

English Australia

Media Release



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INTERNATIONAL EDUCATION - THE CANARY IS COUGHING, IS ANYONE LISTENING?

YTD March 2010 student visa data released by the government last week shows a continuation of the declining trend in ELICOS commencements that started in September 2009. These figures show the strongest indication to date that all is not well within the international education industry when it comes to student numbers.

Alarm bells first rang in October 2009 when, for the first time since 2005, the ELICOS sector (known in the industry as the 'canary in the coalmine' for its sensitivity to changes in the external environment and a lead indicator for trends yet to impact on other sectors) experienced two consecutive months with declining numbers of commencing student visa holders. The sector has now seen seven consecutive months of declining commencements.

The decline is being seen broadly across a large number of key markets. Eight of the top ten source countries for ELICOS now show declining numbers: Korea, Brazil, Thailand, Colombia, Vietnam, Saudi Arabia, Japan and Taiwan. Four more countries in the top 20 also show declining numbers: India, Indonesia, Switzerland and Chile, with all countries outside the top ten showing an overall decline of -35%.

Only two of the top ten countries showed growth for YTD 2010: China and the Czech Republic. The Czech Republic has replaced India in the top ten (India is now #11).

Student visa holders make up 65% of the sector and traditionally are more resilient than tourist or working holiday visa holders to changes in the external environment. The latest data from English Australia shows that English language students holding visas other than a student visa declined by -14% in 2009. Add this data to the declines in student visa holders and we have a sector facing challenging times.

This declining trend reflects the impact of a range of factors including the strong Aus\$, continuing impact of the GFC on key source countries, increased competitor country activity, increased processing times and rejection rates within the student visa program, changes to the skilled migration program and negative publicity/loss of market confidence associated with attacks on Indian students and college closures.

Declining numbers in ELICOS commencements now means a contracting pipeline of pathway students preparing for further study with the potential outcome of flow-on declines for other education sectors in 6-12 months time.

Governments have been focusing significant attention on international education over the last 18 months through a Senate Inquiry into the welfare of international students, the Baird review into the legislative framework and a COAG taskforce to develop an international student strategy, however while Australia has been navel-gazing we have lost our focus on what is happening in the rest of the world and the need to address the declining demand for Australia as a study destination.

ELICOS colleges are 100% focused on international education. If international students are choosing alternative destinations to Australia, then there will be a significant impact on the ongoing viability of some ELICOS colleges – unlike other education sectors, the ELICOS sector does not have Australian students to cushion any downturn in numbers. Governments cannot afford to lose sight of the need to work closely with the sector and the industry to ensure the sustainability of the international education industry by ensuring a steady flow of students. "We cannot just turn off the tap and expect colleges not to experience significant impacts," says English Australia Executive Director, Sue Blundell.

[English Australia is the national peak body for colleges that provide English language intensive courses to overseas students. It represents the interests of member colleges, and promotes quality in English language training. English Australia has over 100 member colleges, representing 120 accredited language training centres across Australia. English language training has been one of the fastest growing sectors in international education and contributed over \$1.8 billion in export earnings in 2008. The industry straddles formal education pathway programs and *Language Travel* – programs with language study and tourism combined.]

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English Australia – leading, supporting and representing the international English language industry in Australia