

EDUCATION IS AUSTRALIA'S THIRD-LARGEST EXPORT INDUSTRY – AND CLIMBING. THE MANTLE OF 'NUMBER ONE DESTINATION OF CHOICE' AMONG INTERNATIONAL STUDENTS IS ALSO NOT OUT OF REACH, WRITES CHRISTOPHER CAMPBELL OF ACADEMIES AUSTRALASIA.

AUSTRALIAN EDUCATION: ON TOP OF THE WORLD?

Education services accounted for A\$12.5 billion in Australia's export income in 2007, making it our third-largest export industry after coal and iron ore (A\$20.8 and A\$16.1 billion respectively). It was the largest services export industry, exceeding even tourism (A\$11.8 billion).

The 2007 figure was 17% higher than that for 2006. Over the 10 years to 2007, education exports grew at a very strong average annual rate of 15%. About 98% of the total was derived from international students studying onshore, with the rest from tuition and consultancies offered overseas.

THE MIXED BAG

There were about 455,000 international enrolments in 2007: 178,000 in higher education, 121,000 in vocational education and training (VET), 102,000 in English language intensive courses for overseas students (ELICOS), 27,000 in schools and 27,000 in other programs.

Compared to 2006, all sectors grew, with the largest growth coming from the VET (45.5%), ELICOS (31.4%) and schools (11.6%) sectors.

Students came mainly from Asia, with the biggest numbers from China (22%), India (14%) and the Republic of Korea (7%). The 10 largest nationalities made up 69% of the total. Sector distribution varied in terms of nationalities, with higher numbers of Malaysians and Indonesians in the higher education sector, Indians in the VET sector, and Koreans, Japanese and Brazilians in the ELICOS sector.

All states and territories attract international students. New South Wales (A\$4.72 billion), Victoria (A\$3.91 billion) and Queensland (A\$1.68 billion) received the lion's share of export income from onshore students (84%).

About 55% of international students were male, attributed to the predominance of male students from South Asian countries including India (80%), Nepal (76%)



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and Bangladesh (86%). Nearly two-thirds of Japanese students were female. Other nationalities generally had an equal mix of males and females.

The average age of all international students was 23.7 years. About 48% were between 20-24 years old, 25% between 25-29 and 15% between 15-19. The average age in higher education, VET and ELICOS was just over 24. International students in the schools sector had an average age of 16.7.

DESTINATION OF CHOICE

Several reasons have been advanced for Australia being one of the world's leading destinations for international education:

>> A reputation for educational excellence

Australia has produced 13 Nobel Laureates, the highest number per head of population of any country. Seventeen of our 40 universities were included in Shanghai Jiaotong University's 2007 listing of the top 500 universities in the world.

>> Quality assurance

The Australian Qualifications Framework (AQF), a world first, encourages choice, flexible delivery and lifelong learning. The AQF links the awards offered by higher education and VET providers and schools. It simplifies comparison and recognition. Quality assurance frameworks address qualifications, courses, governance, protection, teachers and teaching institutions.

>> Protection

Australia's *Education Services for Overseas Students* (ESOS) legislation requires the prior approval of courses and institutions where such courses are for international students. There are standards required for marketing, education delivery, facilities and student services. Australia offers 'world's best practice' quality and assurance systems backed by legislation.

>> A multicultural and cosmopolitan welcome

Australia is a country shaped by migrants from all over the world. More than 20% of all residents were born overseas. This mix provides for a background of tolerance and understanding – an underlying comfort for international students and their parents.

>> Skill shortages and pathways for migration

There is a long list of skills that are in short supply in Australia. International students studying onshore score extra points when applying for permanent residence.

OUR COMPETITORS

A July 2007 study by Australian Education International (AEI) showed that Australia had maintained its position as the third largest English-speaking destination for international students in higher education, behind the United States (US – 565,000 students) and the United Kingdom (UK – 234,000 students). Australia's 172,000 international students were ahead of Canada's 141,000 and New Zealand's 43,000.

Compared to Australia's growth of 5% over the previous year, the number of international students in higher education in the US was about the same as in the previous year, while in the UK, the growth was only 2%.

In the ELICOS area, Australia is reported to be behind the UK, the US and Canada. It is reasonable to assume that in respect to destinations of choice for international students in the VET and schools sectors, Australia is also in about third or fourth place.

TOWARDS NUMBER ONE

Can international education become Australia's largest export? Definitely. It is growing at a steady and not insignificant pace. So long as the appropriate infrastructure, regulations and incentives are put in place, it should be able to grow at an even faster pace. The potential for education services catering for the demands of 'lifelong learning', now a global phenomenon, is large and expected to continue to grow substantially. It is difficult to imagine that the hunger for education and knowledge will abate. And, as is already the case, the sector can also grow through offerings offshore; Australian education is not limited to what is offered onshore.

On the other hand, notwithstanding the present demands for coal and iron ore, it is necessary to recognise that those resources are finite.

A related and perhaps more interesting question is whether we can improve our ranking among the other leading destinations of choice. I believe we can. Indeed, I believe we should. Our standards are just as high. We are closer to the bigger markets like China, Vietnam, Indonesia and India. We have a more attractive climate, and, notwithstanding the recent rise in the Australian dollar, we continue to offer a competitively priced alternative. Yet another factor, often overlooked, is that we offer a stable, safe and secure environment where students may concentrate on their studies and parents can have peace of mind.

I have no doubt that the international education business will continue to grow. Whether it is ranked first or second or third is not as important as the commitment of all the players in the field, both public and private, to the continued offering of quality education.

Statistics quoted are from research published by AEI.

Website: www.aca.nsw.edu.au

LAUNCHING A CAREER

Tulio Magalhaes left Sao Paulo, Brazil, for Sydney in 1999. After completing an ELICOS program, he enrolled in a Diploma of Business Management course at Clarendon Business College. After graduating from Clarendon he joined a chain of clothing stores where he rose through the ranks and did so well that the company sponsored his application for permanent residency in Australia, which was granted in 2005.



Tulio Magalhaes' Australian education launched his career as a senior executive with Brazil's largest newspaper

He returned to Brazil in 2006 and is now Digital Media Senior Executive for *O Estado de Sao Paulo*, Brazil's largest newspaper, which is owned by the 134-year-old Grupo Estado (www.estado.com.br).

Tulio enjoyed his seven years in Australia, which he says gave him an excellent grounding for his career. While it's not something he's considering at the moment, he says a return to Australia is always in the back of his mind.