

SUSTAINABLE INTERNATIONAL ENROLLMENT GROWTH: INSIGHTS FROM CANADA

AIEA Conference

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Trends in Major International Student Destination Countries

International Student Enrollments in Canada

Canada's International Recruiting Strategy (DFATD)

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Discussion

INTRODUCTION

- **Paul Bailey serves as the Deputy Director, Edu-Canada, at the Department of Foreign Affairs, Trade and Development Canada (DFATD).**
- **Dr. Daniel J. Guhr serves as the Managing Director of the Illuminate Consulting Group (ICG).**
- **Please contact Nelson Furtado at ICG for questions regarding data shared in this presentation by e-mail at furtado@illuminategroup.com.**

INTRODUCTION

Guiding Questions and Perspectives for this Presentation

- **Place Canada in the global context of student mobility since 2000.**
- **Highlight different trends amongst both sending and receiving countries.**
- **Share data on particular issues such as sending country concentration levels.**
- **Discuss the growth and balance objectives of Canada's international education strategy (DFATD).**
- **Illuminate the competitive dynamics in international student recruiting and point to sustainability concerns.**

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Trends in Major International Student Destination Countries

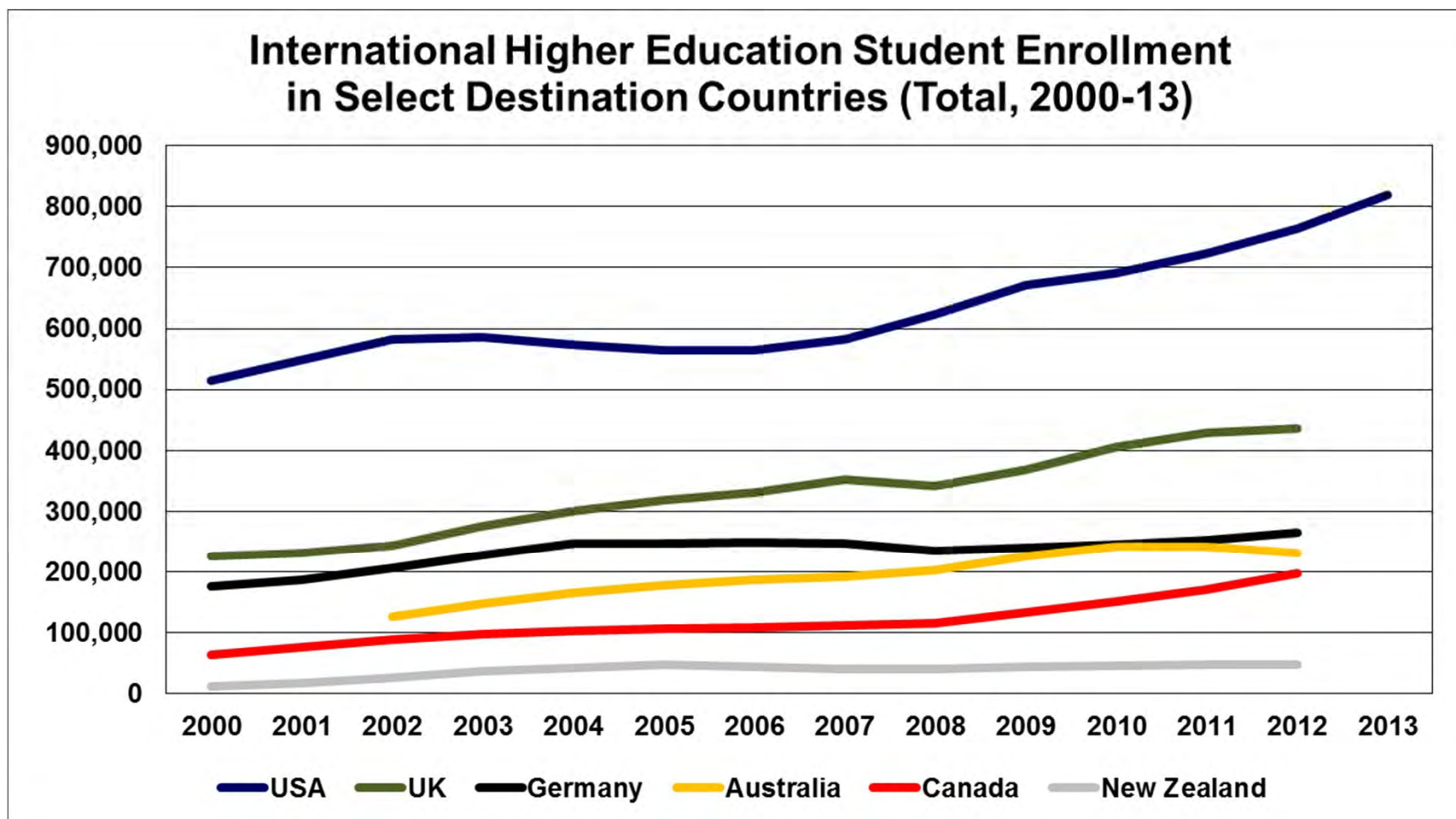
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INTERNATIONAL HIGHER EDUCATION STUDENTS IN SELECT DESTINATION COUNTRIES

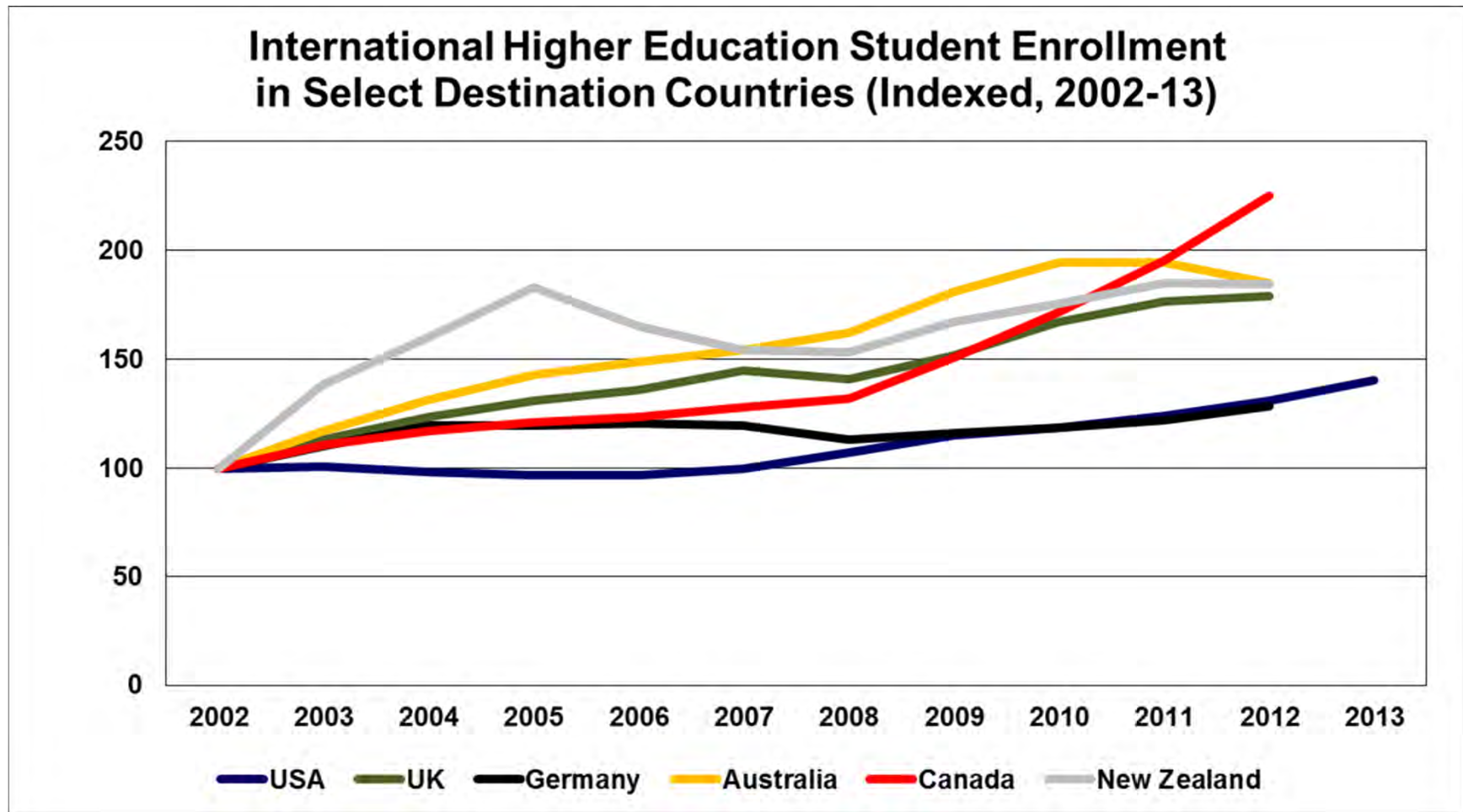


Canada & US growing, Australia & Germany & NZ leveled out, UK stalling

Notes: Select 2000 to 2002 data are not displayed owing to breaks in time series (here: Australia and New Zealand).

Source: AEI, CIC, DAAD/HIS, ENZ, HESA, IIE.

INTERNATIONAL HIGHER EDUCATION STUDENTS IN SELECT DESTINATION COUNTRIES



Canada's growth rate has outpaced competitors since 2009

Notes: Index is set at 100 for 2003.

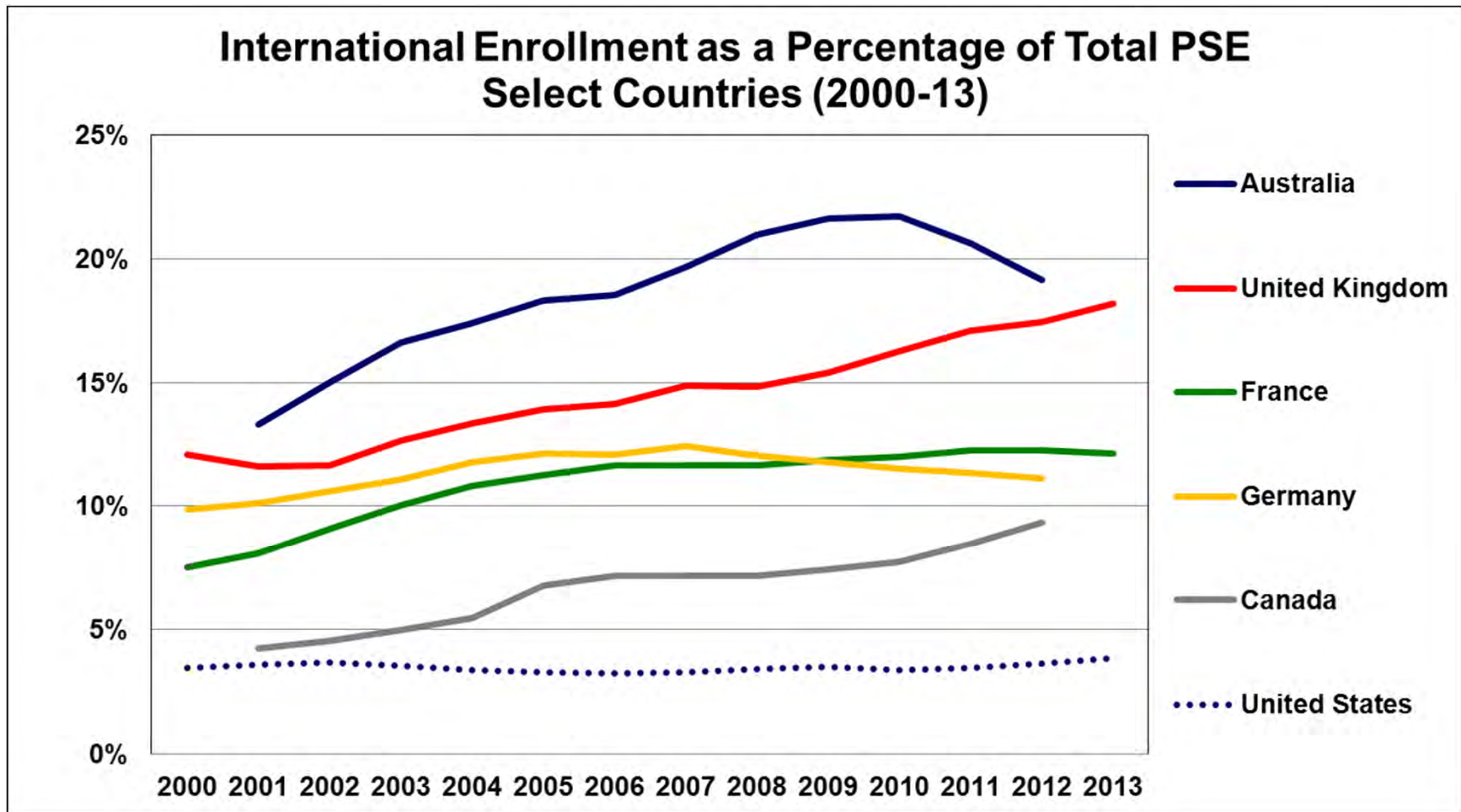
Source: AEI, CIC, DAAD/HIS, ENZ, HESA, IIE.

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AIEA: Canada Sustainable Enrollment Growth – 14 02 17

ENROLLMENT LEVELS

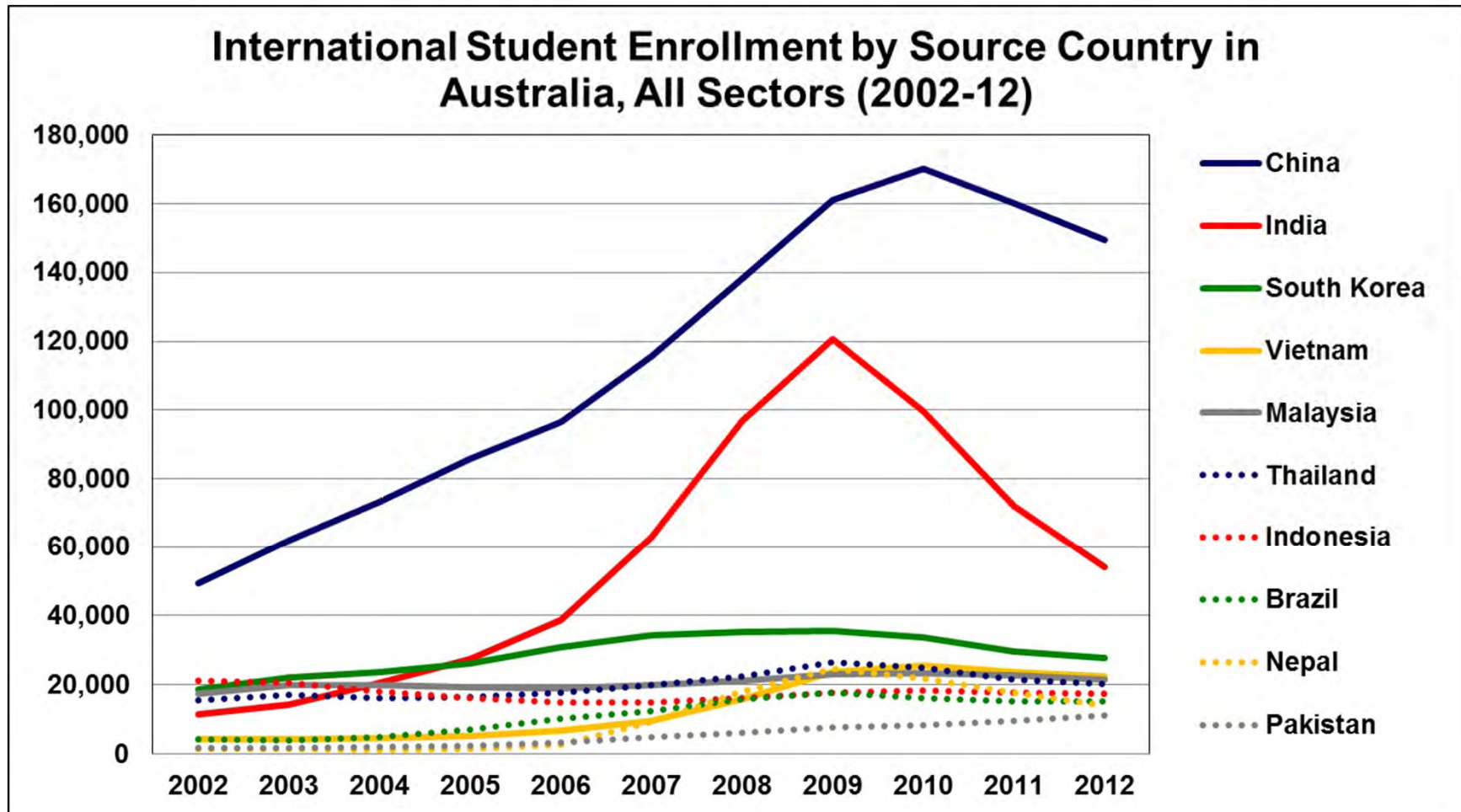
Canada and Everyone



Canada still enrolls at lower levels than other countries

INTERNATIONAL STUDENTS IN AUSTRALIA

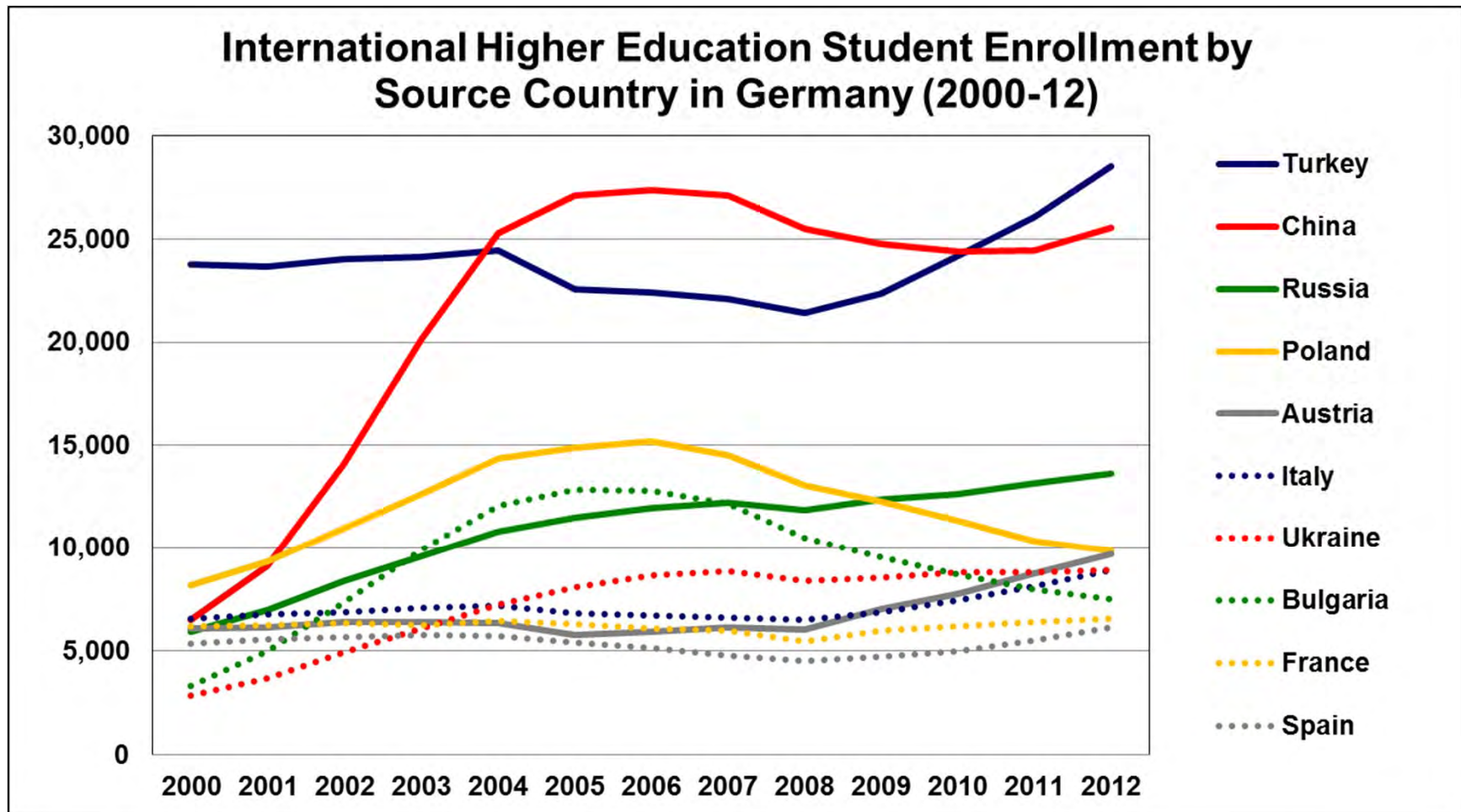
International Higher Education Enrollment by Top Ten Source Countries



Australia's China dependency is unhealthy on multiple levels

INTERNATIONAL STUDENTS IN GERMANY

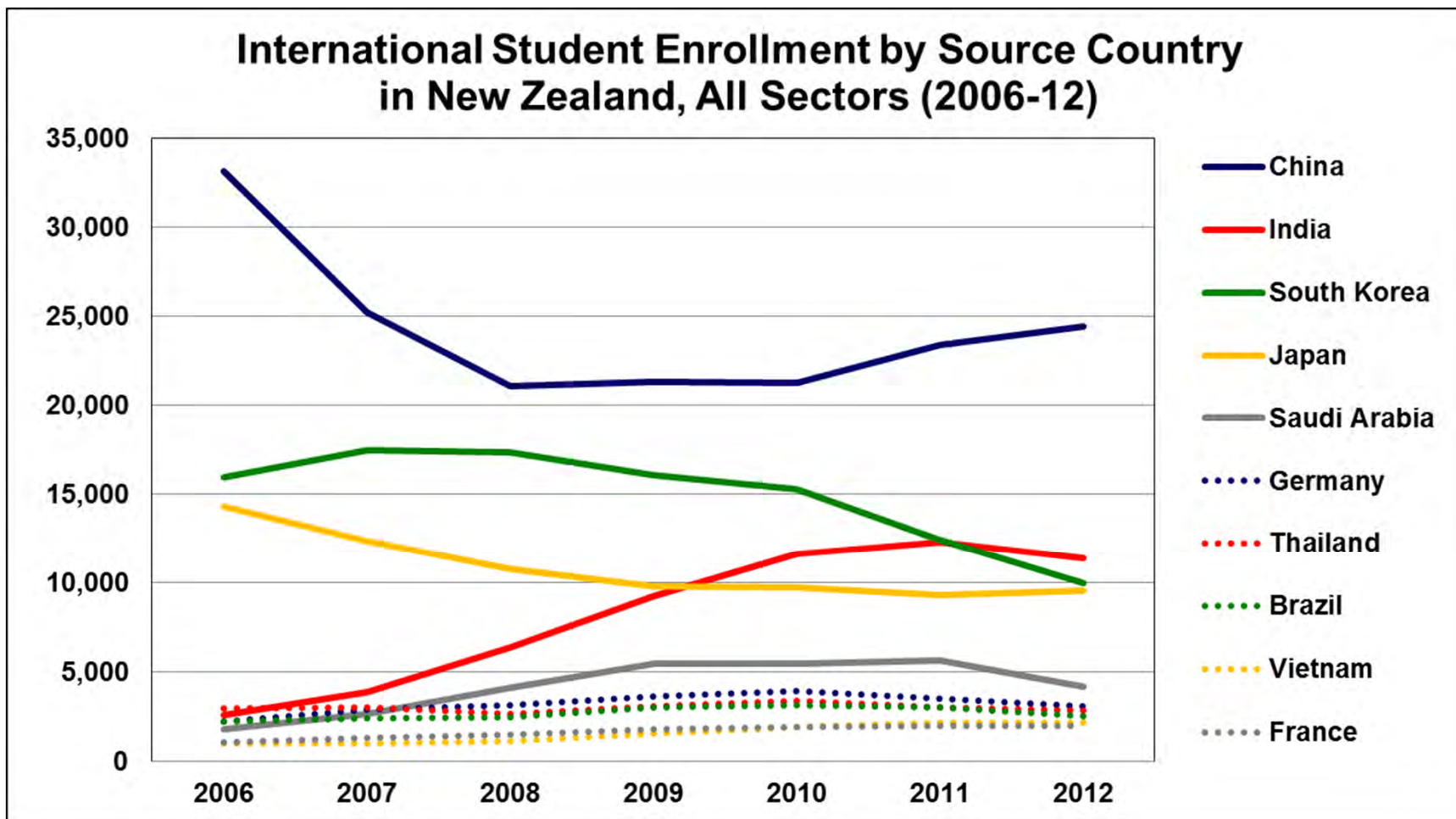
International Higher Education Students by Top Ten Source Countries



Germany has flat-lined despite a no-tuition value proposition

INTERNATIONAL STUDENTS IN NEW ZEALAND

International Higher Education Enrollment by Top Ten Source Countries



A loss of traction in a number of key markets

Note: International fee-paying students only.

Source: ENZ.

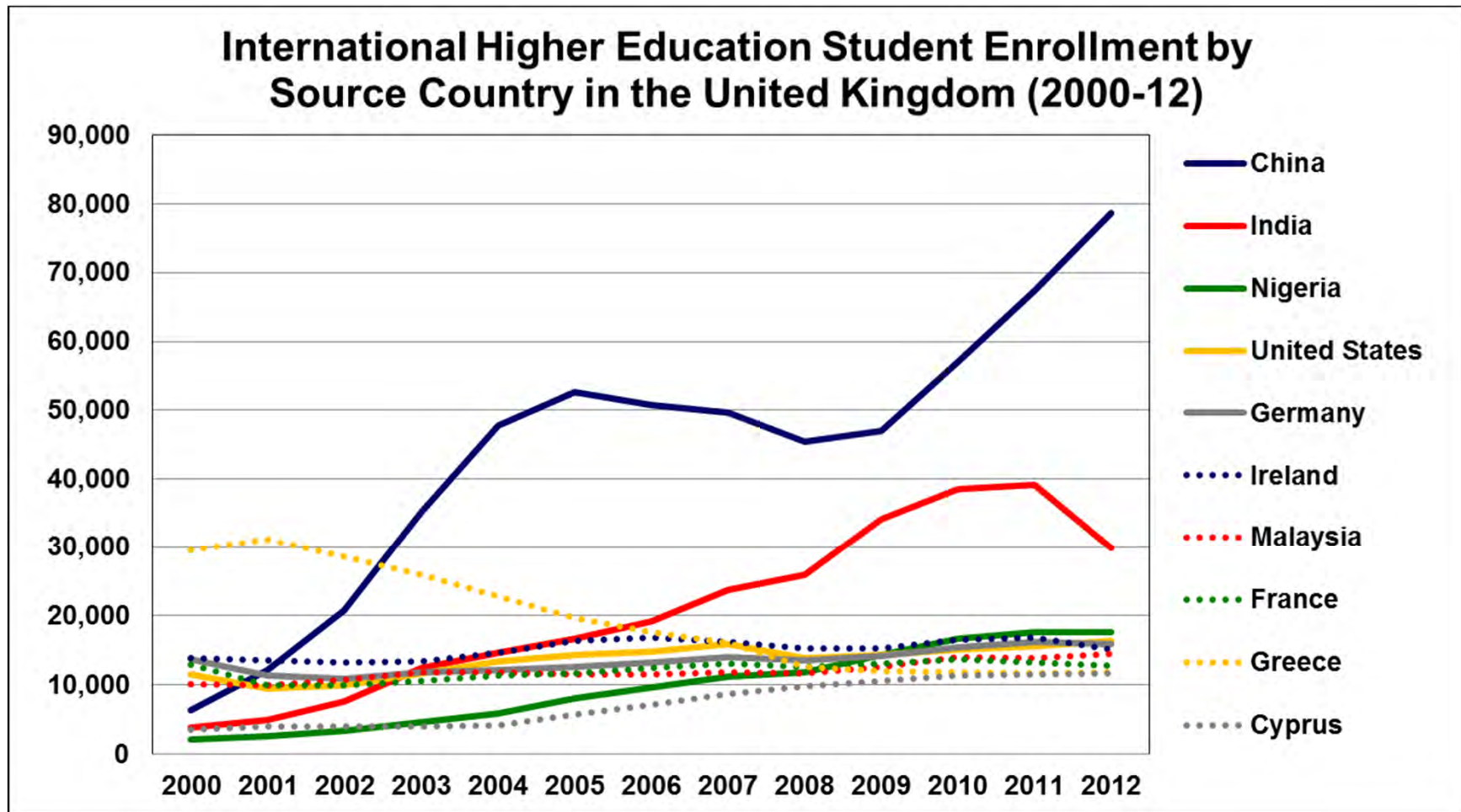
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INTERNATIONAL STUDENTS IN THE UNITED KINGDOM

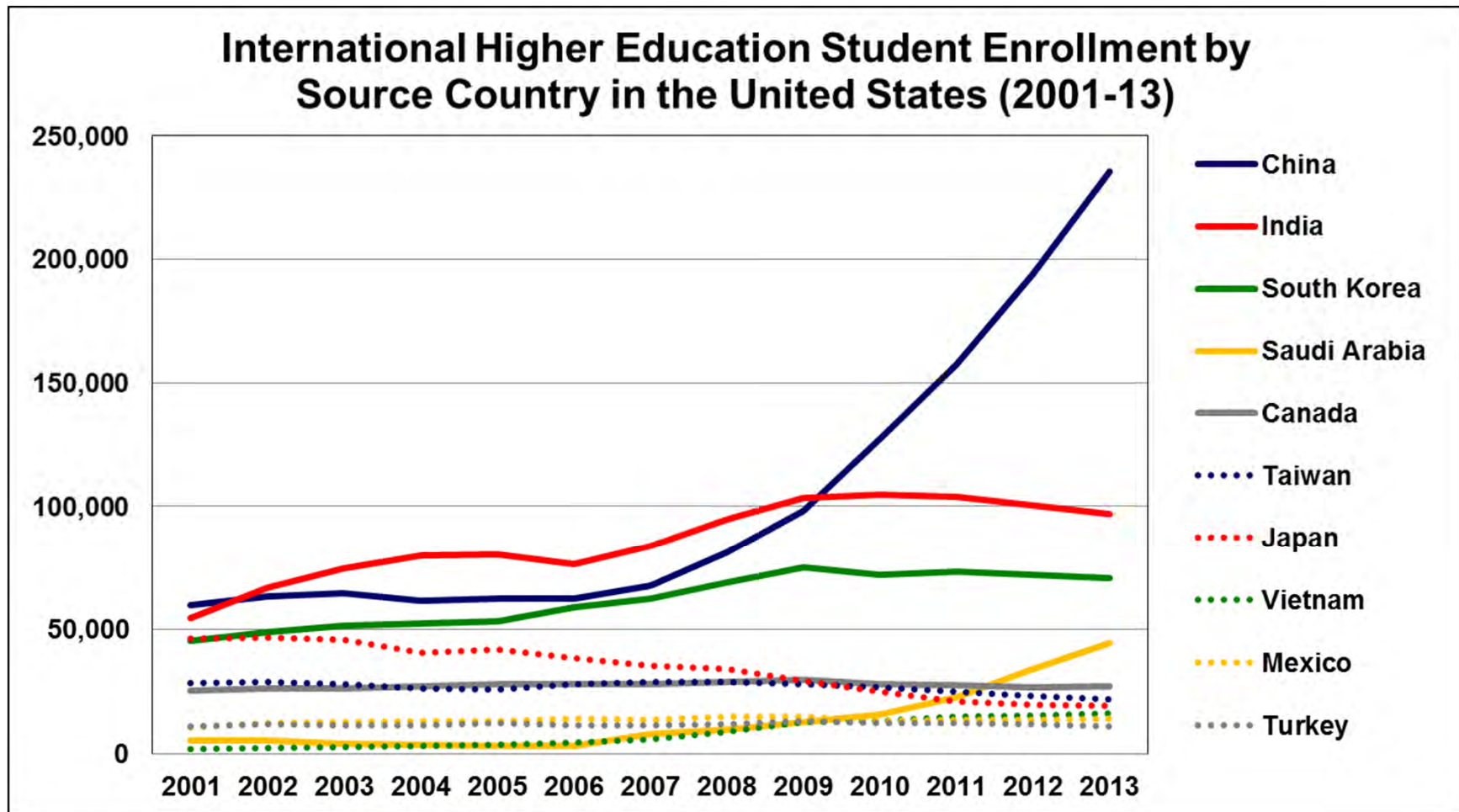
International Higher Education Students by Top Ten Source Countries



Early 2013 indicates a drop of around 2 percent

INTERNATIONAL STUDENTS IN THE UNITED STATES

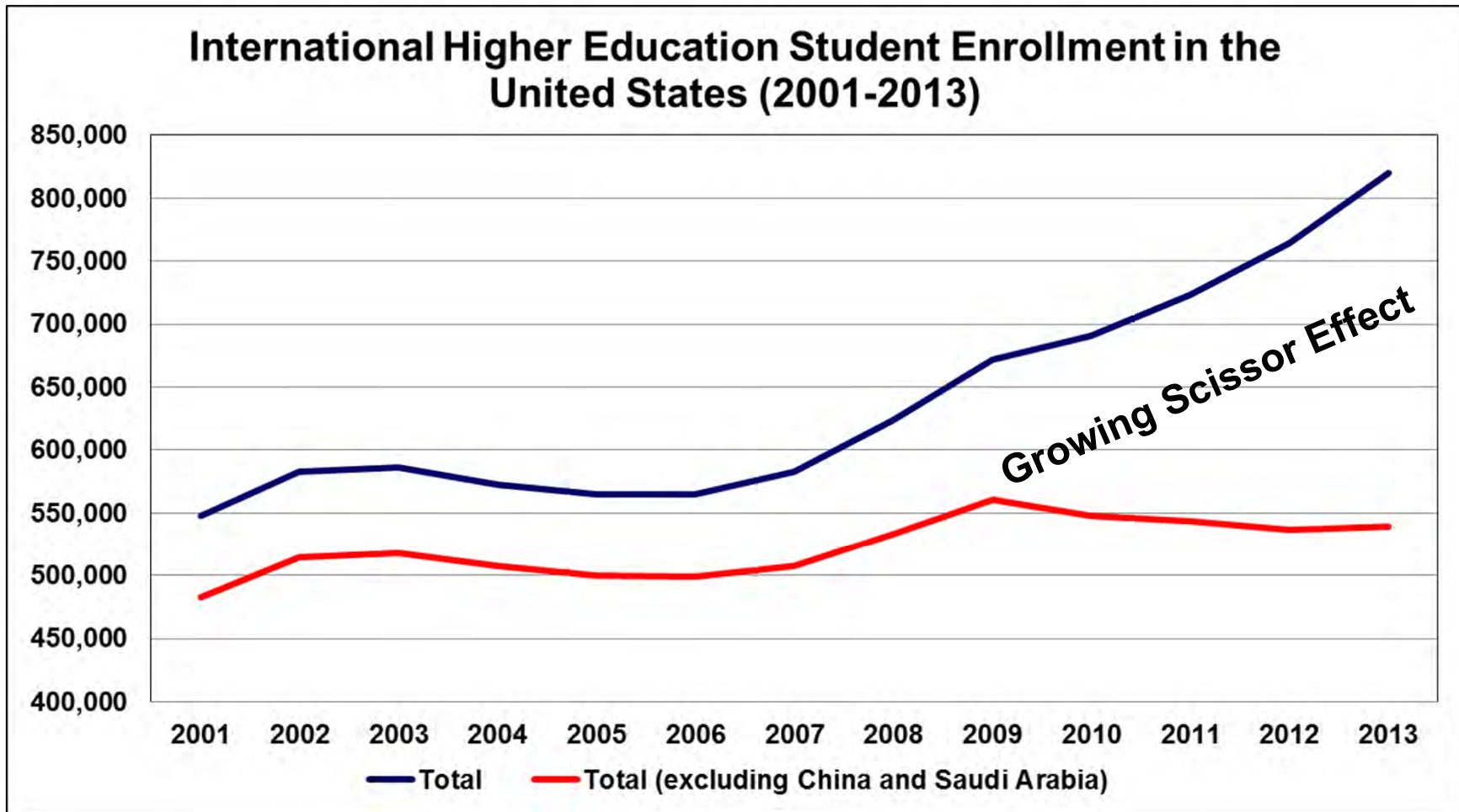
International Student Enrollment by Top Ten Source Countries



Enrollments are up notably, but...

INTERNATIONAL STUDENTS IN THE UNITED STATES

The U.S. Juggernaut is a Mirage



... more than 100 countries sent fewer students to the US in 2012 than in 2009

COMMENTARY ON INTERNATIONAL HIGHER EDUCATION STUDENTS IN SELECT DESTINATION COUNTRIES

- **USA:** Strong recovery from post 9/11 enrollment losses starting in 2007. Recent growth has been driven by China and Saudi-Arabia.
- **UK:** Balanced recruiting operations produced strong enrollment gains. The 2012/13 slow down/drop reflects visa regime changes.
- **Germany:** Most flat enrollment from 2004 to 2010. Recent enrollment growth owes much to European mobility patterns.
- **Australia:** After two decades of growth, Australia experienced a sharp reversal across most sectors in recent years.
- **Canada:** After 2008, strong growth patterns have manifested themselves, largely driven by Chinese and Indian enrollment gains.
- **New Zealand:** Enrollments are at lower levels than 10 years ago owing to an initial surge and then roll-out of Chinese students.

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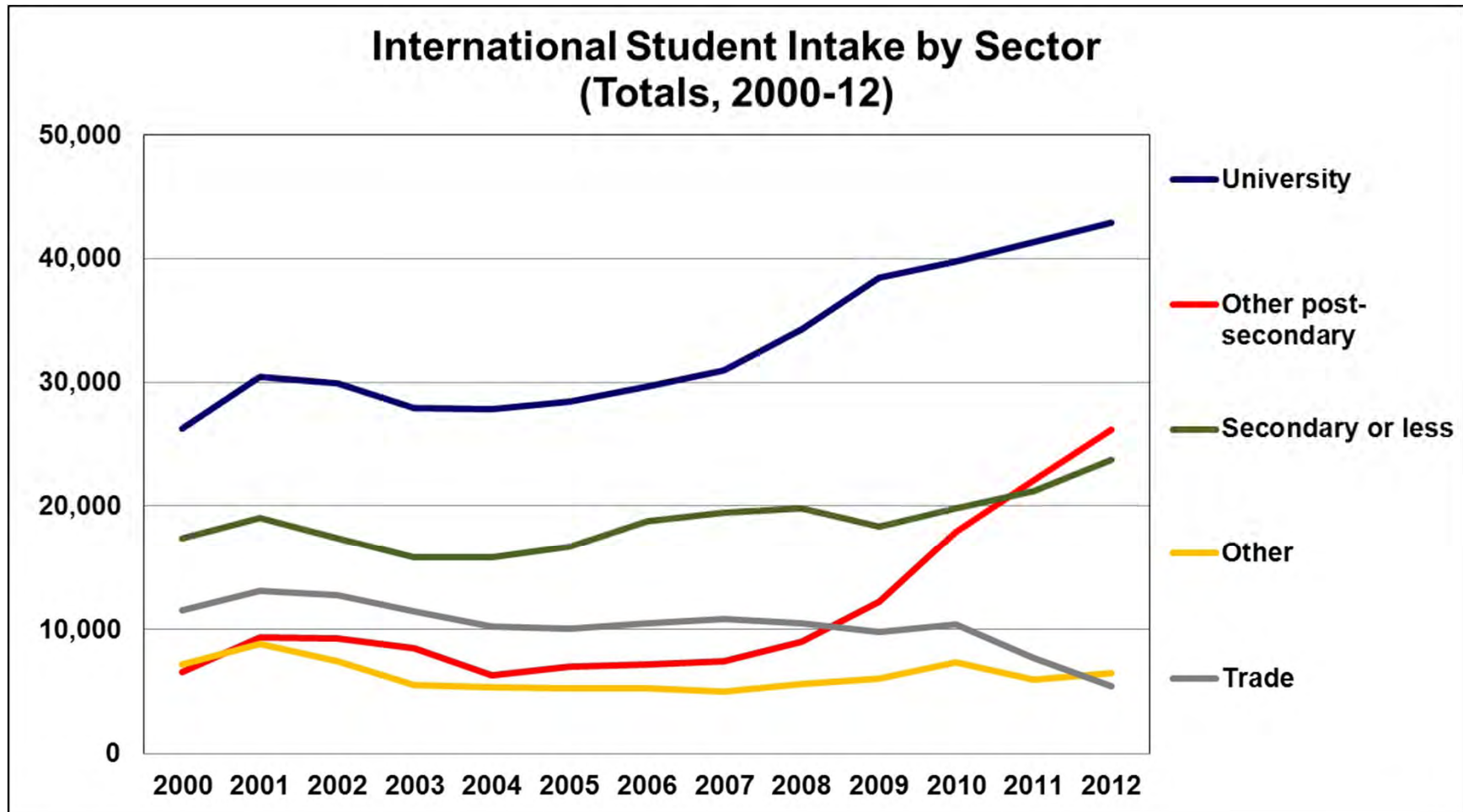
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INTERNATIONAL STUDENTS IN CANADA

Sectoral Trends: Intake



Intake growth is driven by the (total) post-secondary sector

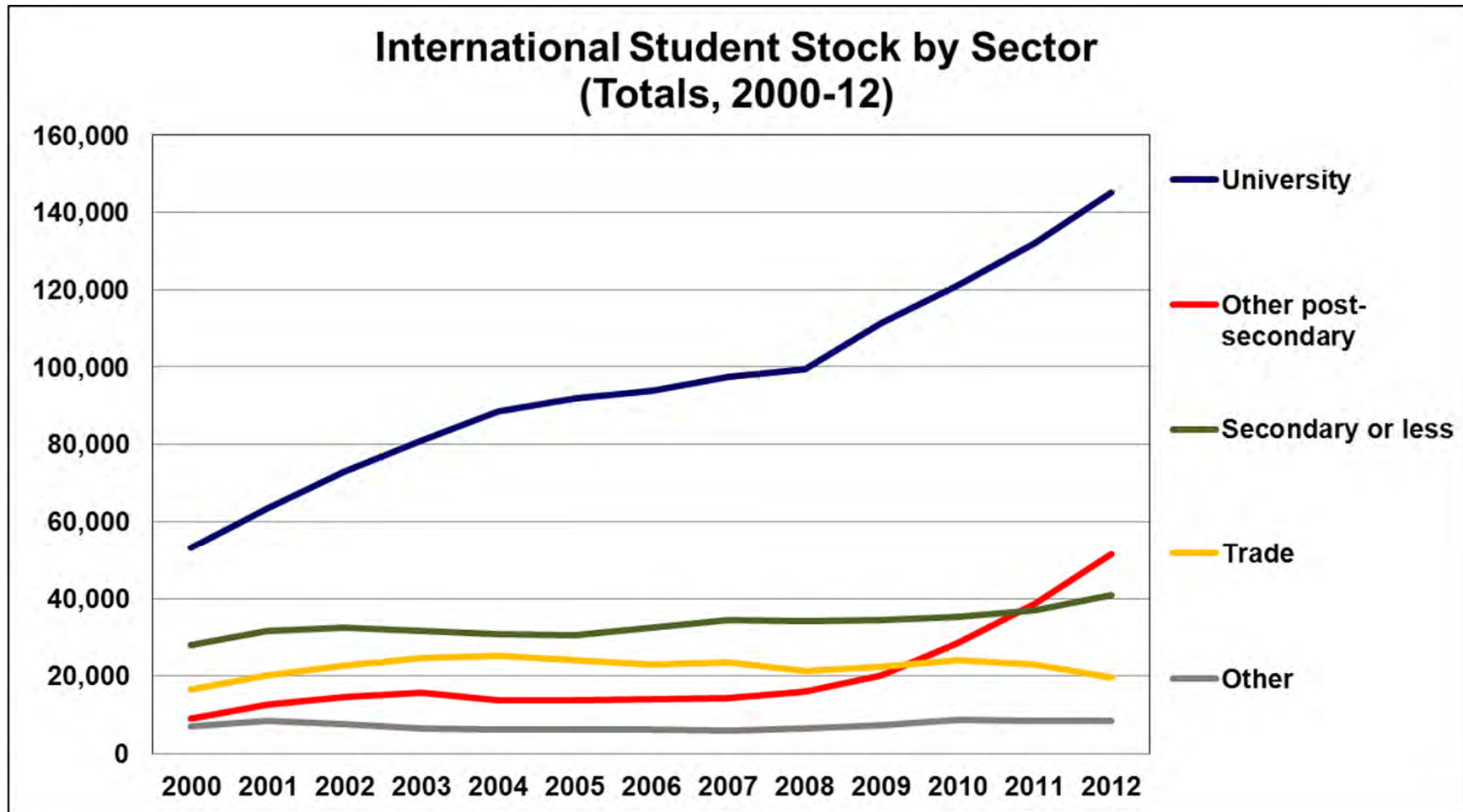
Notes: Excludes the "Level of study not stated" and "Gender not stated" categories.

Source: CIC.

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INTERNATIONAL STUDENTS IN CANADA

Sectoral Trends: Stock



Universities drive enrollments, colleges are growing strongly

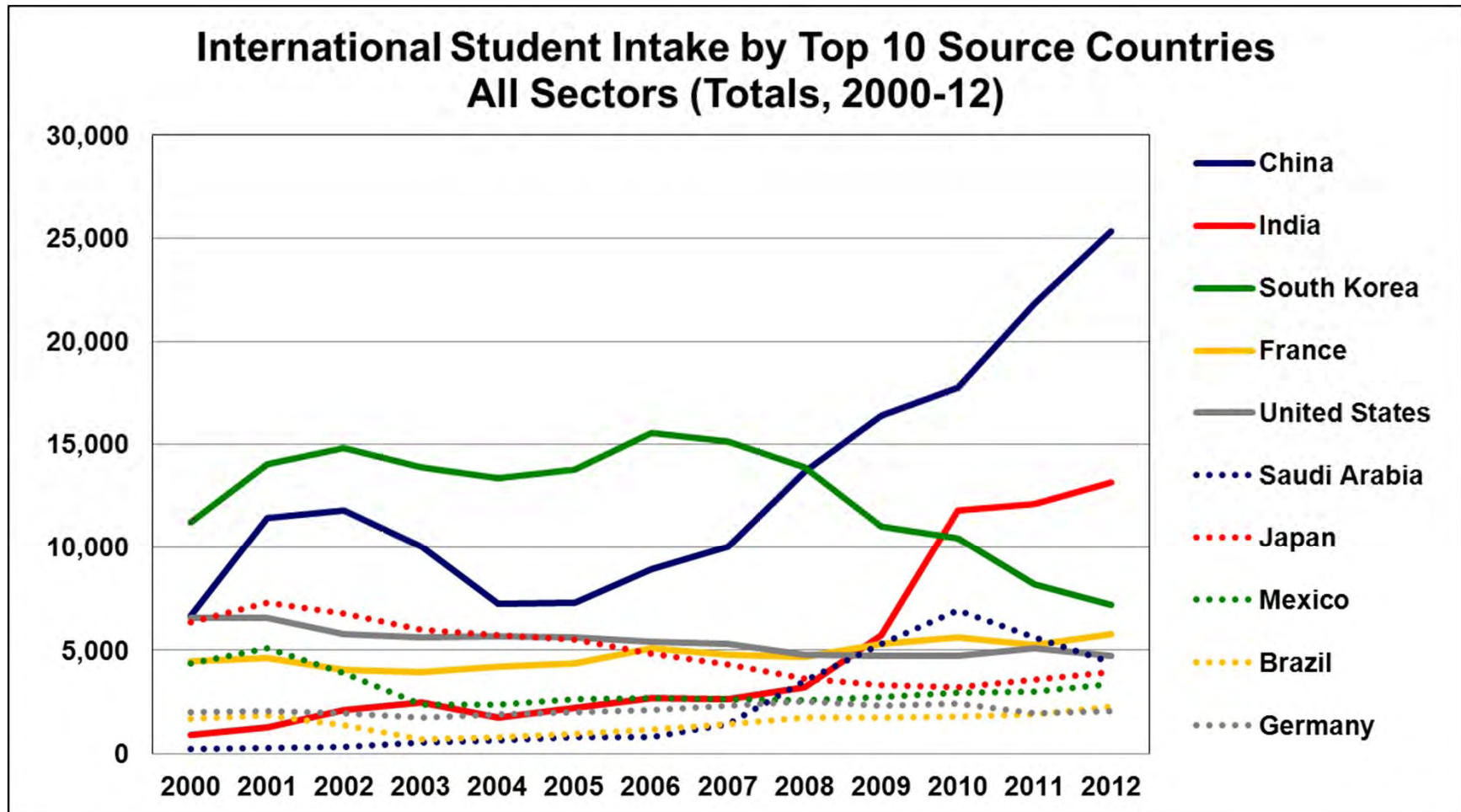
Notes: Excludes the "Level of study not stated" and "Gender not stated" categories.

Source: CIC.

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INTERNATIONAL STUDENTS IN CANADA

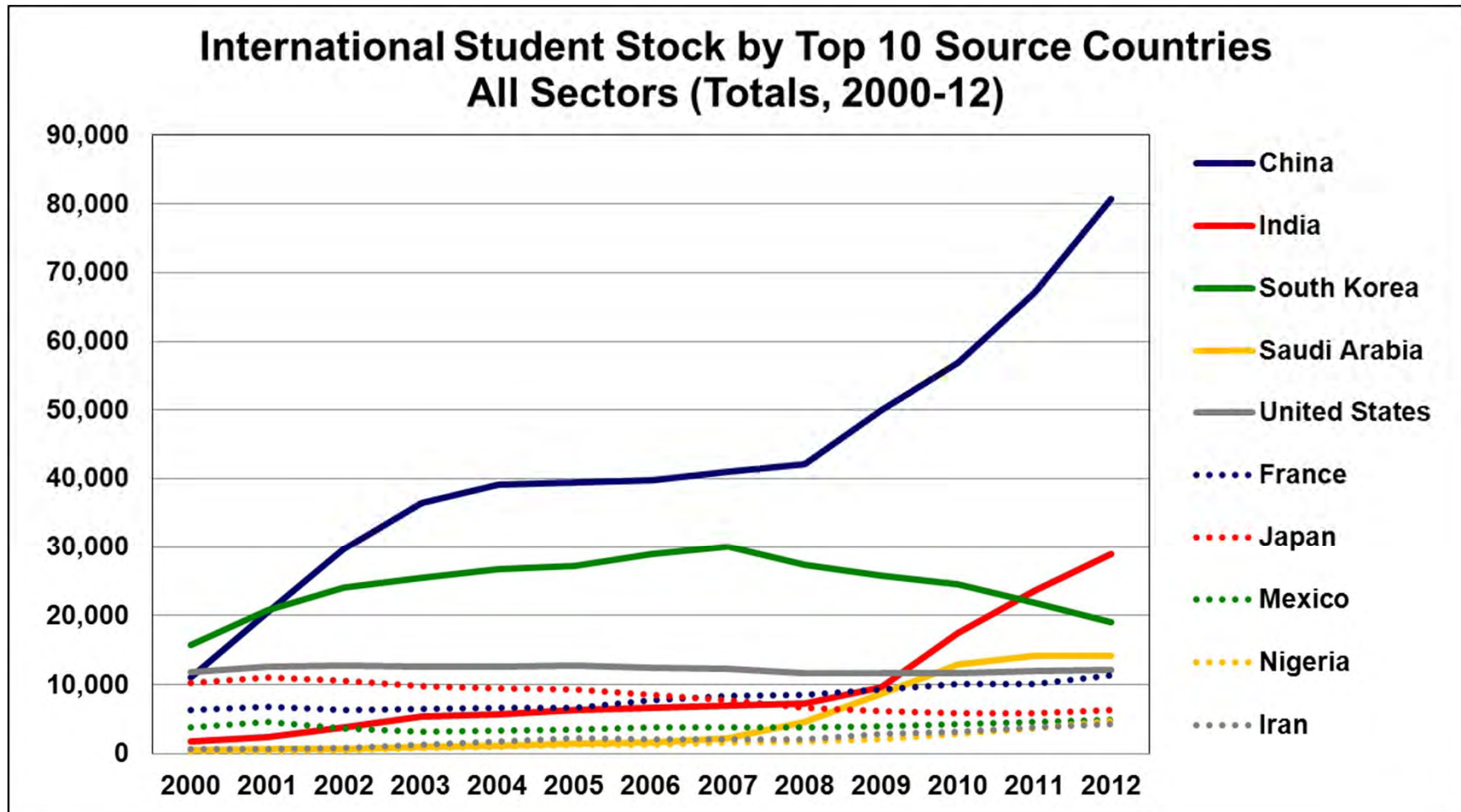
Source Country Trends: Intake



China and India account for 82.3 percent of intake growth since 2009

INTERNATIONAL STUDENTS IN CANADA

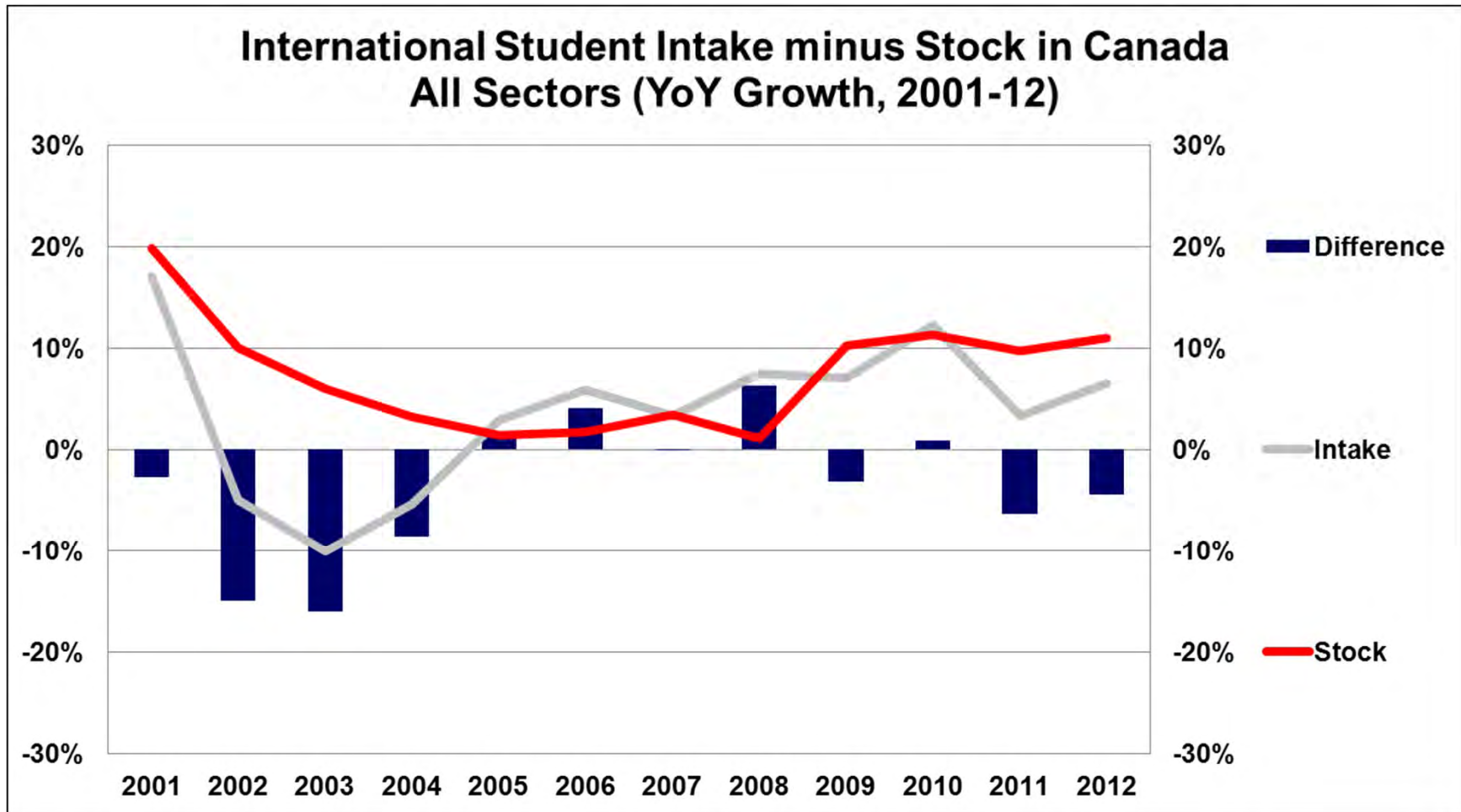
Source Country Trends: Stock



China's enrollment share has increased from 9.7 to 30.4 percent

INTERNATIONAL STUDENTS IN CANADA

National Trends: Intake minus Stock



Intake growth slow down presages stock growth slow down

Notes: Bars depict year-over-year intake growth rate minus stock growth rate.

Source: CIC.

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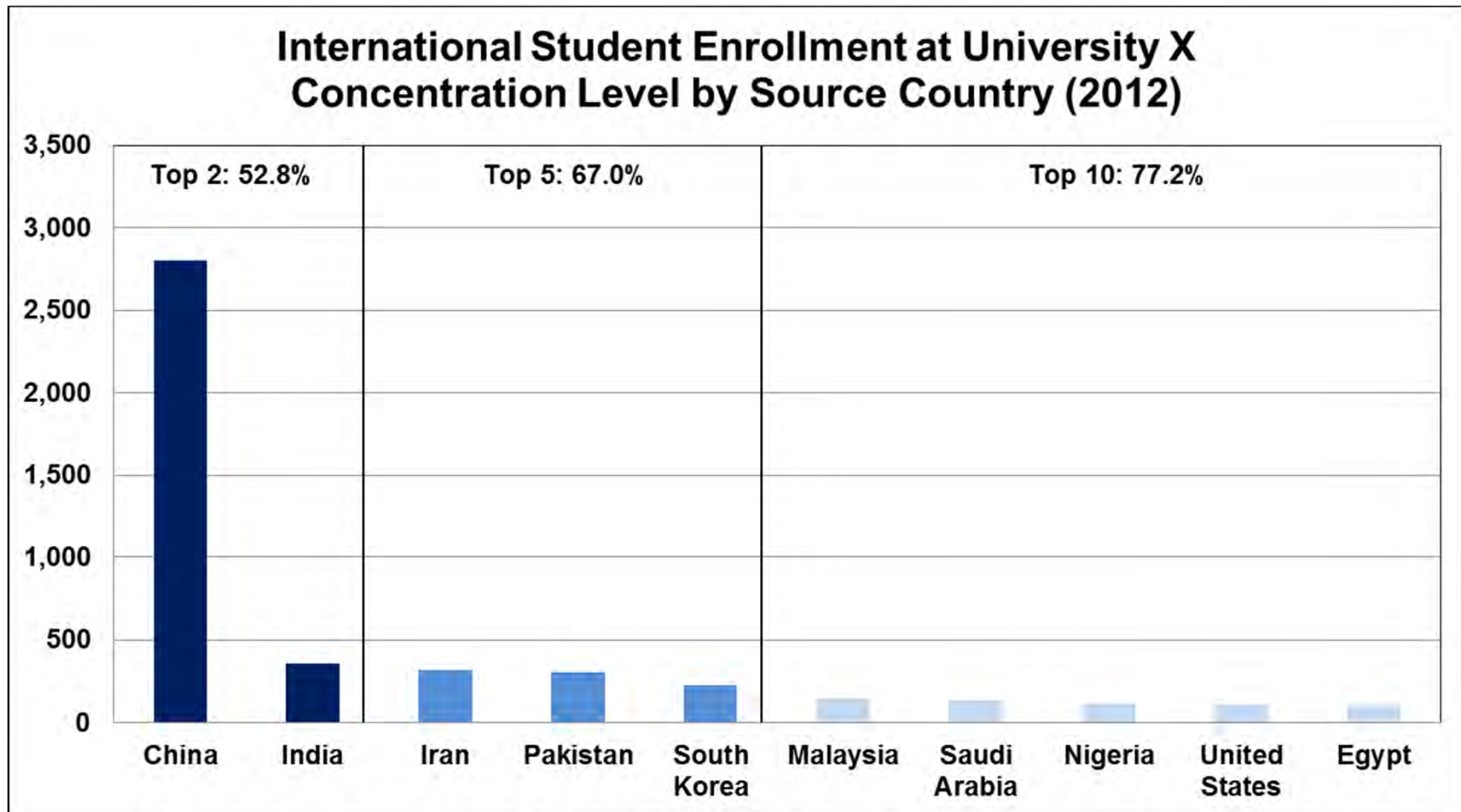
INTERNATIONAL STUDENTS IN CANADA

Commentary on Source Country Trends

- **Canada is experiencing source country trends not dissimilar from past trends in Australia, New Zealand, and the United States.**
- **China has become the dominant source country, accounting for 3 in 10 international students. India has strongly emerged, while South Korea has been declining.**
- **The intake of Saudi Arabian students sharply accelerated starting in 2007, but by 2011 intake started to notably regress.**
- **Only six countries enroll more than 10,000 students each in Canada across all sectors.**
- **Canada has become subject to increasing concentration levels, with a small number of countries accounting for a very large and growing share of all international students.**
- **Please note that no sector-specific analysis can be undertaken owing to a lack of CIC data.**

INTERNATIONAL STUDENTS IN CANADA

International Student Enrollment at University X

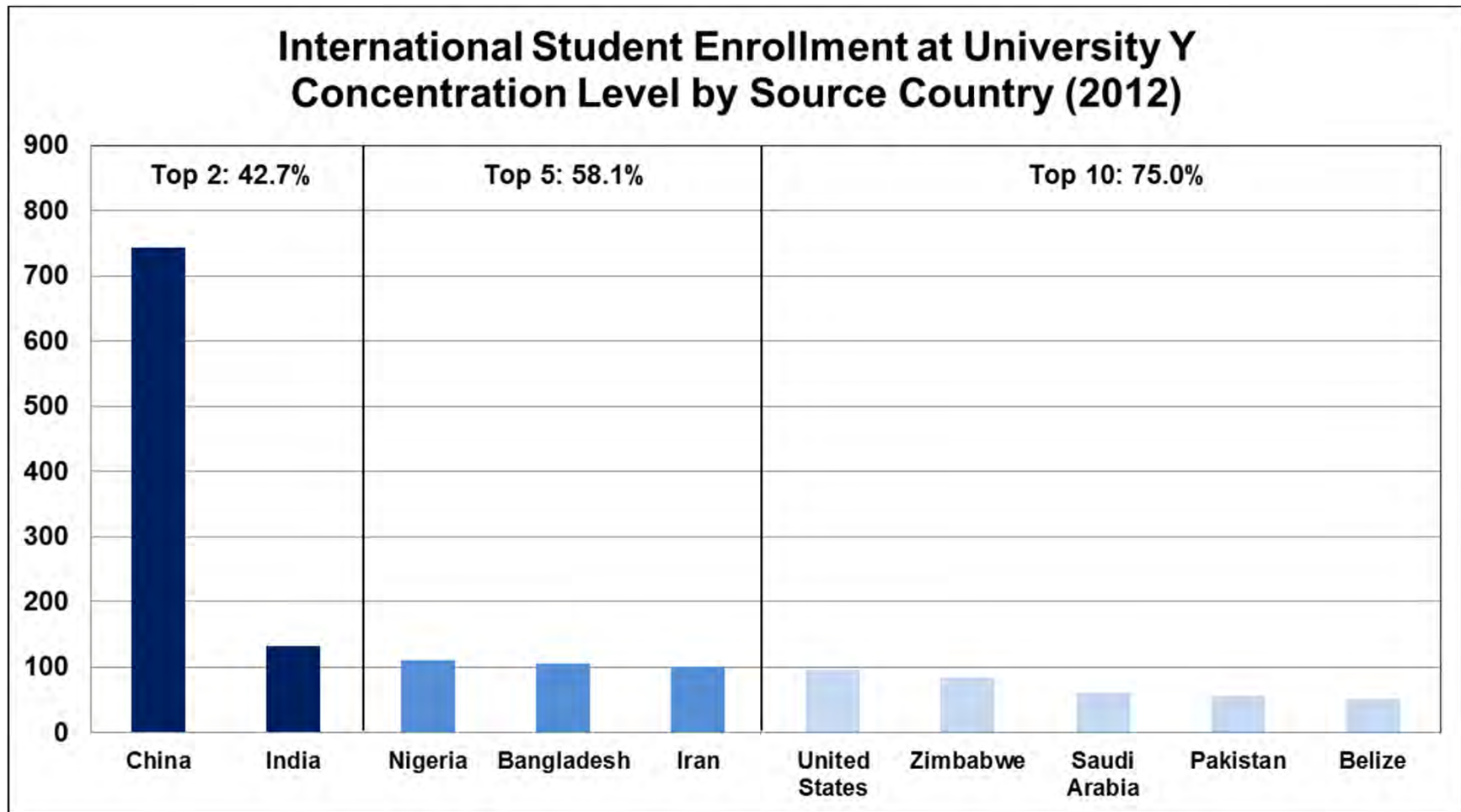


Nearly half of international students come from China alone

Notes: Data is modified.
Source: University X.
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INTERNATIONAL STUDENTS IN CANADA

International Student Enrollment at University Y

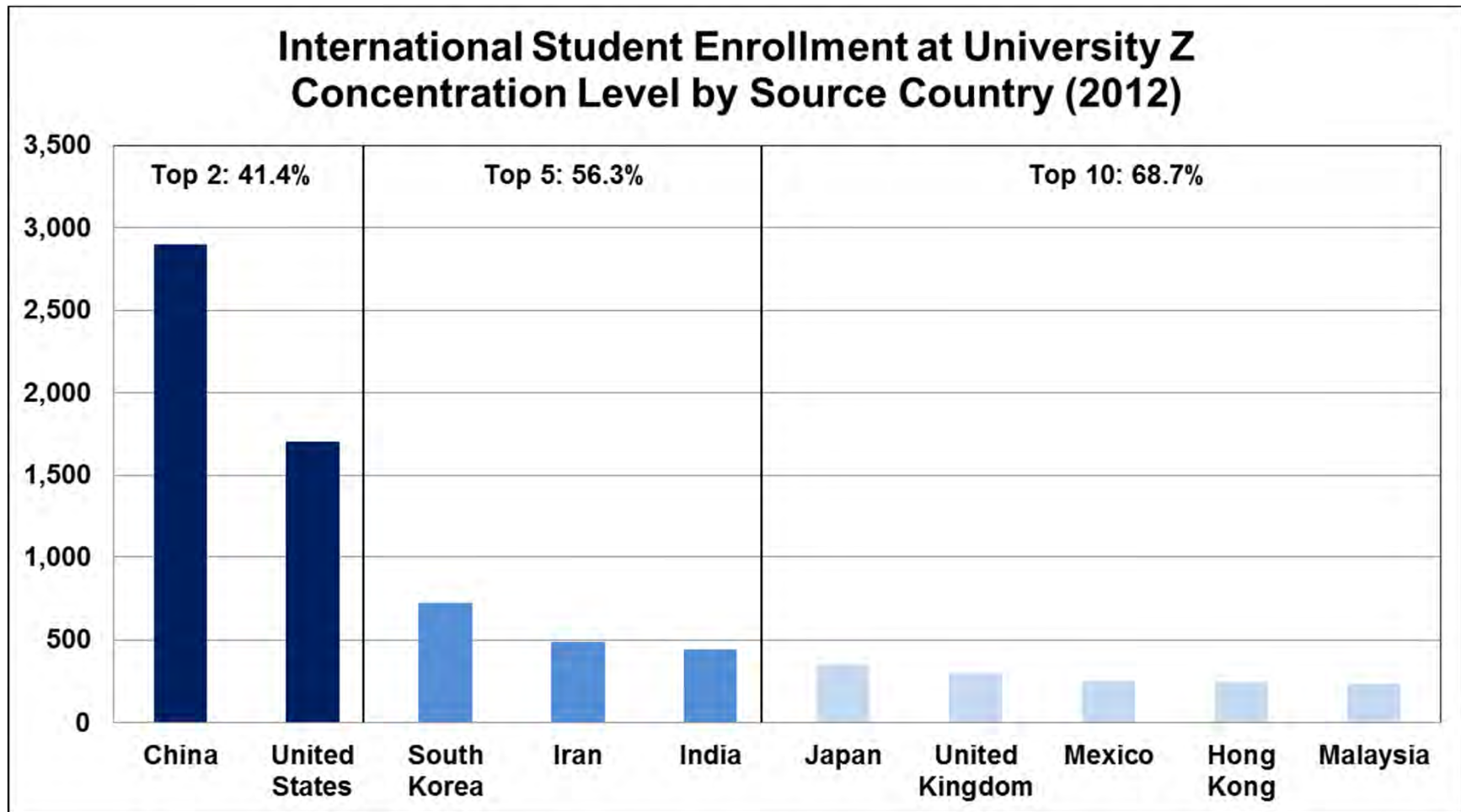


Strong Chinese population evident, but diversity in other lead markets

Notes: Data is modified.
Source: University Y.
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INTERNATIONAL STUDENTS IN CANADA

International Student Enrollment at University Z



Notable Chinese and US populations, but a healthier distribution overall

Notes: Data is modified.
Source: University Z.
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INTERNATIONAL STUDENTS IN CANADA

Commentary on Source Country Concentration

- **Canada's increasing dependence on a small number of source countries is often reflected in international student enrollment patterns at colleges and universities.**
- **Institutions expose themselves to significant risk by relying on a select few countries to meet international enrollment goals.**
- **Diversification of the international student population will be an important imperative for institutions in the next few years.**
- **The following are examples of source country concentration levels at Canadian institutions. Data reflect on actual institutions but have been modified to ensure no institution can be identified.**

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COMMENTS FROM DFATD

- **Comments from DFATD go here.**

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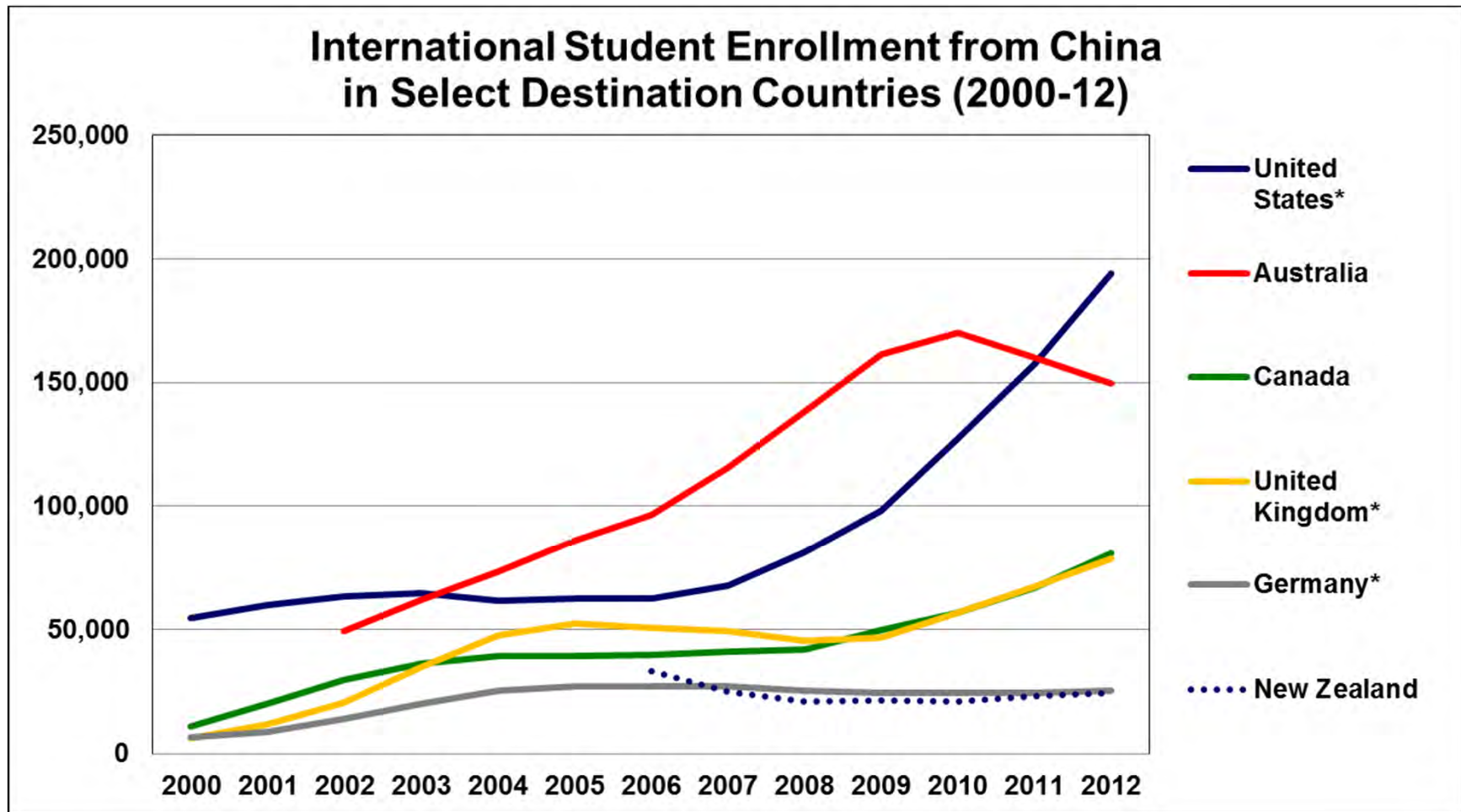
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CANADA'S KEY MARKETS IN PERSPECTIVE

International Student Enrollment from China

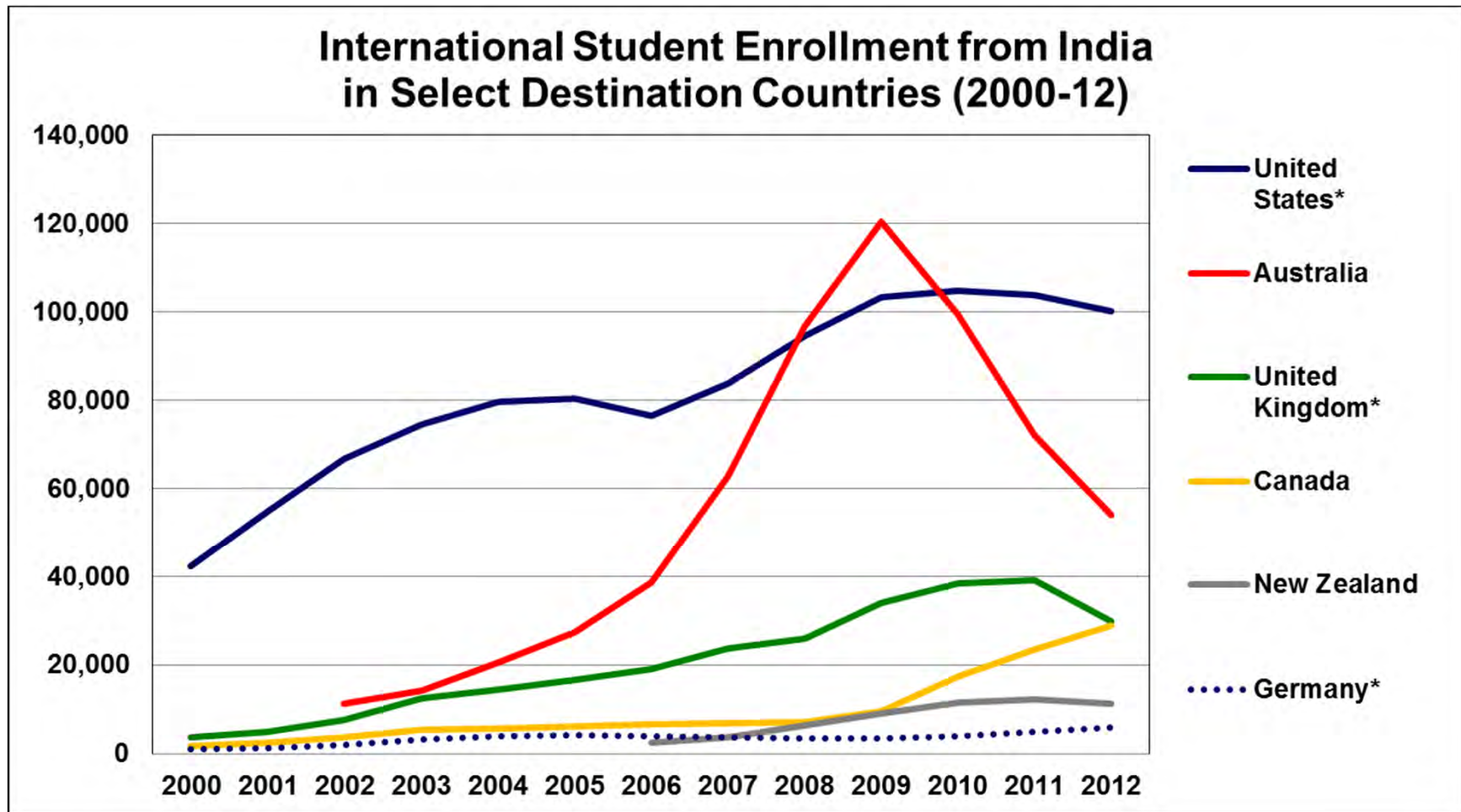


Divergent growth dynamics – The US is the lead destination by far

Notes: Data unavailable for some years. For countries with an asterisk (*), data shows higher education enrollment only.
Source: AEI, CIC, DAAD/HIS, ENZ, HESA, IIE.

CANADA'S KEY MARKETS IN PERSPECTIVE

International Student Enrollment from India

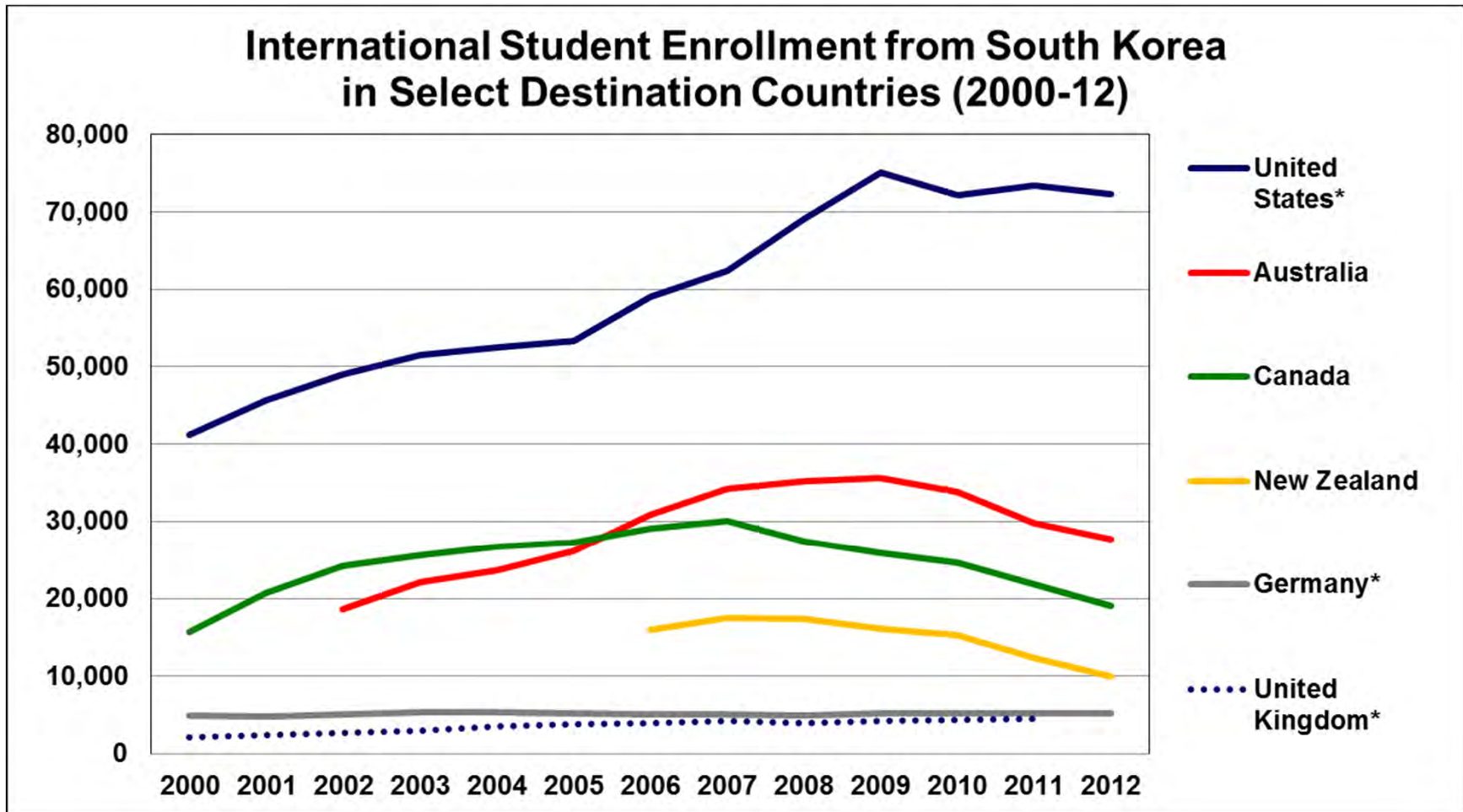


The Indian market is characterized by rational volatility

Notes: Data unavailable for some years. For countries with an asterisk (*), data shows higher education enrollment only.
Source: AEI, CIC, DAAD/HIS, ENZ, HESA, IIE.

CANADA'S KEY MARKETS IN PERSPECTIVE

International Student Enrollment from South Korea



South Korea has become a maintenance market , at best

Notes: Data unavailable for some years. For countries with an asterisk (*), data shows higher education enrollment only.

Source: AEI, CIC, DAAD/HIS, ENZ, HESA, IIE.

COMPETITIVE AND STRATEGIC IMPLICATIONS

Sustainability is Becoming a Concern

- **China.** No longer a question of whether risk applies, but what disconcerting levels of risk(s) are being reached.
- **Classroom experiences.** Still balanced, challenging, and worth the money being charged?
- **Cost.** How much is too much for a Bachelor's Degree (incl. cost of living)? USD 150,000? USD 350,000?
- **Competition focus.** Western countries' intakes are growing much less than global mobility is growing. Yet many policies are still drawn up as battle lines between western countries. Does this still apply?
- **Online learning.** Today's impact is next to zero. The impact ten years from now will be transformative.

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