

New Zealand 'punching above its weight' in Export Education

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"New Zealand is a world leader in export education, compared to our major offshore competitors" says Robert Stevens, Chief Executive of Education New Zealand. An analysis of New Zealand's position relative to Australia, Canada, the USA and UK reveals:

- that New Zealand is the second most successful recruiter globally of international university students;
- that once other (non-university) sectors are included, New Zealand is the top performer globally in international education;
- that export education makes up nearly 7% of New Zealand's export earnings; and
- that export education foreign exchange earnings are higher as a proportion of GDP for New Zealand than any of the other main destination countries.

This is further evidence of the major success story that is New Zealand's \$2.3 billion per annum export education industry that provides employment for some 32,000 New Zealanders.

"While New Zealand is already 'punching above its weight' in the International Education industry, we have not reached our full capacity or potential in this area. With continued investment in promotion of New Zealand as an education provider, and a cross-sector commitment to providing educational services to international students, the industry is well-placed to create an even more important economic contribution in this country", said Robert Stevens.

Population Based Comparison – University Students

New Zealand competes on a global education market, with main rivalry between the main English speaking destination countries. With big money at stake, competition has been intense over the last few years. However, on a comparative basis, New Zealand comes second to Australia when you compare the number of university international students per head of population.

International University Students/Overall Population

Country	Population	Int. Uni Enrolments	Int. Students per 1000 population
Australia	21,487,000	177,760	8.27
New Zealand	4,286,000	21,136	4.93
UK	61,186,000	237,765	3.89
Canada	33,432,000	90,000	2.69
USA	305,682,000	623,805	2.04

Student Data sources: Open Doors (USA), AEI (Australia), Various (Canada), UKCOSA (UK) and MoE (NZ).
Population Data from UN

New Zealand versus Australia – all international students

Meaningful comparisons across other educational sectors between countries are impossible due to a lack of reliable information. However, Australia does have reasonably consistent sector statistics, and so a sector comparison between Australia and New Zealand is possible.

Overall New Zealand is performing at a comparable level to Australia. On a sector basis, New Zealand outperforms Australia in the schools and ELS sectors, but is behind in tertiary.

International Students/Overall Population (by sector)

Sector	Australia Students (int. by sector)	NZ Students (int. by sector)	Australia students per 1000 pop	NZ students per 1000 pop.
Schools	27,426	15,207	1.28	3.54
University	177,760	21,136	8.27	4.93
Vocational	121,422	16,121	5.65	3.76
ELS	101,824	35,853	4.74	8.37
TOTAL	428,432	88,377	19.94	20.62

Data sources: Australian student numbers AEI 2007, NZ MoE Levy 2007.

International Education receipts/GDP

As a percentage of the overall economy, once again New Zealand leads the pack in the importance of international education. Australia is close, but the other countries are well behind, in spite of their large international education business.

International Education receipts/GDP

Country	GDP (US \$billion)	Foreign Exchange Value of Int Ed (\$US constant)	% of GDP
New Zealand	112	1.27	1.13%
Australia	761	8.06	1.06%
UK	2,137	8.58	0.40%
Canada	1,266	3.23	0.25%
USA	13,844	21.75	0.16%

USA Value of Int Ed estimated for all sectors based on known tertiary data and applying similar sector ratios to UK; UK source British Council; Canada Source the Canada Asia Council; Australia source Reserve Bank Australia and NZ source Ec. Impact Report interim data

International Education receipts/overall export earnings

Perhaps even more interesting is the value of International Education as a percentage of export receipts. Strictly comparable data on export receipts from multiple countries is very difficult to source. The following table represents a 'best estimate'.

International Education receipts/overall export earnings

Country	Export Receipts (US \$billion)	Foreign Exchange earnings of International Education (\$US billion)	% of Export receipts
New Zealand	18.4	1.27	6.9%
Australia	144.5	8.06	5.6%
UK	577.4	8.58	1.49%
USA	2,300.0	21.75	0.94%
Canada	365.0	3.23	0.88%

USA data extrapolated from State Department: Australian from the Reserve Bank of Australia; UK source Statistics UK; Canada source media reports and New Zealand source NZTE

On this basis, International Education is far more important to foreign exchange earnings to New Zealand than it is to any other country. Of course this is partly due to the fact that New Zealand's total export receipts are much lower than the other countries', but that does not diminish the importance of the industry to New Zealand's economy.

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