English Australia

Survey of major ELICOS regional markets in 2012

June 2013

ENGLISH AUSTRALIA

QUALITY | SUPPORT | ASSURANCE

Executive Summary

of a report prepared for English Australia by Environmetrics

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Introduction

This is the seventeenth survey of the ELICOS sector commissioned by English Australia. A benchmark study was commissioned in 1996, which covered enrolment statistics for the previous calendar year. A follow-up study was conducted in 1997. Austrade undertook these two studies. This current study is the fifteenth undertaken by Environmetrics and covers enrolments for the 2012 calendar year.

The purpose of the study is to gain a clear picture of the number of overseas students and visitors who undertook English language studies in Australia in 2012. Particular attention was taken to obtain statistics on:

- student numbers by nationality;
- student numbers by visa type;
- numbers of individual and group enrolments;
- length of enrolments; and
- enrolments in each state or territory.

This report presents the main findings of the study. Data is analysed to provide an overall profile of the ELICOS sector, as well as a profile for Asia, Europe, Central and South America and the Middle East.

Executive Summary

Total enrolments (all nationalities, individuals and groups)

- In 2012 the ELICOS market had another challenging year with mixed results being generated for the regions and the key countries in the sector. Although student enrolments declined -7% on the previous year, student weeks increased marginally (1%) versus 2011, with the average length of courses increasing from 11.2 weeks to 12.3 weeks. Economically the ELICOS market generated $1,459 million which was slightly less than the $1,462 generated in 2011.

- In 2012 the ELICOS market continued to contract in terms of student enrolments, decreasing -7% to 124,603 students from 134,440 in 2011. The sector has now experienced four consecutive years of decline (2009: -4%, 2010: -10%, 2011: -4%; 2012: -7%). The ELICOS market peaked in 2008 with 162,114 enrolments after growing consistently over a five year period from 78,338 in 2003.

- Student visas increased by 4% in 2012 after declining for the last three years. All other visas however declined in 2012 versus 2011, reversing the growth trend demonstrated since 2009. Visitor visas declined significantly, dropping -23% (-7,700) on 2011 as did Other visas, declining by -35% (-3,598) and Working Holiday visas declining by -8% (-1,495). These declines contributed to the drop in overall enrolments.

- The visa profile of the market has changed in 2012. With the increase in Student visas, this category now accounts for 61% of the total, returning to a similar share recorded in 2007/2008 but lower than the peak of 2009. Visitor visas accounted for 20% of ELICOS students in 2012, Working Holiday visas for 14% and Other visas for 6%.

- The average length of study increased in 2012 by over a week to 12.3 weeks from 11.2 weeks in 2011 though still slightly lower than the peak in 2008/2009. This increase was driven by Student visas which increased from 15.3 weeks in 2011 to 16.3 weeks in 2012.The average course length ranged from a low of 4.2 weeks for Asian students on Visitor visas, to a high of 19.8 weeks for Middle Eastern students on Student visas.

- The 124,603 students studied for a total of 1,530,991 weeks in 2012, this being a modest increase on the number in 2011.

- Despite the small increase in the number of weeks studied, there was a marginal decrease in total spending. The total economic impact decreased from $1.462 billion in 2011 to $1.459 billion in 2012 (a -0.2% decline).

- The Central and South American region was the only key region to experience a gain in student enrolments, increasing 5% (791), primarily driven by growth in Colombian students. Student numbers from Asia declined the most with -11% (-9,532), Europe declined by -4% (-791), with the Middle East declining -7% (-593). Africa increased the number of enrolments but on a small base.

- The regional share profile of the market has changed slightly in 2012 from 2011. Asia remained the largest source of enrolments, accounting for 63% of the total (a drop from 65% in 2011). Europe gained share to 17%, as did the Americas with 14% in 2012. The Middle East remained stable on 6%.

- In 2012 the majority of states experienced varying levels of decline with the exception of South Australia which had no change on 2011. Western Australia had the strongest decline with -25% (-3,777), a significant contrast to 20% increase experienced in 2011, with Victoria -12% (-2,859), Queensland -7% (-2,402) and NSW -1% (-798) also declining in numbers.

- NSW accounted for 45% of all enrolments in 2012, followed by Queensland (25%), Victoria (18%), Western Australia (9%) and South Australia (3%). NSW increased market share at the expense of Western Australia.

- Asia was the most important source region for all states. China is the most important source country for NSW, Victoria, Western Australia and South Australia. Japan is the most important source country for Queensland.

- The top ten source countries for 2012 were (in order): China, Japan, South Korea, Brazil, Thailand, Colombia, Taiwan, Italy, Switzerland and Vietnam. Italy replaced Saudi Arabia in the top 10 with the Middle East no longer represented in the top 10.

- China was the major source country in 2012 with 18% of ELICOS student numbers, though share dropped 1% from 19% in 2011. China showed declining enrolment numbers of -15% in 2012 with all states declining in enrolments.

- Japan secured second place in the top 10 in 2012 with 16,731 enrolments, though this was with a decline of -11% (-2,157). The visa profile for Japan altered in 2012 with Visitor visas, the most popular visa option, decreasing significantly -25% with share dropping below 50% to 48% (from 56% in 2011). All other visas actually increased: Working Holiday +5%; Student +6%; Other +6%.

- South Korea dropped to third having been in second place since 2008 when China became the most important source country. South Korean ELICOS enrolments declined in 2012 to 16,398 continuing the decline that started in 2009 after having reached a maximum plateau from 2006 at around 25,000. In 2012 the decline was -14% on 2011.

- In 2012 the top 3 accounted for 43% of ELICOS enrolments in 2012, a decline from the 48% recorded in 2011, reflecting the growing diversity of enrolments. 74% came from the top ten source countries, a decline of -1% on 2011.

- Colombia grew 27%, Italy 14%, Thailand 2% and Vietnam 7% in 2012 with all other top 10 countries decreasing from 2011.

- The strongest growth in terms of student numbers came from Colombia, Italy, Spain and Russia, with the strongest growth in weeks coming from Colombia, Thailand, India and Vietnam.

- The strongest decline in student numbers came from China, Korea, Japan, Hong Kong and Saudi Arabia with the strongest decline in weeks and revenue coming from Korea, Japan and Brazil.

- Group enrolments fell significantly from 11% of the total to 7% in 2012 reflecting the shift in the market from countries such as China, Korea and Japan. Student weeks however only accounted for 2.2 %, with an average course length of 3.8 weeks (a slight increase on 2011 from 3.6 weeks). Numbers of group enrolments declined by -43% dropping -6,484 on 2011. Western Australia declined the most.

- Asian nationalities again dominated group enrolments with 93% of the total (decreasing from 96% in 2011). Japanese students made up 52% of these (up from 49% in 2011).

- English Australia member colleges accounted for 83% of total enrolments.

Asia-Pacific region (individuals and groups)

- Total numbers of enrolments for the Asia Pacific region decreased from 87,630 in 2011 to 78,098 in 2012. This represents a decrease of -11% (-9,532).

- The only increases in 2012 were shown from Thailand (840) and Vietnam (254) with all remaining countries, with the exception of ‘other’, decreasing in 2012.

- The largest decreases in the number of enrolments were shown by the top 3 countries China (-3,824), then South Korea (-2,726) followed by Japan (-2,157).

- For the fifth consecutive year China was the most important source country in the Asia Pacific region, contributing 28% of the region’s total enrolments. South Korea and Japan share second place with 21%.

- In 2012 the state profile changed somewhat, with NSW still dominant and increasing, accounting for 45% of all Asian enrolments in 2012, Queensland remained on 24% ,followed by Victoria decreasing to 19% (from 21%), Western Australia decreasing to 9% (from 11%) and South Australia remaining stable on 4%.

- The proportion of Student visas grew to 59%, with Visitor visas decreasing to 20%, Working Holiday visas increasing to 17% and Other visas declining to 5%.

- Total student weeks increased from 953,817 to 955,688 in 2012 (a less than 1% increase), with the average number of weeks spent studying increasing to 12.2 (from 10.9 in 2011).

- China (36%) and South Korea (17%) accounted for the largest number of student weeks in 2012.

- Total estimated spending of enrolees from the Asia Pacific region was $946 million compared with $950 million in 2011. This is an overall decrease of -0.4% from 2011.

European region (individuals and groups)

- Total numbers of enrolments from Europe decreased from 21,890 to 21,099 in 2012. This represents a decrease of -4% (-792).

- The largest increase in the number of enrolments for an individual nationality was Italy (502), followed by Spain (444) and then Russia (379). Germany (-557) experienced the largest decline in enrolments followed by Switzerland (-432).

- Italy in 2012 had the greatest enrolments, accounting for 19% (up from 16% in 2011). Italy overtook Switzerland in 2012 and is now the most important source country for Europe. Swiss enrolments also accounted for 19% (a decline of 1% on 2011), followed by French enrolments, with 13%. Spain overtook Germany in importance as numbers also grew strongly.

- Market share by state has changed for Europe in 2012. NSW lost 1% to achieve 51% of all European enrolments whilst Queensland's share remained stable on 25%. Western Australia's share decreased from 14% to 12%, Victoria's increased from 8% to 11% and South Australia remained unchanged on 1%.

- Visitor visas no longer dominate the European market. In 2012 Student visas overtook the Visitor visa as the most frequent visa type. Student visas now account for 40% of the market (up from 34%) with Visitor visas dropping to 35% from 38%. The decline of Switzerland and Germany, which strongly support Visitor visas, facilitated this market change. The proportion of Working Holiday visas has decreased in 2012 to 19% from 21% and Other visas also decreased to 5% (from 8% in 2011).

- The total number of weeks enrolled has increased from 184,985 to 191,047 in 2012 (an increase of 3%). This increase in weeks was generated by the average number of weeks in a course increasing by 0.6 of a week to 9.1 weeks.

- Total estimated spending of European enrolees was $162.3 million compared with $167.1 million in 2011. This is an overall decrease of -3% from 2011.

Central and South American region (individuals and groups)

- The Central & South American region was the best performing region in 2012. Total numbers of enrolments increased from 16,456 in 2011 to 17,247 in 2012. This represents an increase of 5% (791).
- Brazil again provided the largest number of enrolments, representing 48% (though decreasing from 53% in 2011) of all enrolments from this region with 8,334 enrolments for 2012. The second most important source country, Colombia, increased significantly by 27% on enrolments.
- NSW accounted for 40% of all Central & South American enrolments in 2012 (dropping from 42% in 2011), Queensland's share remained stable on 31%, Victoria increased to 16% from 14%, Western Australia declined from 12% to 11% and South Australia declined to 1%.
- 85% of all Central and South American enrolees held Student visas, with 8% arriving on Visitor visas, Other visas accounting for 8%, and Working Holiday visas accounting for less than 1% in 2012.
- There has been a strong increase of 6% in the total number of student weeks (from 231,956 to 246,632), with the average number of student weeks increasing to 14.3 (14.1 in 2011).
- Total estimated spending of Central and South American enrolees was $210.0 million compared with $201.4 million in 2011. This is an overall increase of 4% from 2011.

Middle Eastern region (individuals and groups)

- The Middle Eastern region declined in 2012. Total enrolments for the Middle Eastern region in 2012 were 7,474, representing a decline of -7% (-593) on 8,067 in 2011.
- Saudi Arabia contributes 48% (3,594) (down -4% from 2011) of all enrolments from the Middle East. In 2012 enrolment numbers declined by -14% (from 4,175 to 3,594) from Saudi Arabia.
- The largest Middle Eastern contributors were Saudi Arabia and Pakistan (increasing 57%) which overtook Turkey (declining -13%) in 2012. The Middle Eastern market declined overall, however there were increases from Kuwait (up 40%), Jordan (up 16%) and Iran (up 11%) though on smaller bases.
- In 2012 there were strong shifts in the share of the states compared with 2011. NSW gained 3% with an overall share of 35%, Queensland decreased its share by -5% to 25%, just keeping second place ahead of Victoria on 24% (dropping from 25% in 2011). The share for Western Australia increased to 9% (from 8%) as did South Australia to 7% (from 5%).
- 84% of all Middle Eastern enrolments held Student visas, up from 78% in 2011. The number of Other visas decreased strongly in 2012, from 15% to 7%, though this level is more in line with historical trends. The proportion of Visitor visas increased to 9% (from 7%).
- The total number of student weeks for Middle Eastern enrolments was 133,051 (a decrease of -3%), and the average number of student weeks increased 0.8 weeks to 17.8.
- The total estimated spending of Middle Eastern enrolees was $136.3 million (down from $140.4 million in 2011). This is an overall decrease of -3% on 2011.

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