



THE ECONOMIC IMPACT OF INTERNATIONAL EDUCATION

South Australia's No 1 Service Export

The international education industry poured \$892 million into the South Australian economy in 2008-09, according to the Australian Bureau of Statistics (ABS). This was a 22 per cent increase on the 2007-08 total.

Table: Education-Related Travel Export Figures by States and Territories (in \$'000):

	2006-07	2007-08	2008-09	Services Export Ranking	Overall Export Ranking
NSW	\$4,258	\$5,269	\$6,381	1	2
VIC	\$3,480	\$4,388	\$5,408	1	1
QLD	\$1,586	\$1,863	\$2,374	2	4
WA	\$823	\$925	\$1,125	3	8
SA	\$636	\$731	\$892	1	4
ACT	\$193	\$219	\$260	2	2
TAS	\$114	\$121	\$141	2	8
NT	\$18	\$22	\$28	5	14
AUST	\$11,109	\$13,538	\$16,610	1	3

Adelaide continues to attract record numbers of international students, with more than 33,000 choosing Adelaide as their study destination in 2009. This represents an increase of 21 per cent on 2008 figures.

International education accounts for more than 6,500 local jobs and is the state's largest service sector export and the fourth largest overall export, according to the Department of Foreign Affairs and Trade's most recent financial year estimates. Only three exports sit ahead of international education: alcoholic beverages, copper and passenger motor vehicles.

International students pay full fees for all courses, and are not subsidised by government. This is mandated in Federal legislation under the Education Services for Overseas Student (ESOS) Act, which is administered by Australian Education International (AEI). AEI is the international arm of the (Federal) Department of Education, Employment and Workplace Relations (DEEWR) in Canberra.

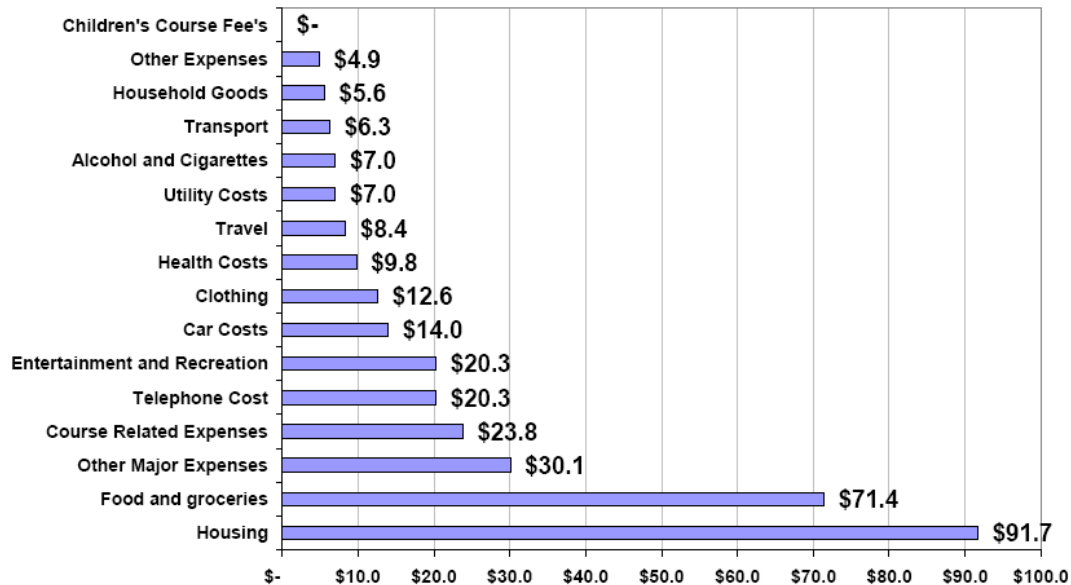
Travel and tourism

International education offers significant spin-offs for South Australia's tourism sector. An estimated 90,000 trips per year through Adelaide airport are undertaken by international students with a total travel spend of around \$10.1 million per year. The families of overseas students also generate a huge amount of tourism income. Education Adelaide estimates that these visitors stay an average of just under five days, generating more than 112,360 bed nights per annum and about \$8.6 million in tourism dollars for the local economy.

Student spending

Of the \$550 million spent by overseas students in South Australia in 2005-06, an estimated \$219.9 million was for tuition fees and another \$333.1 million was for goods and services (including items such as accommodation and food).

Estimated Overseas Student Expenditure by item in South Australia, 2005/06



Source: Australian Institute of Social Research "Economic Impact of International Education in South Australia" (2009)

Skilled migration

Strong links also exist between international education and skilled migration, with a growing proportion of former overseas students taking out Australian Permanent Residency (PR) and General Skilled Migration. According to Department of Immigration and Citizenship statistics, 41.7 per cent of successful General Skilled Migration (points-tested) applicants claimed points for an Australian qualification in 2007-08.

While difficult to track, large numbers of former overseas students also become skilled migrants using Skilled – Regional Sponsored (Provisional) and Skilled – Sponsored (Residence) visa subclasses. The exact number is currently the subject of further research being undertaken by Education Adelaide and Immigration SA.

For more information, visit www.studyadelaide.com