

English Australia

# National ELICOS Market Report 2016

June 2017



## A report prepared for English Australia by Environmetrics

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## Introduction

This is the twenty-first survey of the ELICOS sector commissioned by English Australia. A benchmark study was commissioned in 1996, covering 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 eighteenth undertaken by Environmetrics and covers enrolments for the 2016 calendar year.

The purpose of the study is to gain a clear picture of the number of international students and visitors who undertook English language studies in Australia in 2016. 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;
- ❖ enrolments in each state and territory;
- ❖ provider type; and
- ❖ city and regional location.

This report presents the main findings of the study. Data is analysed to provide an overall profile of the ELICOS sector, as well as profiles for Asia Pacific, Europe, the Americas and the Middle East & North Africa.

The majority of tables under each region provide comparisons between 2015 and 2016, and not extended history comparisons. Previous data (1996-2014) can be accessed through English Australia.

### Note to the reader

In preparing this report, information believed to be relevant has been presented and interpreted. It is important to understand that while every effort has been made to ensure the accuracy of all information incorporated into this report, data derived from sample-based surveys are estimates and should be regarded as such. Where assumptions have been made as a part of interpreting the data incorporated in this report, attention has been given to making those assumptions clear. Similarly, where professional opinion has been expressed, rather than purely empirical data, this has been noted. Please ensure these assumptions are taken into account when using the report as the basis for decision-making. Further discussion of and feedback on the analysis and the report would certainly be welcomed.

## Executive Summary

- 2016 was a positive and dynamic year for the ELICOS sector in Australia. There was modest growth in student numbers, but a strong increase in total student weeks and in revenue generated. All states had growth, though most were modest, with Queensland performing well and Victoria flattening after recent growth. Asia dominated all the aggregate volume metrics, - student numbers from the Americas grew, Europe recovered after several years of decline and the Middle East declined.
- The total number of students increased by 2% in comparison with the previous year, with 2016 growing to the largest ever recorded at 173,506.

**Fig 1. Total students 2007-2016**

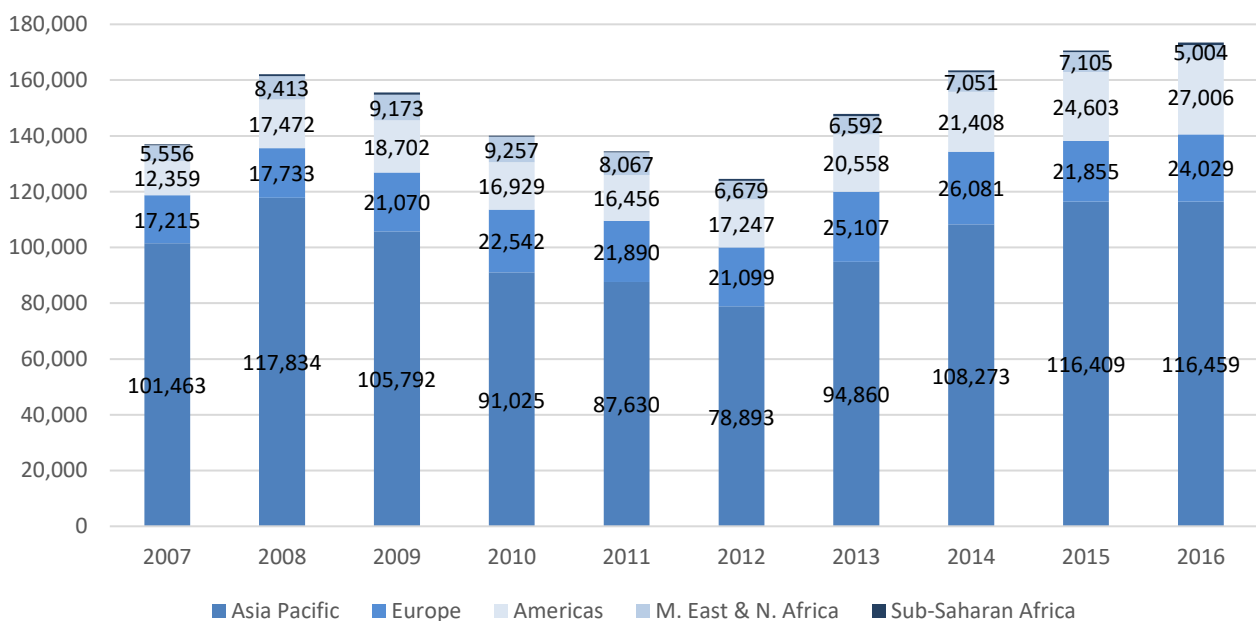


- The total number of weeks studied increased by 10% to 2,319,175 in 2016, up from 2,107,024 in 2015. All regions except the Middle East (which declined 20%) increased in 2016, with the Americas showing the most growth – increasing by 28% (+104,502 weeks). Europe increased by 15% (+31,640 weeks), reversing the decline experienced in 2015. Asia Pacific, which represents more than 60% of the total market volume, increased 7% (+95,430 weeks). Sub-Saharan Africa also increased strongly (48%), though from a small base.
- In 2016, the average course length increased by a week to 13.4 weeks, generating a longer average course length than the most recent high of 12.9 weeks in 2013/14. Students from the Americas increased to an average of 17.6 weeks from 15.1 weeks in 2015. The Middle East, despite falling student numbers, increased the average length of study to 19.1 weeks from 16.8 in 2015.
- The economic impact<sup>1</sup> of the ELICOS market in 2016 was \$2.258 billion, which represents an increase of \$184 million or 8% on 2015. At the state level, there was variation in the economic impact of the sector, with NSW (\$904.7mil) the largest contributor to the total, increasing on 2015 by 17% or \$132.6m while Victoria (\$607.3mil) declined by 3.8% or -\$24mil. Queensland had strong growth, increasing its contribution by 19% or \$71.7 m. Western Australia increased its economic contribution by 2% and South Australia by 1%.

<sup>1</sup> Economic Impact is based on \$1.92 additional spend to fees

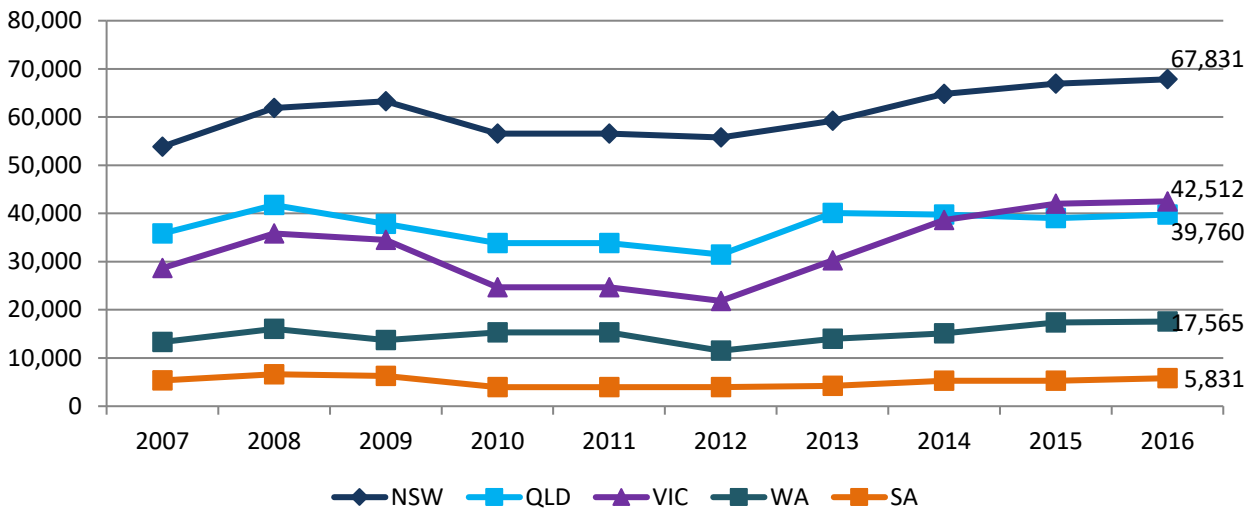
- Considering the proportions of students coming from the various regions, the Asia Pacific market continued to dominate, accounting for 67% of all students. However, this market decreased slightly (1%) from 2015. The Americas continued to grow and represented 15% of total student numbers in 2016, while Europe maintained its 14% share, having shown growth after declines over the last 5 years. The Middle East and North Africa region dropped to 3% of the total after large declines in student numbers in 2016.

**Fig 2. Total enrolments by region 2007-2016**



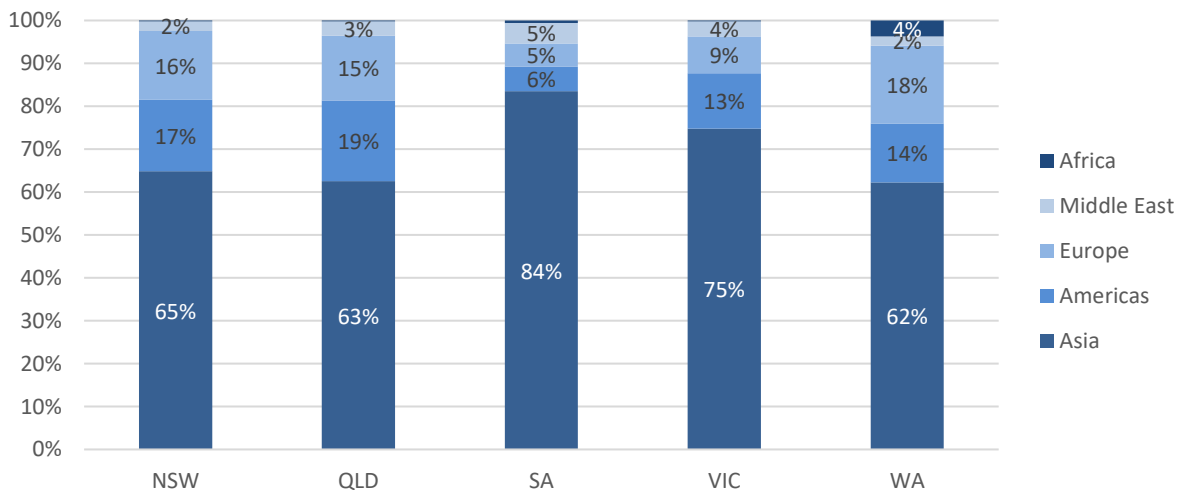
- In 2016, all states experienced growth in student numbers. South Australia had the largest percentage growth at 11%, with Queensland increasing 2%. The other states increased by approximately 1% on 2015 student numbers.

Total students by state 2007- 2016



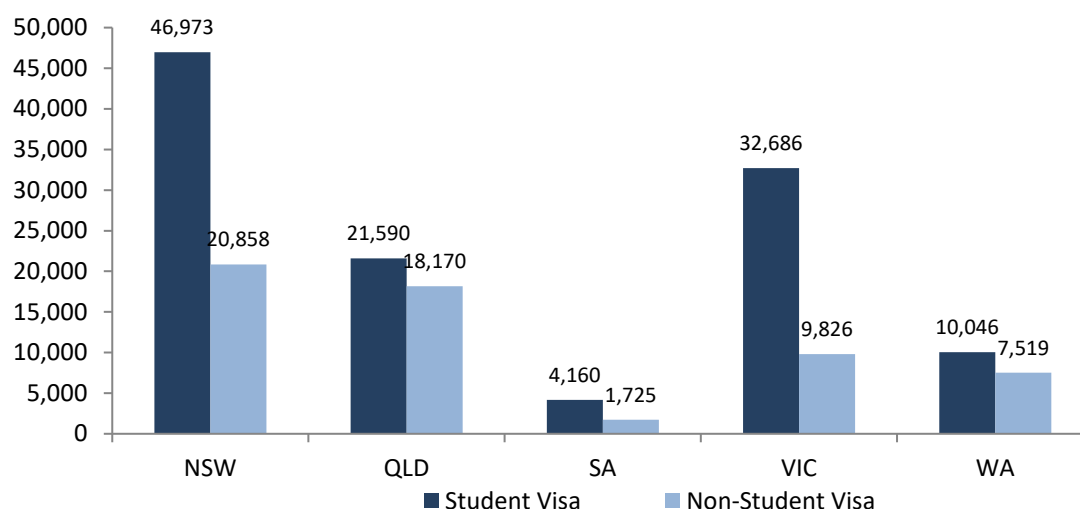
➤ The proportions of students coming from the various regions differed considerably from state to state. Asia Pacific was the most important region for all states, however. WA had the strongest diversity, with Asia Pacific students making up 62% of all its ELICOS enrolments, while SA and Victoria also had a strong reliance on the Asia Pacific market. The Americas grew to be an important market in Queensland, and Europe was a strong source region for Western Australia.

Fig 3. Source region by state 2016



➤ In 2016, 33% of all students were studying on non-student visas. At the state level, there was a considerable difference though, with nearly half of Queensland’s students and more than 40% of WA’s students not on a student visa. In Victoria, however, only 23% of students were not on a student visa.

**Fig 4. Visa type by state 2016**



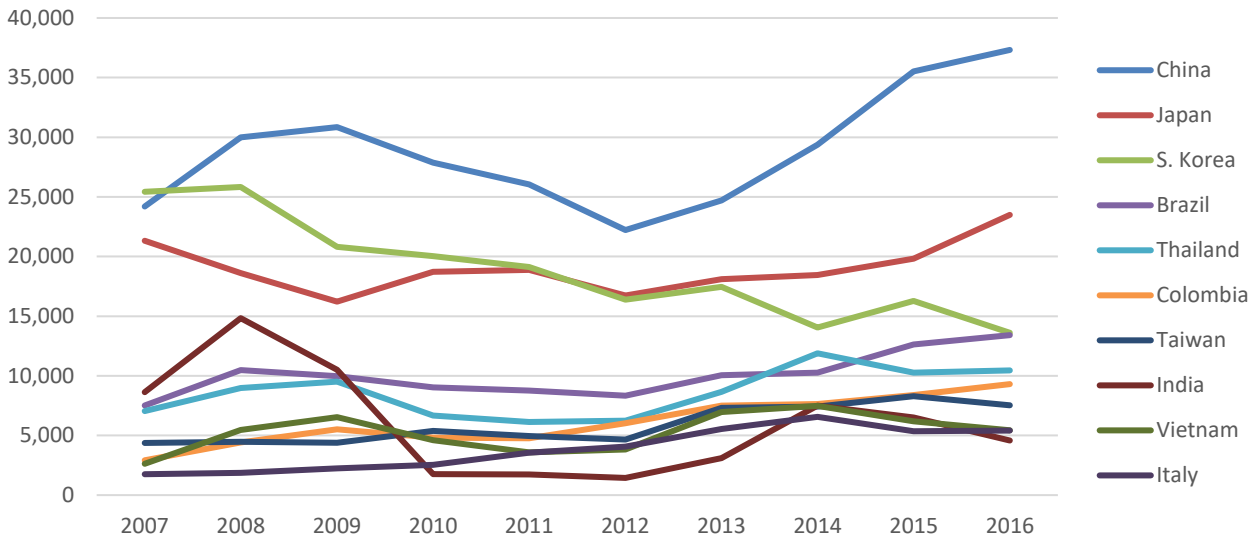
- In 2016, no new countries entered the top ten, and the positioning of the top seven countries remained unchanged. China retained 1<sup>st</sup> place, followed by Japan and then South Korea. India dropped from 8<sup>th</sup> to 10<sup>th</sup> place while Vietnam moved up one place despite - showing declining student numbers. Italy, the only European country in the top ten, also moved up one position.

**Fig 5. Top ten source countries 2016**

|    | 2015        | 2016        | Students | Share of market | Change from 2015 | % Change from 2015 |
|----|-------------|-------------|----------|-----------------|------------------|--------------------|
| 1  | China       | China       | 37,322   | 22%             | +1,794           | +5%                |
| 2  | Japan       | Japan       | 23,493   | 14%             | +3,684           | +19%               |
| 3  | South Korea | South Korea | 13,609   | 8%              | -2,657           | -16%               |
| 4  | Brazil      | Brazil      | 13,412   | 8%              | +771             | +6%                |
| 5  | Thailand    | Thailand    | 10,457   | 6%              | +188             | +2%                |
| 6  | Colombia    | Colombia    | 9,305    | 5%              | +921             | +11%               |
| 7  | Taiwan      | Taiwan      | 7,539    | 4%              | -758             | -9%                |
| 8  | India       | Vietnam     | 5,443    | 3%              | -731             | -12%               |
| 9  | Vietnam     | Italy       | 5,412    | 3%              | +58              | +1%                |
| 10 | Italy       | India       | 4,580    | 3%              | -1,929           | -30%               |

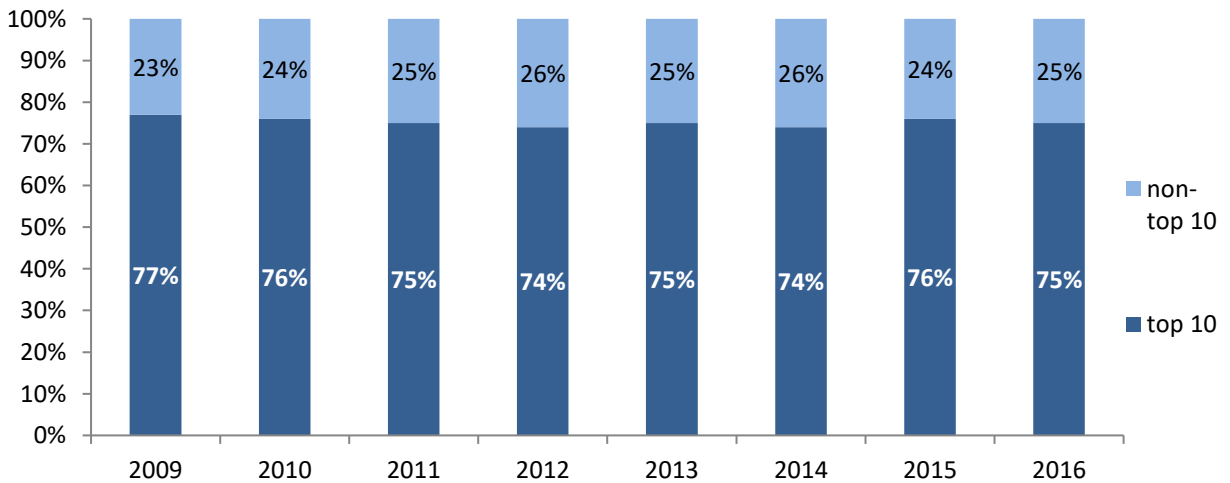
- The historical trend (Fig 7) of the top ten for the ELICOS market 2007-2016 reflects the rises and falls, with China dominating, Japan growing strongly, and South Korea declining. While six of the remaining seven countries in the top ten have shown generally steady performance over the last ten years, India has had highs and lows.

**Fig 6. Top ten source countries 2007- 2016**



- The top ten countries contributed 75% of all ELICOS students in 2016. This percentage decreased by 1% in 2016. However, the percentage from the top three countries, which comprised 44% of all ELICOS enrolments in 2016, increased by 1%.

**Fig 7. Top ten source countries as a % of total enrolments 2009-2016**



- The strongest growth in terms of student numbers came from Japan, China, France, Colombia and Malaysia. The largest increase in weeks was from Japan, followed by Brazil, Colombia and then Malaysia.

**Fig 8. Five largest increases 2015-2016**

|                 | 2015   | 2016   | change | % change |
|-----------------|--------|--------|--------|----------|
| <b>Japan</b>    | 19,809 | 23,493 | +3,684 | +19%     |
| <b>China</b>    | 35,528 | 37,322 | +1,794 | +5%      |
| <b>France</b>   | 2,594  | 3,614  | +1,020 | +39%     |
| <b>Colombia</b> | 8,384  | 9,305  | +921   | +11%     |
| <b>Malaysia</b> | 2,193  | 3,085  | +892   | +41%     |

- The strongest decline in student numbers came from South Korea, India, Saudi Arabia, Taiwan and Vietnam. The largest decline in student weeks was from India, followed closely by Vietnam and Saudi Arabia.

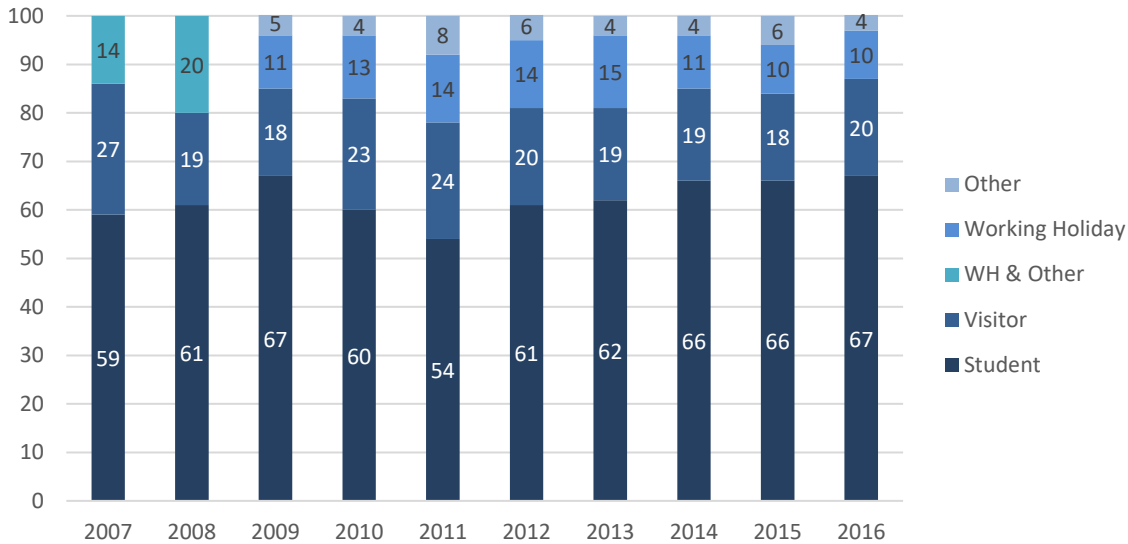
**Fig 9. Five largest decreases 2015-2016**

|                     | 2015   | 2016   | change | % change |
|---------------------|--------|--------|--------|----------|
| <b>South Korea</b>  | 16,266 | 13,609 | -2,657 | -16%     |
| <b>India</b>        | 6,509  | 4,580  | -1,929 | -30%     |
| <b>Saudi Arabia</b> | 4,420  | 2,767  | -1,653 | -38%     |
| <b>Taiwan</b>       | 8,297  | 7,539  | -758   | -9%      |
| <b>Vietnam</b>      | 6,174  | 5,443  | -731   | -12%     |

- In 2016, there was change in the proportions of students on the various visa types, as can be seen in the chart below. The number of students studying on Student visas increased 3% (+3,661) while the number on Visitor visas increased by 15% (+4,639). The number of students on Working Holiday visas decreased by 7% (-1,244) and the numbers on 'Other visas' also decreased.

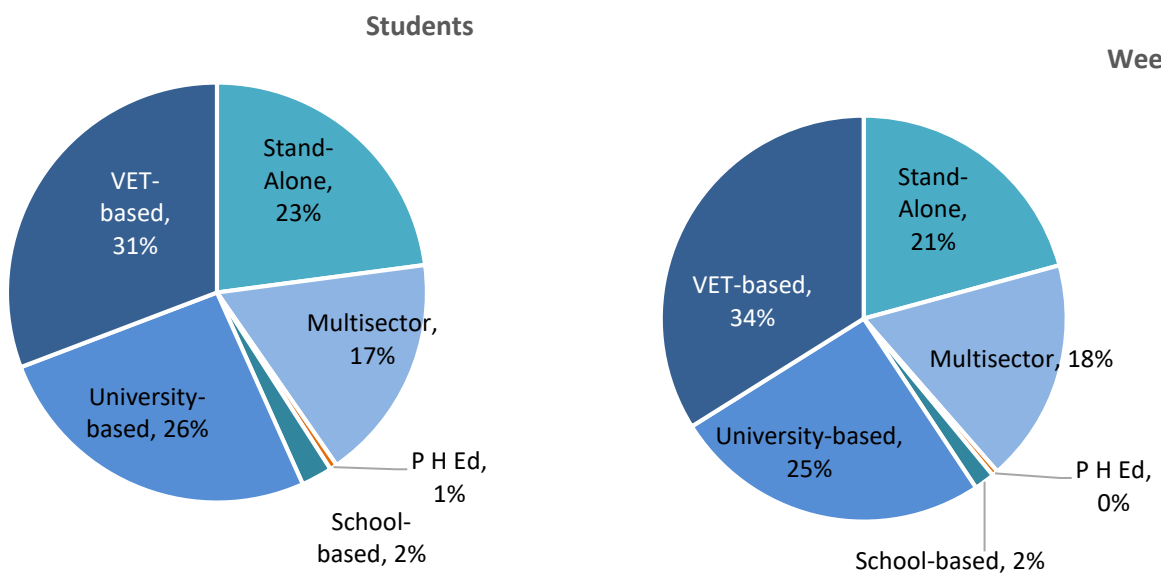
**Fig 10. Visa status – percentage of total enrolments 2007-2016**

[Note: from 2009 Working Holiday and Other visas were separated.]



- ELICOS colleges connected to VET organisations were the dominant provider type in 2016 in terms of student numbers and student weeks. These were followed by university-based ELICOS colleges, which had slightly higher numbers than ELICOS-only colleges. These, in turn, had slightly higher numbers than ELICOS colleges within multisector organisations.

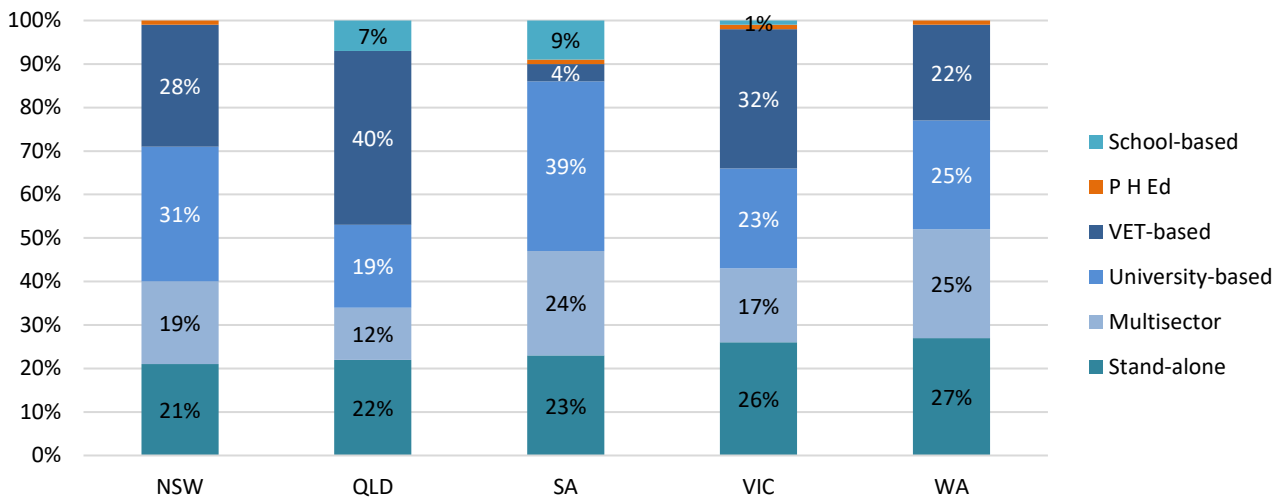
**Fig 11. Provider type by students and weeks: National proportions 2016**



- At the state level, there was considerable variety in terms of market share held by the different provider types. Colleges connected to VET institutes dominated in QLD and were also the largest

provider type in Victoria. However, they were close to the smallest provider type in SA, which was dominated by university-based colleges. In NSW, university-based colleges were the largest part of the sector, with colleges connected to VET institutes a close second. Student numbers were very evenly spread between the provider types in WA. In all states, ELICOS colleges connected to private higher education providers made up the smallest part of the sector.

**Fig 12. Provider type by student numbers: State proportions 2016**



➤ The chart below highlights the city vs regional breakdown, with around 7% of students studying in a regional area. Queensland had the biggest percentage of students studying in a regional area followed by NSW and Victoria. The same pattern was reflected in terms of student weeks.

**Fig 13. City/Regional location by state: Students 2016**

