



Australian higher education: the China factor

1. Education is Australia's largest services export, worth \$19.4 billion in 2015, making it the third largest export behind iron ore and coal.¹

2. Globally, China is the number one country of origin for students enrolling in higher education abroad.²

Chinese students comprise 17 percent of the global total of tertiary-level, internationally mobile students.³

3. The latest UNESCO figures report there are 712,157 Chinese students studying abroad.

This compares with:⁴

- 181,872 Indian students
- 119,123 German students
- 116,942 Korean students
- 84,059 French students

4. UNESCO also reports that Australia is the second most popular destination

country for outbound Chinese students in higher education, hosting 13 percent of the total.

This compares with:⁵

- United States – 37 percent
- Japan – 13 percent
- UK – 12 percent
- Canada – 6 percent

5. China is Australia's largest education services export market.⁶ In 2015, Chinese students comprised 36 percent of total international student enrolments in Australian higher education.⁷

This compares with:⁸

- Indian students – 13 percent
- Malaysian students – 5 percent
- Vietnamese students – 5 percent

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¹ Australian Government Department of Foreign Affairs and Trade, Composition of Trade, June 23 2016 <http://dfat.gov.au/about-us/publications/Pages/composition-of-trade.aspx>

² UNESCO Institute for Statistics, Global flow of tertiary-level students, (data for reference years 2013 and 2014) page last updated February 3 2016 <http://www.uis.unesco.org/Education/Pages/international-student-flow-viz.aspx>

³ UNESCO Institute for Statistics, Global flow of tertiary-level students (data for reference years 2013 and 2014) page last updated February 3 2016 <http://www.uis.unesco.org/Education/Pages/international-student-flow-viz.aspx>

⁴ UNESCO Institute for Statistics, Global flow of tertiary-level students, (data for reference years 2013 and 2014) page last updated February 3 2016 <http://www.uis.unesco.org/Education/Pages/international-student-flow-viz.aspx>

⁵ Australia hosts 90,245 Chinese international students in higher education; US: 260,914; Japan: 89,788 students; UK: 86,204 students; Canada: 42,011. From UNESCO Institute for Statistics, Global flow of tertiary-level students, (data for reference years 2013 and 2014) page last updated February 3 2016 <http://www.uis.unesco.org/Education/Pages/international-student-flow-viz.aspx>

⁶ Australian Government Department of Foreign Affairs and Trade, ChAFTA factsheet: trade in services, last updated January 7 2016 <http://dfat.gov.au/trade/agreements/chafata/fact-sheets/Documents/fact-sheet-trade-in-services.pdf>

⁷ 272,095 international student enrolments in higher education, 97,050 of enrolments were by Chinese international students. From Australian Government Department of Education and Training, International student enrolment data 2015, extracted: February 2016 <https://internationaleducation.gov.au/research/International-Student-Data/Pages/InternationalStudentData2015.aspx>

⁸ Indian international student enrolments: 35,362; Malaysian students: 14,302; Vietnamese students: 12,798. From Australian Government Department of Education and Training, International student enrolment data 2015, extracted: February 2016 <https://internationaleducation.gov.au/research/International-Student-Data/Pages/InternationalStudentData2015.aspx>

6. In the first six months of 2016 commencements by Chinese students in Australian higher education increased 21 percent compared with the same period in 2015.⁹

This compares with:¹⁰

- Indian students – 18 percent
- Malaysian students – 2 percent
- Vietnamese students – 16 percent

7. The Chinese 18 to 23 demographic is expected to decline by just over 20 percent between 2015 and 2020.¹¹

But between 2010 to 2015, when China's 18 to 23 demographic declined by almost 25 percent¹² the number of outbound Chinese students in the tertiary sector saw an increase of just over 25 percent.¹³

8. The McKinsey Global Institute projects that “[b]etween 2015 and 2030, China is expected to spend 12.5 percent of overall consumption growth on education for those under 30.”¹⁴

This share is “by far [– save Sweden –] the highest of all the countries in [their] sample.”¹⁵

9. In 2015 there were 170,212 Chinese international students enrolled in Australia. Fifty-seven percent of these students were enrolled in higher education.

10. NSW had the highest share (38 percent) of Chinese international student enrolments in higher education across Australia in 2015.¹⁶

This compares with:

- Victoria – 34 percent
- Queensland – 12 percent
- South Australia – 7 percent
- Australian Capital Territory – 4 percent
- Western Australia – 4 percent

11. In 2015, Chinese education-related travel to Australia contributed \$4.97 billion to the economy.¹⁷

12. According to Juwai.com, China's leading international property portal, education is the motivating force behind more than 60 percent of property inquiries in Sydney and Melbourne.¹⁸

⁹ 29,460 commencements by Chinese international students in June 2016; 24,316 in June 2015. From Australian Government Department of Education and Training, International student enrolment data 2015, extracted: February 2016 <https://internationaleducation.gov.au/research/International-Student-Data/Pages/InternationalStudentData2015.aspx>

Australian Government Department of Education and Training, International student enrolment data 2016, June 2016 <https://internationaleducation.gov.au/research/International-Student-Data/Pages/InternationalStudentData2016.aspx>

¹⁰ Indian student commencements June 2016: 9,501; June 2015: 8,067. Malaysian student commencements June 2016: 3,865; June 2015: 3,801. Vietnamese student commencements June 2016: 3,639; June 2015: 3,139. From Australian Government Department of Education and Training, International student enrolment data 2015, extracted: February 2016 <https://internationaleducation.gov.au/research/International-Student-Data/Pages/InternationalStudentData2015.aspx>

Australian Government Department of Education and Training, International student enrolment data 2016, June 2016 <https://internationaleducation.gov.au/research/International-Student-Data/Pages/InternationalStudentData2016.aspx>

¹¹ 116,060 in 2015 to 90,804 in 2020. From United Nations Department of Economic and Social Affairs/Population Division, *World Population Prospects: The 2015 Revision, Volume 1: Comprehensive Tables*, https://esa.un.org/unpd/wpp/Publications/Files/WPP2015_Volume-I_Comprehensive-Tables.pdf

¹² 152,100 in 2010 to 116,060 in 2015. From United Nations Department of Economic and Social Affairs/Population Division, *World Population Prospects: The 2015 Revision, Volume 1: Comprehensive Tables*, https://esa.un.org/unpd/wpp/Publications/Files/WPP2015_Volume-I_Comprehensive-Tables.pdf

¹³ UNESCO Institute for Statistics Data Centre <http://data.uis.unesco.org/>

¹⁴ McKinsey Global Institute, *Urban world: The global consumers to watch*, April 2016 <http://www.mckinsey.com/global-themes/urbanization/urban-world-the-global-consumers-to-watch>

¹⁵ McKinsey Global Institute, *Urban world: The global consumers to watch*, April 2016 <http://www.mckinsey.com/global-themes/urbanization/urban-world-the-global-consumers-to-watch>

¹⁶ Australian Government Department of Education and Training, International student enrolment data 2015, extracted: February 2016 <https://internationaleducation.gov.au/research/International-Student-Data/Pages/InternationalStudentData2015.aspx>

¹⁷ Australian Bureau of Statistics, International Trade: supplementary information, Calendar Year 2015, <http://www.abs.gov.au/AUSSTATS/abs@nsf/DetailsPage/5368.0.55.0042015>; Australian Department of Foreign Affairs and Trade, China trade factsheet, June 2016 <https://dfat.gov.au/trade/resources/Documents/chin.pdf>

¹⁸ Maggie Lu Yueyang, “Chinese homebuyers caught in a trap”, *The Australian*, August 8 2016 <http://www.theaustralian.com.au/business/property/chinese-home-buyers-caught-in-a-trap/news-story/7fa5bc9a1aa2b57128753ca96670abd0>