



Export Income to Australia from Education Services

International education activity contributed \$11.7 billion in export income to the Australian economy in 2006-07¹. This is a rise of 16 per cent from the previous financial year, compared with 11 per cent growth across all services exports. Over the 10 years to 2006-07, education exports have grown at an average annual rate of 15 per cent, compared with an average annual rate of 6 per cent across all services exports.

In essence, export income from education services is the sum of income to the Australian economy generated from international students² studying onshore in Australia (the Australian Bureau of Statistics (ABS) figures uses the term 'education related travel'), as well as income from education operations offshore (comprising 'other educational services' and 'royalties on education services').

Of the total export income generated by education services in 2006-07, \$11.3 billion was received from spending on fees and goods and services by onshore students, and a further \$367 million was received from other education services such as offshore students' fees and education consultancy services³. Education services were Australia's third largest export industry on 2006-07 figures, behind coal and iron ore (\$21.9 billion and \$15.5 billion respectively), and the largest services export industry exceeding tourism (\$11.5 billion).

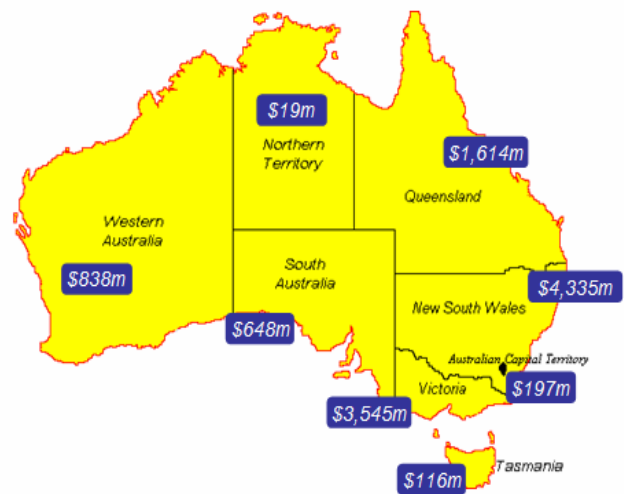
Markets for education exports

Australia's international students are predominantly from Asia. In 2006-07, students from China accounted for one-fifth (\$2.5 billion) of total onshore student export income; India, \$1.3 billion; the Republic of Korea, \$0.9 billion; and Malaysia, \$0.7 billion. Indonesia, Thailand, Hong Kong and Japan were also important markets.

States and territories

All states and territories benefit from international education. The export income generated is generally a reflection of the volume of enrolments in each jurisdiction. In 2006-07, income generated in New South Wales through expenditure by international students amounted to \$4.3 billion or 38 per cent of export income from all onshore students. Income in Victoria and Queensland was \$3.5 billion and \$1.6 billion respectively, while income in the other States and Territories was \$1.8 billion.

Export income by state and territory, 2006-07



Australia's Exports of Education Services

	A\$ million			% share of total	% change
	2004-05	2005-06	2006-07		2005-06 to 2006-07
Education related travel services	8,767	9,745	11,312	96.8%	16.1%
<i>Incorporating (top10 nationalities):</i>					
1 China	1,911	2,234	2,541	21.7%	13.7%
2 India	743	978	1,319	11.3%	34.8%
3 Republic of Korea	582	721	916	7.8%	27.0%
4 Malaysia	585	593	652	5.6%	10.0%
5 Indonesia	486	472	486	4.2%	2.9%
6 Thailand	387	405	462	4.0%	14.2%
7 Hong Kong (SAR of China)	321	356	410	3.5%	15.1%
8 Japan	445	415	369	3.2%	-10.9%
9 Singapore	282	270	272	2.3%	0.7%
10 Vietnam	163	187	247	2.1%	31.9%
Other educational services	335	330	367	3.1%	11.2%
Education consultancy services	101	74	118	1.0%	59.5%
Correspondence courses	25	32	24	0.2%	-25.0%
Services through educational institutions	106	101	93	0.8%	-7.9%
Other education services	103	123	132	1.1%	7.3%
Royalties on education services	4	np	8	0.1%	..
Total education related services exports	9,106	10,075	11,687	100.0%	16.0%

¹ Sourced from the Australian Bureau of Statistics publication *International Trade in Services, by Country, by State and by Detailed Services Category, Australia* (ABS Catalogue no. 5368.0.55.003).

² Includes international students on all visa types.

³ Export income is also generated from the commercial presence of offshore branch campuses, twinning arrangements and the like.

np Not available for publication.

.. Change cannot be calculated due to missing value.