

# English Australia submission

*Inquiry into the growth potential in Australia's trade  
and investment relationship with Indonesia.*



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Joint Standing Committee on Trade and Investment Growth  
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## Background

English Australia, formerly known as the ELICOS Association, is the national peak body and professional association for the English Language Intensive Courses for Overseas Students (ELICOS) sector of international education. English Australia represents over 120 member colleges across Australia and over 86% of all overseas students who study English in Australia do so with an English Australia member college. The economic impact of the ELICOS market in 2015 exceeded \$2 billion for a second year.

English Australia welcomes the opportunity to make this submission to the Working Holiday Inquiry into the growth potential in Australia's trade and investment relationship with Indonesia

## English Australia Comments

This inquiry into Australia's trade and investment relationship with Indonesia is both timely and relevant for English Australia whose member organisations are the providers of English language programs for overseas students.

Of the more than half a million overseas students studying in Australia currently, about a third are studying English. ELICOS also plays a pivotal 'gateway' role in the international education sector as a whole. That is, the most important student-recruitment nations for universities, private higher education providers, vocational education colleges, and schools are non-English speaking countries, including China, Japan, South Korea, Thailand, Brazil and Columbia. For most international students from non-English speaking backgrounds, their first and formative experience of Australia and Australian education is at an English Australia member college.



## Background

The focus of the Joint Standing Committee's inquiry is highly relevant, because, two decades ago, enrolments from Indonesia placed it in the top five source nations, peaking at the third highest in the Asia-Pacific region in 1997 with 6,416 students.

A decade ago, Indonesia dropped out of the top ten contributing countries, replaced for the first time by India. Enrolments from Indonesia fell to 1,529. The figures have been consistently low since, fluctuating between 1,500 and 2,500 enrolments.

Enrolments from Indonesia and other countries in the Asia-Pacific region were adversely impacted by the Asian financial crisis in the late 1990s. However, while enrolments from other countries, such as South Korea, increased again after the crisis, enrolments from Indonesia did not. Conversely, enrolments from Indonesia were not impacted by the global financial crisis, high Australian dollar or student safety concerns which adversely affected enrolments from many other countries from 2009 to 2013.

This market data is drawn from the annual Survey of major ELICOS regional markets. For more than 20 years, this survey and report has been commissioned by English Australia from Environmetrics Pty Ltd and funded by the Department of Education and Training. It is the only market analysis which collates and publishes enrolment information for both student visa and non-student visa holders.

## Current situation: Indonesia

The most recent Survey of major ELICOS regional markets for the calendar year 2015, published in June 2016, shows that enrolments from Indonesia continue to decline both in terms of actual numbers and economic contribution.

ELICOS enrolments from Indonesia totalled only 1,884 students, placing it 10th in the list of top source countries in the Asia Pacific region. This represented a fall of 19 per cent from 2014 when the enrolment figure was 2,339.

The largest concentration of Indonesian students in 2015 were enrolled in NSW with 1,244 students compared to Victoria with 279 and WA with 252.

In terms of economic contribution in 2015, Indonesia dropped to 12th in the Asia-Pacific region. This reflects that those students who do come are studying English for shorter periods than previously was the norm.

As Indonesia is an important member of ASEAN (Association) and with the English Language adopted as the official language for communication amongst the member nations, the quality of the Australia English Language training sector offers further opportunity for bilateral cooperation.



## Conclusions and recommendations

On the basis of the market performance over the years noted above, it would appear there is considerable scope to increase the number of Indonesian students studying English in Australia both as a prelude to further study and as their sole-purpose. Given the close proximity of the two countries, the decline in ELICOS enrolments from over 6,000 per year previously to less than 2,000 per year in recent times warrants further investigation.

English Australia note that the ELICOS experience described above has been shared in the higher education sector which has seen significant declines in its enrolments from Indonesia. The vocational education sector has, on the other hand, grown its Indonesian student numbers over recent years.

English Australia feel strongly that potential exists to restore Indonesia to a top ten source country, particularly in light of the precedent set with Japan where declining enrolments have been successfully turned around with a concerted campaign led by Austrade and supported by peak bodies, including

English Australia, and providers themselves. Indeed, the Japanese initiative has been so successful that Japan has replaced China as the top source country in Queensland and become second largest source country overall surpassing South Korea which was number two in 2014.

Government-led programs have also proven important in creating new opportunities and promoting diversity in the overseas student body as has been the case with Brazil which was the fourth largest source country in 2015.

English Australia recommends that the Committee investigate the possibility of government-to-government activity to restore international education enrolments from Indonesia either as part of broader trade negotiations or as a stand-alone international education initiative.

Should the Committee require further information English Australia would be happy to appear before the Committee to enlarge on the analysis contained in this submission.

For further information, please contact the undersigned.

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