

# Australia on course

Overall, 2003 was not a bad year for Australia's English language teaching industry, and there are hopes that government involvement in the sector might aid further growth in 2004. But an emphasis on serious study and price sensitivity has been noted. AMY BAKER reports.

Study tours are becoming more and more field specific and expectations of students are very high," says Luke Simon of the English Language Centre at the University of Western Sydney in Campbelltown.

Simon's observations are backed up by a number of sources in Australia's English language teaching market, who stress that offering high quality, targeted English language courses will be the way to prosper this year. Dayna Hill from Hilton International College in Fortitude Valley, near Brisbane, adds, "Schools that are able to sustain solid relationships with agents that are promoting quality institutions and delivering satisfied clients will hopefully prevail."

Hill paints a picture of a slow year in terms of business performance in 2003, as, along with other markets worldwide, Australia suffered from the malaise in the travel sector brought about by Sars and tensions in the Middle East. China, which is a strong market for Australia, was one of the key countries affected.

"Sars had a huge impact on our enrolments from China and we also had to evacuate our staff who were teaching in China at the time," says Simon. "Sars cost us a lot of money, especially in lost revenue. China was our main source country in 2002 but dropped to fifth place in 2003."

At Hilton International College, Chinese students remained among the top performers, along with students from Taiwan and Hong Kong, relates Hill, who adds that Japanese, Korean and European student numbers dwindled last year. Overall, numbers at the school were down by 25 per cent, and Hill relates that a competitive marketplace also contributed to the challenging operating environment in 2003.



"In certain destination sectors there is cut throat competition with new schools opening and many schools competing for student weeks by dropping prices to attract the budget conscious client," she says. "Ultimately, this will affect all concerned in the market – [such] schools are not able to sustain quality delivery."

In other parts of the country, schools experienced a more upbeat performance. Warren Milner at Milner International College in Perth recorded his school's "best ever year", with numbers up by 25 per cent, while other schools reported steady student bookings.

Overall, Australia's market performance in 2003 was believed to have been good, according to Sue Blundell at English Australia. She points out that with a change in Korea's visa assessment level rating effected in November 2003, it was hoped that an upturn in the Korean and Chinese markets at the end of the year would increase overall numbers.

Certainly, at Macquarie University in Sydney, enrolments began to pick up again towards the end of the year, resulting in a 20 per cent rise in student numbers compared with 2002 figures. However, Anna Donaghy, at the university's NCELTR English language department, points out that the year-end figure for student weeks was actually down by

four per cent. "This is an indication that the reasons for studying overseas are changing," she says.

Other schools also testify that patterns in student stay are changing. Hill points to a trend towards "short-term courses with pathway objectives", while Simon adds, "Students booking English studies seem to expect a significant improvement in proficiency in a very short period of time – going from an Ielts 5.5 to a 6.5 in 10 weeks! This is unrealistic, [but] seems to be happening more and more."

Claire Stevens, Marketing Director for Australian College of English in Bondi Junction, offers some explanation for the same trend at her school. She points to price-conscious international students, affected variously by Sars, the recession in Germany or high unemployment in Switzerland, and the strengthening Australian dollar, as factors that have led their students to choose "cheaper destinations within Australia and shorter stays".

Blundell acknowledges, "Over the latter part of the year, we saw an incredible strengthening of the Australian dollar against the US dollar. However, Australia aims to attract students, not because we are necessarily the cheapest destination, but because we offer the best educational experience in one of the most liveable countries in the world."

## Government involvement

In 2001, the Australian government decided to rationalise the visa issuing process by giving each study sector (such as English language studies, or high school) an assessment level rating relevant to the country of the visa applicant. Then, clear guidelines were issued relating to each assessment level and sector, paving the way for a "transparent" visa system.

After protests against the rating levels for some countries, Sue Blundell at English Australia says that some concessions have been won – notably for the important Korean market – and more legislative changes are expected this year. "We are also hoping for working holiday visa agreements to be finalised with more countries," she adds. "In 2003, we saw the programme expanded to include France and Italy."

The government also introduced a new approach to marketing and promoting international education last year (see *Language Travel Magazine*, August 2003, page 4), and the emphasis placed on the sector was welcomed. The network of Australian Education International offices is to be expanded and more funding is to be channelled into promotion of the export education sector.

One sticking point in the new plan, however, was the government's decision to increase registration charges for institutions with a per-student-charge replacing the standard fee previously paid. Those institutions with large numbers of students will be affected the most.

"When [the system] gets into full flight it will be a significant drain on profit," says Anna Donaghy at Macquarie University's NCELTR. Claire Stevens at Australian College of English adds, "We expect [the system] to have a detrimental effect on enrolments, as fees have had to increase to accommodate the new charges."