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STUDY CAIRNS
Serious Study in Paradise!

. . CAIRNS INTERNATIONAL . .
EDUCATION SECTOR

Value to the
Regional Economy
Year Ending September 2004

FEBRUARY 2005

. . Summary of Main Findings . .

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GENERAL

(1) The research was based on a survey of international education providers in relation to the year ending September 2004 and follows a similar survey for the year 1999.

The figures in this report are estimates based on information available to us as a result of the surveys and other inquiries

It should be noted that international student visitors referred to in this report includes not just those on a student visa, but a substantial proportion on tourism, working holiday and other visas.

PROVIDERS' SURVEY

(2) There were some 17 different providers identified in the Cairns region delivering international education services at 44 campus locations in the sectors of school, vocational training, university, English language and study tours. Vocational/university sectors are grouped together in reporting.

(3) An estimated total of about 14,700 student visitors were attracted to the region in 2003/04 (Sep), accounting for an estimated 400,000 student visitor days.

	Student Visitor Number		Student Visitor Days	
	No.	%	No.	%
Schools	150	1%	39,000	10%
Vocational/University	370	3%	57,000	14%
English Language	5,000	34%	223,000	55%
Study Tours	9,170	62%	83,000	21%
Total	**14,690**	**100%**	**402,000**	**100%**

While schools and vocational/university sectors accounted for only 4% of student visitor numbers, they accounted for 24% of student visitor days. The short stay study tours that accounted for 62% of numbers accounted for only 21% of student visitor days.

(4) Students were reported from 26 different countries with Japan, Other Asia, Europe and the USA providing the greatest number.

	Japan	O'Asia	Europe	US/Can	Sth Amer
Student Numbers 1999	57%	14%	14%	14%	2%

(5) Student days were up about 65% on the 1999 survey.

CHANGE IN ESTIMATED STUDENT DAYS BY SECTOR

	Estimated 1999	Estimated 2003/04 (Sep)	(% Change)
Schools	39,000	39,000	(No Significant Change)
Vocational/University	25,000	57,000	(+125%)
English Language	132,000	223,000	(+70%)
Study Tours	46,000	83,000	(+80%)
Total	**242,000**	**402,000**	**(+65%)**

Vocational/university student visitor days more than doubled from a low base. Estimated visitor days for study groups were up strongly along with the English language sector. Overall, there was little change evident in the school sector, although some providers, especially state schools, were up strongly, others had changed policy to limit the proportion of international students.

(6) Average daily international student visitor population was estimated at about 1,100, but fluctuating down to about 450 in January and up to about 1,600 in August.

(7) The majority of international student visitors were recruited overseas. An estimated 11% entered on student visas with the others mainly on working holiday and tourism visas.

(8) Estimated expenditure by international student visitors during courses was as follows.

EST EXPENDITURE BY INTERNATIONAL STUDENT VISITORS DURING COURSES

	$m
Fees	$17 m
Accommodation	$12 m
Tours	$ 4 m
Other	$ 9 m
Total	**$42 m**

(9) Apart from spending during their courses, international student visitors will spend time in Cairns before and after their course. Student visitors pre and post stay expenditure was estimated at about $7m.

(10) Parents/friends etc. can also visit the region to set up student visitors, graduations and the like, and expenditure generation was estimated at about $2m.

(11) Airfare expenditure associated with international student visitors and visiting parents/friends etc. was estimated at about $22m, of which $4m was estimated to accrue to the region.

(12) International students visiting Cairns will also often visit other parts of Australia and generate expenditure in Australia outside the region and this was estimated at $16m.

(13) Estimated investment in education facilities related to international student visitors is about $20m, building space occupied about 10,000 sq m and direct equivalent full time employment generated about 200.

(14) Accommodation demand for international students while on courses was about 400,000 visitor nights.

ANALYSIS

(15) Total expenditure generated was estimated at about $90m composed of:

TOTAL ESTIMATED EXPENDITURE BY INTERNATIONAL STUDENT VISITORS

	$m
Direct Spending by Student Visitors through Providers	$28 m
Spending by Student Visitors Outside of Providers	$14 m
Student Visitor Spending Prior To & After Courses	$ 7 m
Estimated Local Spending by Visiting Parents/Relatives/Friends	$ 2 m
Estimated Spending on Airfares To & From Australia – Student Visitors	$19 m
Estimated Spending on Airfares To & From Australia - Parents, etc	$ 3 m
Estimated Spending by Student Visitors on Travel Within Australia	$16 m
Total	**$90 m**

(16) It was estimated that the $90m was spent as follows:

SUMMARY OF ESTIMATED EXPENDITURE BY INTERNATIONAL STUDENT VISITORS – WHERE FLOWS TO

	Within the Region	Outside the Region	Total
Education Operations	$13 m	$5 m	**$18 m**
Accom, Tours, Food & Bev, Entertainment, Shopping & Airport & Travel Expenses	$38 m	$34 m	**$72 m**
Total	**$51 m**	**$39 m**	**$90 m**

It can be seen that about $18m of the $90m accrued to the education providers, with $72m going to activities generally regarded as being in the tourism and travel field - $38m accruing to local accommodation, tour, entertainment, shopping and travel activities and $34m accruing to the rest of Australia and overseas.

(17) Expenditure in the region is estimated at about $50m which was up on the 1999 estimate of about $30m.

(18) Comparison with national figures indicates that the region's penetration of the international student market (not including study tours) is probably above most non-metropolitan regions of Australia. In the English language sector however, the region's penetration of the international student market seems to be well above national averages. International earnings by local schools appear to be a little above the national average. Although it has grown strongly, international earnings of the international vocational/university sector seems to be well below national averages. However, over the next ten years, it is this sector that is projected to produce the greatest growth.

(19) Over the next ten years, it is estimated that international student visitor numbers in the region will increase to about 34,000 a year and that the region's international education earnings will rise from about $50m to about $140m, making it one of the region's important foreign exchange earners.

(20) Major secondary and long-term developmental benefits identified included :-

- General stimulation of interest overseas in Australia and in Cairns.
- Heightened multicultural awareness within the Cairns community.
- The creation of international business linkages and relationships.
- Student visitors (and those that come back to stay) providing a skilled workforce, especially in languages.
- Improvement in the general level of education facilities in Cairns with benefits to local students.
- Cairns helped to develop as an international business and education centre, including stimulating jobs servicing education institutions in other areas.
- Investment spin-off – residential and commercial.
- Stimulus to the development of value added niche tourism products for education focused experiences.

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