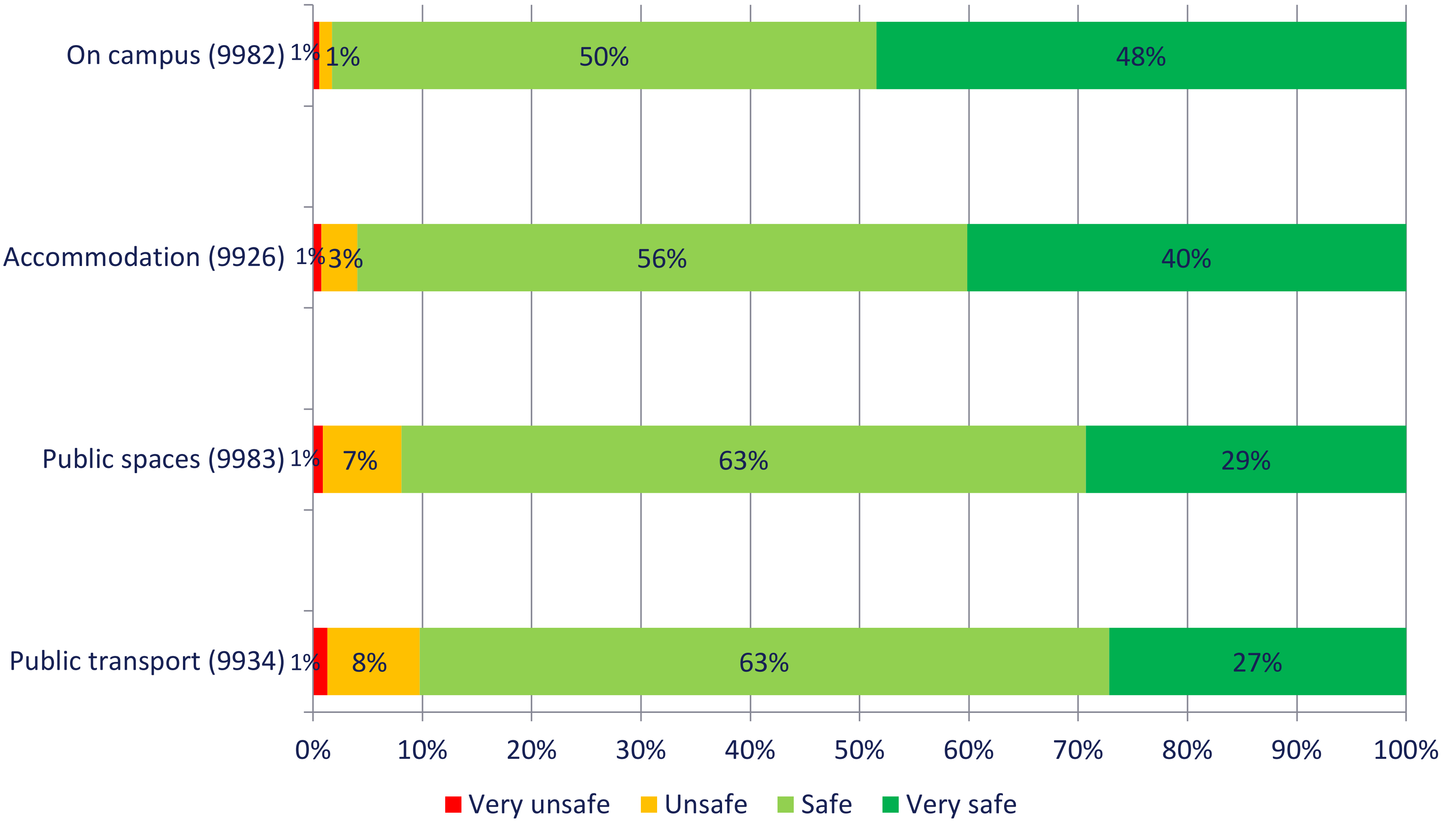


Living


Australia ELB satisfaction (sorted by % score)
Good place to be
Campus environment
Campus buildings
Eco-friendly attitude
Safety
Home friends
LIVING OVERALL
Worship facilities
Other friends
Host culture
Social facilities
Feeling welcome
Accommodation access
Accommodation quality
Visa advice
Good contacts
Social activities
Sports facilities
Transport links
Weather
Internet access
Host friends
Earning money
Living cost
Accommodation cost
Financial support
-9%
-7%
-5%
-3%
-1%
1%
3%
5%
7%
9%
% difference to Global ELB benchmark

Living satisfaction – 2016 vs 2013

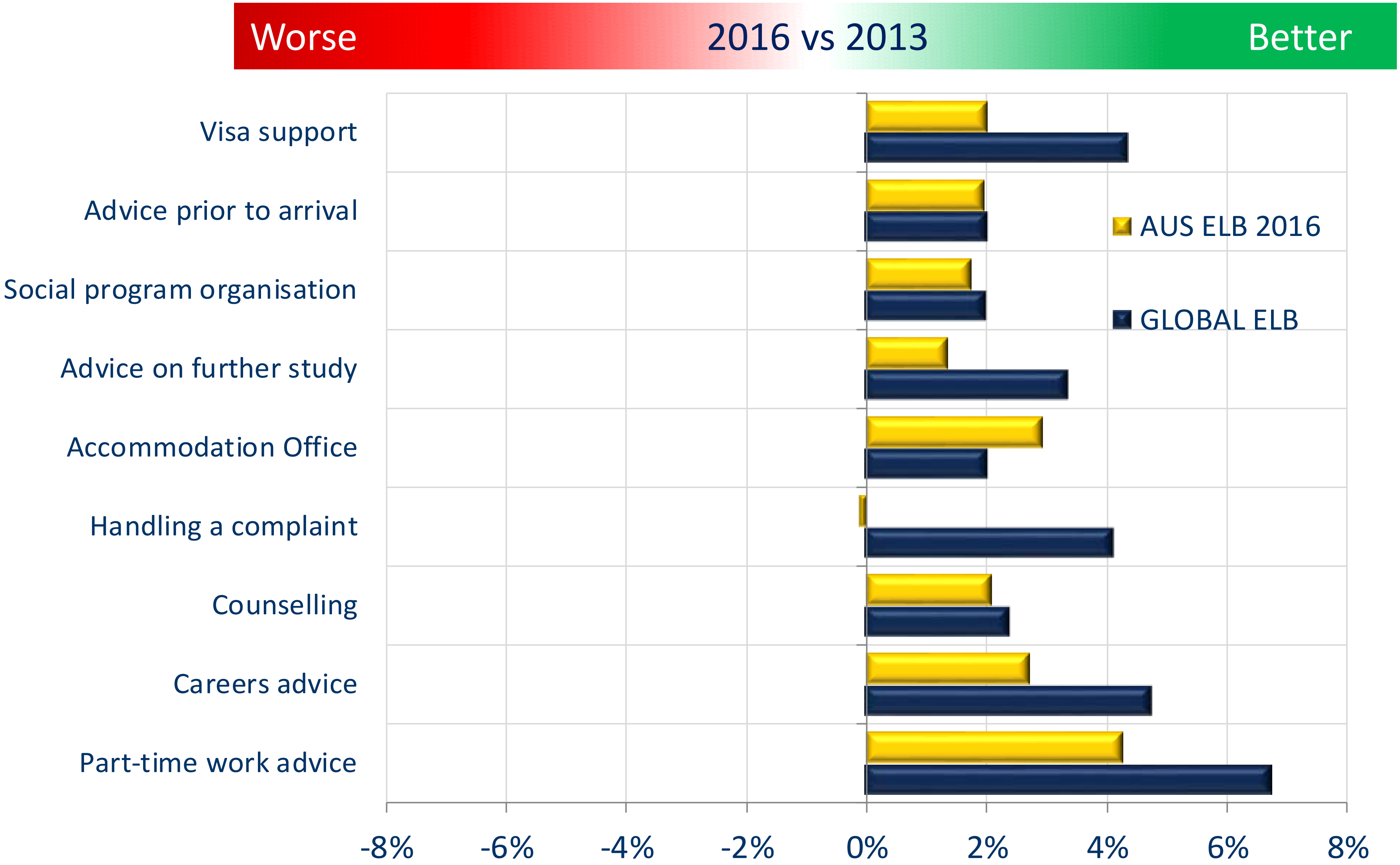




Do you feel safe in the following places?

Support

Support satisfaction – 2016 vs 2013



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- Sensitivity to costs apparent – 2016 big improvement on 2013, reflects AU$ value
- Colleges are more engaged in work experience and careers support, well received.

- Thank you

Contact details

- For further information about the Student Barometer, please contact Kevin Brett (kevin.brett@i-graduate.org)

- For further details of any of our other research services, please contact a member of the i-graduate Research Team (info@i-graduate.org)

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Growth and Opportunity in Australian International Education

Introduction

International education is predicted to be among the fastest growing sectors globally over the short to medium term

- Technology is changing the way learners make decisions, and creating new delivery modes and broadening the services offered by providers

As part of this presentation, we will outline:

- key drivers of the opportunity;
- dimension the opportunity for Australia;
- Australia’s advantages;
- enablers for realisation; and
- where opportunity meets advantage.

What's driving the global opportunity?

Urbanisation, average incomes, quality of domestic education and changing workforce needs are some of the key drivers of the growing global opportunity

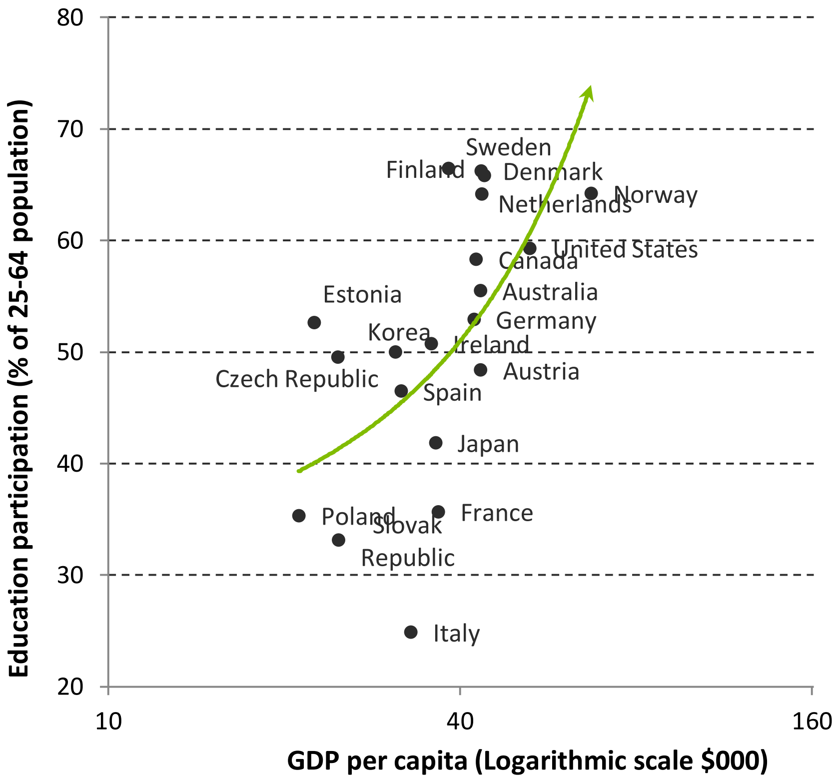
The size of the global opportunity will be driven by some key factors:

- growing levels of **urbanisation**;
- increasing **average incomes** (and its relationship with education participation); and
- growing availability of **quality education domestically.**

Demand is also being influenced by the **changing workforce needs of the global economy**, as a result of:

- shifting economic structures; and
- evolving skill sets required by existing occupations.

This means more learners will demand ongoing education and discrete skills to give them the ability to effectively work and communicate across languages and borders.



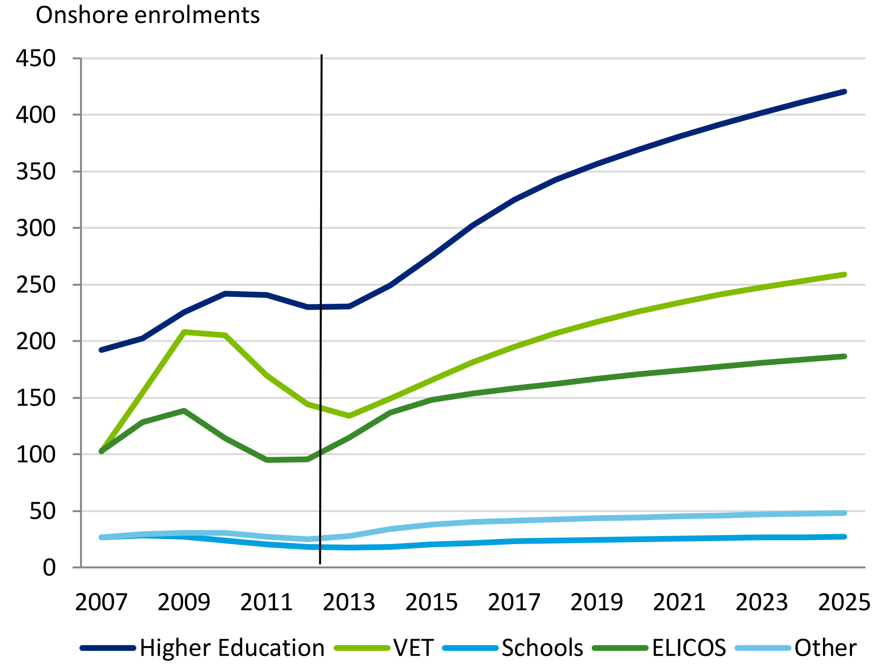
Source: OECD

How large is the onshore opportunity for Australia?

Australia has performed strongly in recent years, despite unfavourable macroeconomic conditions, and is forecast to have 940,000 onshore international education enrolments by 2025

Australia has **historically performed strongly** – consistently ranking as a destination of choice for many major source markets

- Australia's onshore enrolments international education are forecast to grow to **940,000 by 2025** (3.8% average annual growth)
  - This amounts to export earnings in excess of $33 billion – almost doubling today's levels



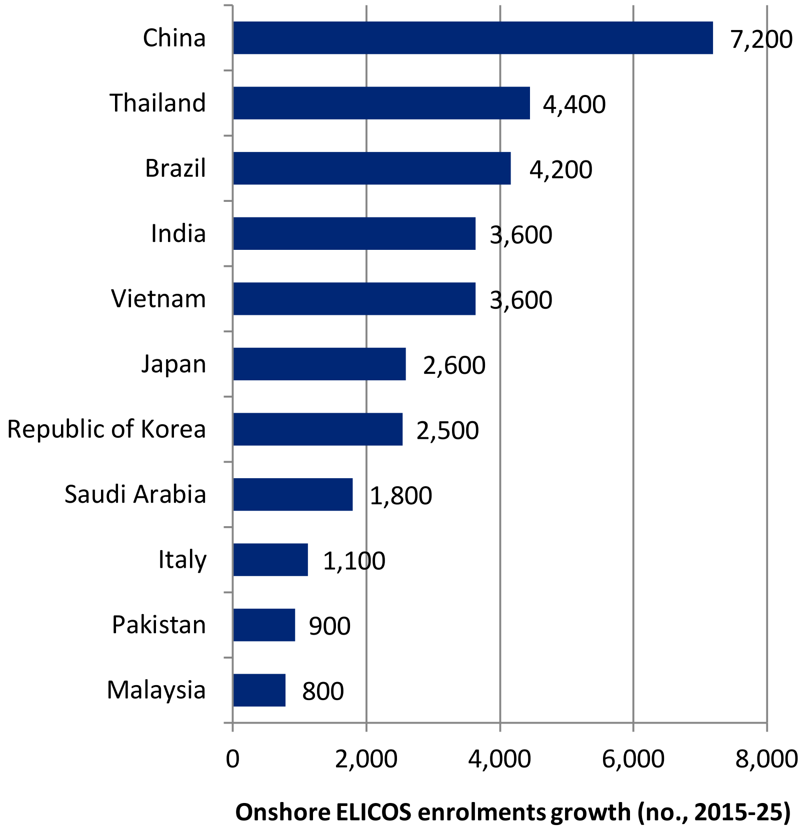
ELICOS Focus

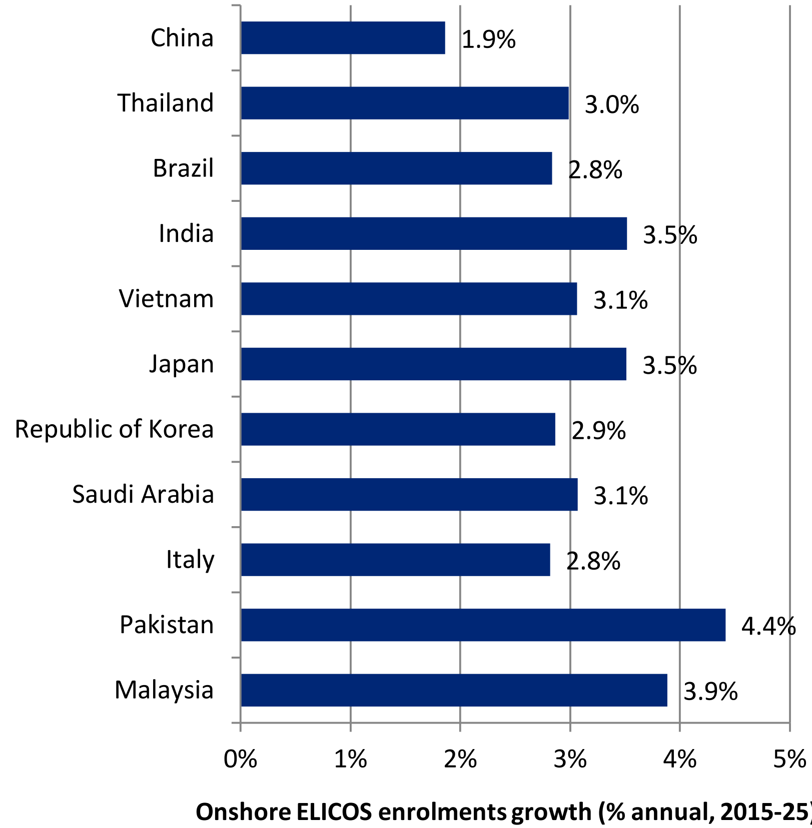
- Strong pathways from ELICOS into further study in higher education and VET will help to drive growth in commencements and enrolments
- Enrolments are forecast to grow to 187,000 by 2025 (2.4% per annum)

How large is the onshore opportunity for Australia?

China, Thailand and Brazil are projected to experience the greatest growth in ELICOS enrolments

- The three largest source markets are expected to be China (+7,200 between 2015 and 2025), Thailand (+4,400) and Brazil (+4,200)
- Fastest growing countries (of the top 10 enrolment growth countries) are projected to be Pakistan (4.4% annual growth), Malaysia (3.9%), Japan (3.5%) and India (3.5%)





How large is the borderless opportunity for Australia?

Onshore provision will continue to be a highly valuable dimension of the sector, but the greatest growth in learner numbers is likely to come from borderless provision

There is a large and diverse size and scope to the **offshore opportunity**, driven by the:

- Sheer scale of the population, its appetite for education, and technology enabling global reach
- Enormous diversity of the potential demand offshore – traditional segments (higher education, VET, schooling and ELICOS), along with online delivery, non-accredited training, education technology and business-to-business provision

Even if Australian providers realised just 1% of this potential market, its scale would be over 11 million, vastly exceeding onshore learner numbers.

ELICOS Focus

- Only around 1.5 million learners (of the 1.5 billion learner global market for English language learning) are studying outside their home markets – meaning there is a significant opportunity for providers to bring English language education to students, whether that be face-to-face or online – enabled by online platforms and technology

Australia's advantages

Australia's consistently high performance across a suite of influential factors provides a distinct advantage that positions Australia strongly to capitalise on the vast opportunity that exists

Despite our relatively small size, Australia has a significant share of the global international education market.

Some of Australia's advantages include:

- **Proximity** to key markets and increasingly open trade relations with those markets – alongside price competitiveness of **Australian dollar**
- A **quality** education offering that is consistently described as being among the top education and training propositions globally
- Well-established **pathways** from ELICOS to higher education and VET
- Emerging ability to deliver new and **innovative** products tailored to the needs of individual consumers (such as non-formal English language learning – through study tours, professional and executive programs)
- Skilled **migration opportunities** for graduates, and a **multi-cultural and multi-lingual society**

Enabling the opportunity

Australia's advantages do not automatically translate into realisation of the opportunity – rather, steps must be taken to position Australia for growth and to capture the opportunity that exists.

Broadly, the enablers required to realise growth are:

1. **Accessibility** – identification of new opportunities and markets, cohesive branding of Australian products in these markets, establishing partnerships with foreign providers
2. **Experience** – infrastructure, positive community attitudes, opportunities for students to engage in wider Australia
3. **Outcomes** – education (further study and pathways), employment (both in Australia and overseas) and migration

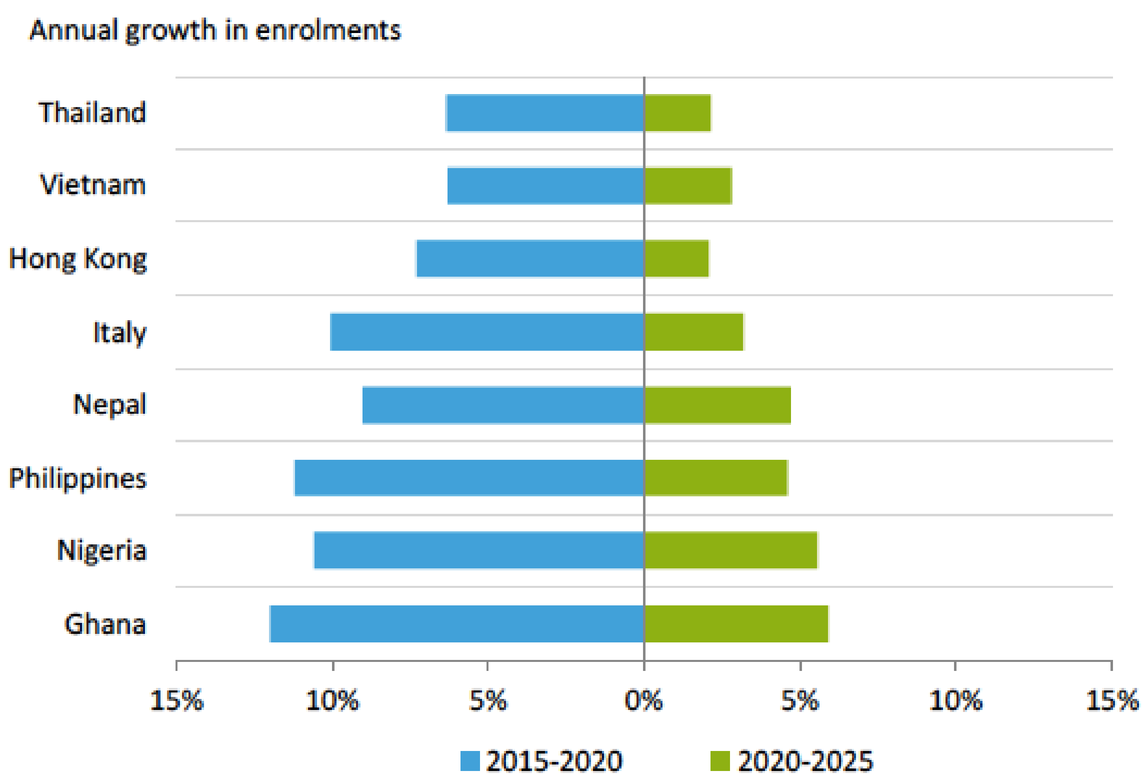
ELICOS Focus

- Some ELICOS providers are already developing products that combine English language learning with tourism and lifestyle experiences in a single product – which provide a compelling offering for students

This remarkable opportunity is an aspiration, not a given – and it requires the **right enablers and initiatives in place** to best support the sector to realise the opportunity.

Future Growth Markets

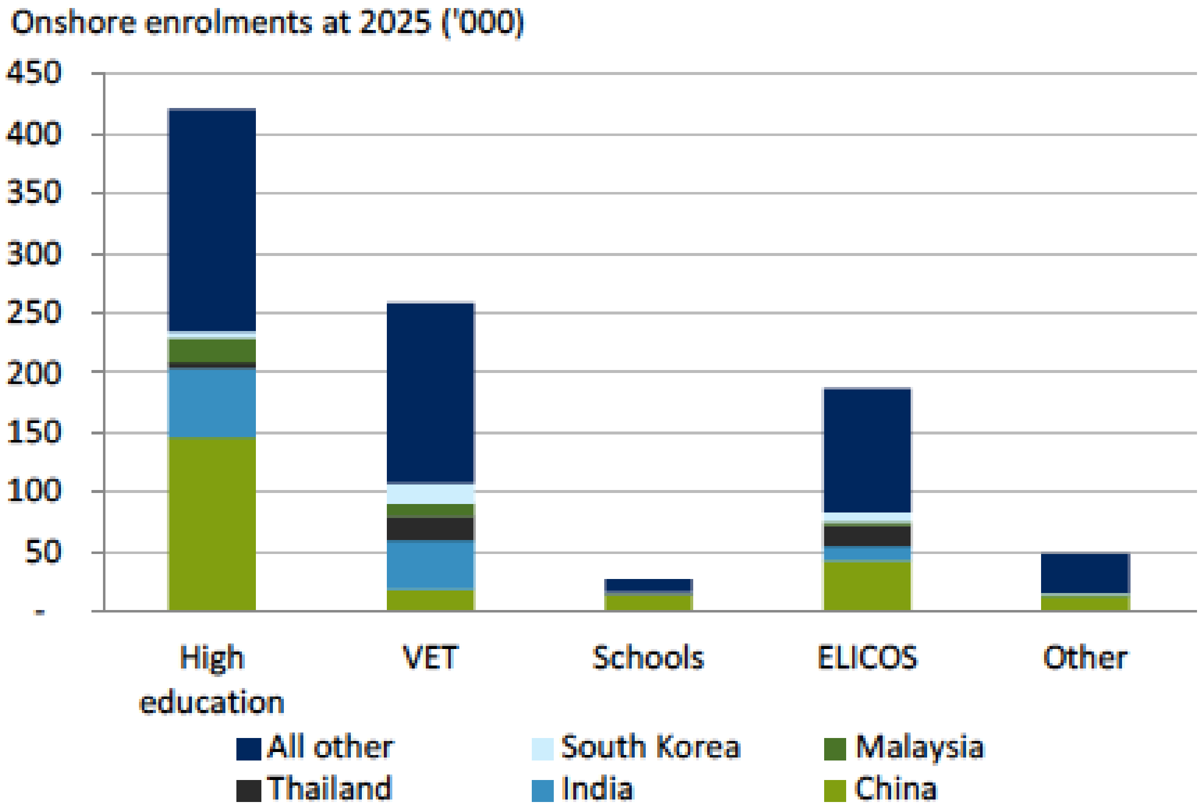
Chart 2.4: Annual % enrolments growth in fastest growing source markets (as determined by % growth)



Source: Deloitte Access Economics

Future Growth Markets

Chart 2.5: Subsector enrolments by key source markets by 2025



Source: Deloitte Access Economics

Appendix B: Headline statistics by market

Table B.1: Headline statistics by key markets

	China	India	Vietnam	Thailand	South Korea	Brazil	Malaysia	Nepal	Indonesia	Colombia
Total opportunity (2025)										
Urban 15-29 year old population ('000s)	157,000	138,000	9,000	7,000	7,000	44,000	7,000	2,000	41,000	9,000
Annual GDP growth per capita in MEDSEC terms[24]	7.1%	8.4%	6.4%	5.2%	5.6%	3.2%	5.5%	4.4%	5.4%	4.9%
Forecast onshore enrolments (2025)										
Higher education	145,900	58,100	23,000	4,600	5,100	1,700	20,800	23,900	11,800	1,900
VET	18,800	40,600	11,200	20,700	16,700	10,100	10,600	13,200	11,100	3,500
Schools	13,200	600	3,000	700	1,400	300	600	27	300	30
ELICOS	42,700	12,500	14,000	17,500	8,200	15,500	2,600	3,800	2,700	11,600
Other	12,900	700	1,200	200	500	4,600	1,100	800	1,000	100
Total	233,500	112,400	52,400	43,600	31,900	32,200	35,600	41,800	26,800	17,200
Broader narrative										
Market prospects in 2015[25]	High	High	High	Medium-High	High	Medium-High	High	Medium	Medium-High	Medium

Source: Deloitte Access Economics Growth & Opportunity in Australian International Education 2015

Future Growth Markets

	Japan	USA	Pakistan	Taiwan	Philippines	Saudi Arabia	Italy	Hong Kong	Germany	Singapore
Total opportunity (2025)										
Urban 15-29 year old population ('000s)	17,000	56,000	26,000	15,000	7,000	6,000	1,000	9,000	1,000	5,000
Annual GDP growth per capita in MEDSEC terms[1]	2.3%	2.2%	3.6%	4.0%	2.1%	1.3%	4.2%	2.3%	3.8%	2.3%
Forecast onshore enrolments (2025)										
Higher education	2,000	2,700	14,600	N/A	6,400	6,700	2,300	14,500	1,200	8,700
VET	4,300	2,100	8,700	N/A	18,800	500	10,500	6,400	1,000	600
Schools	1,100	66	53	N/A	100	19	500	1,100	1,000	200
ELICOS	6,900	30	2,700	N/A	1,000	6,900	4,600	2,300	300	41
Other	600	7,000	100	N/A	300	500	600	1,400	2,100	500
Total	**14,900**	**12,000**	**26,100**	N/A	**26,700**	**14,500**	**18,500**	**25,700**	**5,600**	**10,100**
Broader narrative										
Market prospects in 2015[2]	Medium	Low-Medium	Medium	Medium	Medium-High	Medium-High	Medium	High	Medium-High	Medium-High

Source: Deloitte Access Economics Growth & Opportunity in Australian International Education 2015

Future Growth Markets

	Ghana	Nigeria	Kenya	Mexico	Myanmar	Zimbabwe	UK	Chile	Oman	UAE
Total opportunity (2025)										
Urban 15-29 year old population ('000s)	5,000	36,000	5,000	28,000	6,000	18,000	10,000	4,000	1,000	2,000
Annual GDP growth per capita in MEDSEC terms[1]	2.3%	3.1%	4.2%	3.8%	7.6%	1.6%	1.8%	4.5%	1.1%	4.7%
Forecast onshore enrolments (2025)										
Higher education	400	2,400	2,500	900	1,100	800	2,400	800	1,200	200
VET	300	1,400	1,900	1,400	200	600	4,800	1,000	19	92
Schools	5	9	4	83	38	1	100	21	0	4
ELICOS	31	200	200	900	74	19	45	1,600	400	100
Other	4	39	65	500	200	30	2,000	91	100	2
Total	**800**	**4,100**	**4,700**	**3,800**	**1,600**	**1,400**	**9,400**	**3,500**	**1,800**	**400**
Broader narrative										
Market prospects in 2015[2]	Medium	Medium-High	Medium-High	Medium-High	Medium	Low	Low-Medium	Low	Medium	Medium

Source: Deloitte Access Economics Growth & Opportunity in Australian International Education 2015

Future Growth Markets

Table D.4: Projected onshore international enrolments – ELICOS

	Baseline			Constant market share			High market share		
Country	**2015**	**2020**	**2025**	**2015**	**2020**	**2025**	**2015**	**2020**	**2025**
China	35,500	39,900	42,700	35,500	36,900	36,700	36,300	44,200	44,100
Thailand	13,000	15,700	17,500	13,000	14,600	15,100	13,600	19,000	19,900
Brazil	12,800	14,700	15,500	12,800	13,600	13,300	12,700	15,000	14,800
Vietnam	10,300	12,300	14,000	10,300	11,300	12,000	10,300	12,400	13,100
India	8,800	10,700	12,500	8,800	9,900	10,700	15,300	35,300	39,200
Other countries	67,600	77,600	84,700	67,600	71,600	72,800	79,000	128,500	133,600
Total	**148,000**	**170,900**	**186,900**	**148,000**	**157,900**	**160,600**	**167,200**	**254,400**	**264,700**

Source: Deloitte Access Economics Growth & Opportunity in Australian International Education 2015

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