INTERNATIONAL EDUCATION IN THE CAIRNS ECONOMY

Economic Impact Analysis 2018

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SUMMARY OF MAIN FINDINGS

SURVEY RESULTS

- The findings are based on a survey of providers of international education services in Cairns about activities in the calendar year 2018.
- International education in Cairns is provided by 17 different institutions with some providing more than one type of service including School 5, Vocational 7, University 2, English Language 5, Study Tours 7 and Student Excursions that are organised through various outside companies, travel agents and organisations.
- Total student numbers identified for 2018 was estimated at 32,000 involving 790,000 student days.

Estimated Student Numbers & Student Days

	Estimated Student Numbers		Estimated Student Days	
Institution	**No.**	**%**	**No.**	**%**
School	463	*1.4%*	116,676	*14.7%*
Vocational	953	*2.9%*	162,000	*20.9%*
University	454	*1.4%*	109,000	*13.7%*
English Language	2,660	*8.2%*	143,010	*18.0%*
Study Tours	12,840	*39.6%*	185,000	*23.3%*
Student Excursions	(1) 15,000	*46.3%*	(1) 77,000	*9.7%*
Total	**32,370**	***100.0%***	**792,686**	***100.0%***

- Duration of studies varied with University mainly more than one year, TAFE split between one and two terms, School mainly 3 or 4 terms, English Language mainly a bit above four weeks, Study Tours mainly 1-2 weeks and Student Excursions mainly about 4–5 days.
- Fee-paying student numbers were quite constant during the year except for December and January when they were lower. However, Study Tours were high in March, June, July, August and December.
- Recruitment of fee-paying students was spread but led by offshore agents and internet direct with Cairns, and other onshore agents next. For Study Tours, a higher proportion (over a half), were through offshore agents.
- University and TAFE were either all or mainly on student visas. School was mainly on student visas but about a third on tourist visas. English Language had over a half on tourist visas and a quarter on working visas. Study Tours and Student Excursions were almost all on tourist visas. Overall, for every one (1) on a student visa about eleven (11) were on other visa types.
- Origins of students varied between study types. School was dominated by Papua New Guinea/ Pacific Islands and Japan, and Student Excursions by Japan followed by USA. English Language was led by Japan, Other Asia and then mainly spread between Europe and South America. Vocational was mainly from Asia and then spread. University was spread but with US/ Canada high and Papua New Guinea/ Pacific and India strong.

- Accommodation used for fee-paying students averaged about 60% homestays and 25% share house. Some 17% were hostel or on-campus accommodation.
- Estimated employment in the institutions was 120 full-time, 130 part-time.
- Purpose of fee-paying student visits was 75% 'mainly study'. For Study Tours, 75% were 'evenly holiday and study'.
- About 30% were estimated to visit other parts of Australia as well as Cairns.
- Based on the information received, estimated income received in 2018 by the institutions was $38m with about a third collected from students for accommodation, health-cover and tours.
- Expenditure identified, excluding that collected on behalf of students for accommodation, tours, etc., was split:

  Delivery costs 79%
  Marketing costs.......................... 13%
  Space rentals 7%

- Based on opinions of respondents, estimated average expenditure outside of payments to institutions by fee-paying students was $500 a week and Study Tours $1,000 a week plus $400 per student. Student Excursions were estimated at $1,400 per student per 5-day period.

ECONOMIC IMPACT ANALYSIS

- Direct expenditure generated in the Cairns economy was estimated to total $130m as follows.

Summary of Estimated Expenditure Generated by International Students in 2018

	$M
Est expenditure in education institutions	$38 m
Est private expenditure by students	$80 m
Est expenditure on airfares accruing to the region	$9 m
Est expenditure by visiting friends & relatives	$3 m
Est Total Expenditure	**$130 m**

- This is estimated to generate the following impacts on the economy including "flow-on" effects.

  Output (expenditure) ....$130 m
  Total addition to Gross Regional Product including "flow-on" .... $121 m
  Estimated direct employment generated 570
  Est total employment generated including "flow-on" 970

- There is seen to be a benefit to local students and families in engaging with overseas students, heightening cultural awareness and interest, and in students becoming more culturally aware of and interested in Australia.

COMPARISON WITH OTHER REPORTS

- The 32,000 student number compares with 33,000 identified for 2018 in Tourism Research Australia as visiting Australia for 'education' purposes and visiting the Cairns region.
- The number of students identified indicates major growth overall, and in each category, compared with a similar survey report in 2005 except for English Language that recorded a strong fall.
- The figures broadly reconcile with those of the Trade & Investment Queensland International Education Snapshot that was confined to those on student visas or recorded by CRICOS providers. However, the results illustrate large numbers of students on non-student visas visit Cairns with a much larger impact on the economy than is portrayed in the Trade & Investment Queensland Snapshot.

WEAKNESSES AND OPPORTUNITIES ANALYSIS

- Survey responses identified the following.
  - A major weakness is that Cairns is perceived as a tourist destination and not a serious study destination. Associated with this is a perception of lack of study options with a need for the universities to lead in expanding study options that build on the region's unique qualities.
  - Agents are tending to send shorter-term students to Cairns, longer-term elsewhere.
  - Return on investment from attracting short-term students is mentioned as being low.
  - Cost of student visas and short-term 2-year duration is seen to be a negative, especially in attracting long-term students.
  - There are issues in relation to perceptions of the reef, political issues and problems with location awareness.
  - Limited number of education agents in Cairns with limited offshore networks was seen to be a restraining factor for recruiting serious study segments. This is in contrast to the large Japanese agencies recruiting Study Tours/ Student Excursions.
  - There has been a lost opportunity with the Federal Government extending Regional Visas to anywhere outside of Sydney, Melbourne and Brisbane, ie. extending regional status to Adelaide, Perth and the Gold Coast.
  - There is seen to be a need to step up marketing as a serious destination with more presence in agents' offices, education fairs, TV, magazine and social media.

1. INTRODUCTION

1.1 General

Cummings Economics was commissioned by Cairns Regional Council on behalf of Study Cairns and international education operators in Cairns to research and prepare a report on International Education's contribution to the Cairns Economy, with special reference to Study Tours.

1.2 Methodology

International Education in the Cairns region is comprised of a number of elements.

First, there are fee-paying students who attend local education institutions. These can be on student visas or other types of visas.

Then, there are what has been defined for this report, Study Tours where non-fee-paying students come to Cairns on short tours that include some element of attendance at a local education institution.

The third category has been defined as Student Excursions for this report, who are students who come to Cairns but do not attend one of the local education institutions. These can be School, Vocational or University level students with accompanying teachers/ lecturers who may engage local lecturers on a casual basis. In this category are university students especially from the USA, who come to Cairns for an introduction to Australia, but who may go on for studies at university institutions elsewhere in Australia.

Published information on international education in Cairns is restricted and in particular does not cover a number of fee-paying students who come on non-student visas, and does not include Study Tours and Student Excursions.

The research was carried out in two phases.

In the first phase, international education operations in the Cairns area were identified with the assistance of Study Cairns.

A questionnaire was prepared to gather information about the sector on the basis that individual responses would be confidential.

With the input of Study Cairns and Cairns Regional Council, a decision was made to collect information from international education operators on all types of international education activities to enable a full picture of the sector to be developed, including the role of Study Tours and Student Excursions compared with other types of international education. The questionnaire was designed for online responses with facility to complete progressively over time. The questionnaire was circulated with a request to complete (see Appendix 2).

Responses were analysed. If a response was not received from an individual operation, interviews were conducted with others in the sector about how they believed the missing operation related to operations for which data was received and while maintaining confidentiality of individual responses, good estimates were able to be made of the scale of the missing operation.

The second phase involved obtaining information about Student Excursions. Information about this element was obtained by interviewing local sources familiar with these types of visits and persons in companies/ institutions outside of Cairns who organised this type of activity. Unfortunately, in this phase, the advent of COVID-19 restrictions severely affected a number of the companies/ institutions organising this type of activity (some had closed down), and overall estimates have needed to be made based on consultation with local persons with a knowledge of this type of activity.

1.3 Timing

The questionnaire was sent out in late December 2019. Disruptions caused by the Xmas/ January holidays, commencement of the school year and the travel disruptions caused by COVID-19 restrictions led to delays. First phase responses were not finalised until late May 2020 and second phase by August 2020.

1.4 The Questionnaire

The questionnaire is included in Appendix 2 in hard copy form. The questionnaire was formulated in the last quarter of 2019 and a decision made to collect data for the latest available calendar year. (Education institutions often keep records on a calendar year rather than a financial year basis.)

Market segments were identified and total numbers and student weeks for the year. Questions identified length of stay and seasonality.

Questions identified how recruited, whether ‘Fee-paying Students’ or ‘Study Tours’, types of visas involved and origins.

Questions sought income received from international studies and expenditure by operators in the region in different categories. A question sought operators’ estimates of how much students spent in the area outside of payments to education providers. The next question sought to identify how much the sector has invested in facilities and how much floor space related to international education.

Supplementary information was sought about students’ main purpose of visit and whether they visited places in Australia other than Cairns.

The final section sought feedback on secondary and developmental benefits and operators’ views about issues facing the sector.

2. BACKGROUND ON CAIRNS & DEVELOPMENT OF THE EDUCATION SECTOR

2.1 The Cairns Economy

Cairns is a port city set in a beautiful tropical location with a background of sugarcane field coastal valleys and rainforest clad mountains. To the north of the city are coconut fringed beaches and close offshore and easily accessible is the teeming marine life of the Great Barrier Reef. Along the coast to the north lies Port Douglas and the Daintree rainforest. To the south of the city lies the Cassowary Coast, Innisfail and Mission Beach. West of the coastal ranges lies the elevated Tablelands' rainforest and farming areas, mining and tropical savannah lands.

Although tourism has come to play a substantial role in the economy, the city's primary economic role is as a regional capital – a transport, distribution, manufacturing, administrative and services hub for a tropical frontier region stretching south to Cardwell, north to the Papua New Guinea border and west to the Gulf and the Northern Territory border. The Tropical North Queensland (TNQ) region covering the Peninsula Australia Geographic region, has an area the size of the British Isles, one and a half times the area of Victoria and is as deep from north to south as New South Wales (see Map Appendix 4).

This tropical frontier region was initially late being developed but has grown strongly in more recent decades to being the largest in population in northern Australia and emerging as the largest in population outside of Queensland's southeast corner. Since 1976, Cairns has passed seven other regional cities in size (see Tables and Chart Appendix 4).

The Cairns region accounts for 26% of Australia's water runoff and is the largest primary industries region in northern Australia (agriculture, forestry and fisheries). The region has a substantial mining sector and plays a role in providing mining FIFO workforce to other regions in northern Australia and Papua New Guinea. Cairns is the location of the Australian Navy's north-eastern operational base and with three shipyards, one of the leading centres in northern Australia for marine servicing.

Rapid growth of tourism has led to the region becoming a major tourism industry and lifestyle centre. In international holiday visitors, it stands along with the Gold Coast and next to Sydney and Melbourne. Its population size, tourism, and special links with adjacent Papua New Guinea, leads to the city's international airport being by far the largest in passenger flows in northern Australia with direct international airlinks in 2019 with nine other cities in the Asia Pacific region.

"On-the-ground" population of residents and visitors in the region is now well over 300,000 with Cairns itself about 180,000. Major earnings of "base industries" income from outside the region are tourism over \$3bn pa, Primary Industries over \$2bn pa and Mining over \$1bn pa. Gross Regional Product of the region is about \$16bn and Cairns about \$9bn.

2.2 The Development of International Education

Cairns, as a city, has long had the basic structure of state and private primary and secondary schools and TAFE colleges typical of Australia's regional cities. Rapid population growth during the 1970s, 80s and 90s saw a number of additional private schools established.

The city's smaller size in the late 60s and early 70s, saw the city bypassed in the rapid expansion of higher education at that time, especially the development of Colleges of Advanced Education. It was not until the mid-1980s that the city established a case for development of higher education facilities and James Cook University based in Townsville commenced setting up a sub campus in Cairns. More recently, Central Queensland University based in Rockhampton, also commenced developing a sub campus in Cairns. However, compared with other cities its size, higher education in Cairns remains relatively underdeveloped (see Table Appendix 5).

In the early 1980s, Cairns succeeded in having its airport upgraded to take wide-bodied jets from overseas and with the growth in international tourism, direct flights from overseas and the city's special appeal, private education providers commenced establishing an international education sector in the 1990s, especially English Language schools.

Cairns has long had a special relation with Papua New Guinea (Port Moresby is far closer to Cairns than Brisbane), and the growth of schools and vocational training institutions in the city has seen increasing numbers of students attracted from Papua New Guinea.

A report in 2004 on international education in Cairns identified that the city had become the leading regional centre in Australia outside the Gold Coast for international student numbers with strong numbers in English Language schools and Study Tours.

Since then, the 'Global Financial Crisis' and the very high Australian dollar have presented challenges for Cairns' tourism and for the international education sector for a number of years.

A feature of developments since 2004 has been an increase in the public education sector's role in the region, through state schools, the TAFE and the recent establishment by James Cook University of on-campus student accommodation.

The following report seeks to benchmark the size and importance of the sector in the local economy.

3. SURVEY RESPONSES – PROFILE OF THE SECTOR

3.1 Institutions and Type of Study

3.1.1 General

A total of 17 institutions were identified as participating in international education in the Cairns area.

- Peace Lutheran College
- Freshwater Christian College
- Catholic Education Cairns
- Education Queensland International (EQI) Cairns
- Trinity Anglican School
- CQ University
- James Cook University
- TAFE Qld
- Australis Institute of Technology
- Cairns College of English & Business
- Cairns Language Centre
- EIM Training
- You Study International
- Sun Pacific College
- Holmes College
- Demi International
- Banora

Some of the above, especially Education Queensland and Catholic Education, involves over 20 different schools with students on student visas or participate in Study Tours.

Total number of outside companies/providers/agents/institutions that organise Study Tours and Student Excursions into Cairns is not known precisely but is expected to be at least a further ten (10).

There were four main types of study involving education institutions:

1) School
2) Vocational Education & Training
3) University
4) English Language

On top of this, there are two other types:

1) Study Tours
2) Student Excursions

Study Tours are defined as those which will involve the tour group members spending a period (usually short) at one of the formal education institutions. Student Excursions will bring in suitable people to instruct students but they do not attend any of the Cairns education institutions.

Some of the local institutions will be involved in more than one type of study.

Number of institutions involved in each type of study are:

School 5

Vocational Education & training (VET) 7

University 2

English Language 5

Study Tours..7

3.1.2 Responses received

Responses were received from 16 of the 17 education institutions. However, some did not respond to all questions.

3.2 Student Numbers and Duration

The following table gives estimated number of students and student days based on the returns received and estimates where data was not submitted.

Table 1: Q2a - Estimated Student Numbers & Student Days

	Estimated Student Numbers		Estimated Student Days	
Institution	**No.**	***%***	**No.**	***%***
School	463	*1.4%*	116,676	*14.7%*
Vocational	953	*2.9%*	162,000	*20.9%*
University	454	*1.4%*	109,000	*13.7%*
English Language	2,660	*8.2%*	143,010	*18.0%*
Study Tours	12,840	*39.6%*	185,000	*23.3%*
Student Excursions	(1) 15,000	*46.3%*	(1) 77,000	*9.7%*
Total	**32,370**	***100.0%***	**792,686**	***100.0%***

Note(1) : Student Excursion numbers are based on more limited information.

3.3 Duration of Studies

The following table records distribution of duration of studies for different types of education by those who responded to this question.

Table 2: Q2b - Duration of Studies Recorded

University		TAFE		School/ College	
Semesters	**%**	**Terms**	**%**	**Terms**	**%**
1	*19%*	1	*50%*	1	*12%*
2	*7%*	2	*42%*	2	*16%*
3	*0%*	More than 1 year	*6%*	3	*25%*
More than 1 year	*74%*			4	*20%*
				More than 1 year	*27%*
Total	***100%***		***100%***		***100%***

ESL & Other measured by weeks	
Weeks	**%**
1	*45%*
2	*22%*
3	*5%*
4	*3%*
5 & 6	*2%*
7 to 12	*4%*
13 to 20	*8%*
21 to 40	*8%*
41 to 1 year	*1%*
More than 1 year	*<1%*

Other measured by weeks	
Weeks	**%**
1	*56%*
2	*12%*
3	*8%*
4	*10%*
5	*3%*
6	*1%*
7	*1%*
8	*3%*
9	*<1%*
10	*1%*
11	*<1%*
12	*4%*
Average	***2.5***

It can be seen that for Universities, the great bulk will study for more than one year. Otherwise, they mainly complete one semester only. Average works out at 45 days.

For TAFE, a few will complete more than one year and the bulk are split with one term being a bit higher than two terms.

School is distributed, with most either completing more than one year, three terms or four terms, and only 28% completing only one or two terms. Average works out at 36 days.

For English Language and Other (including Study tours) completing by weeks, about two thirds are either one week or two weeks only, with others dwindling off, except that for English Language, 16% fell in the 13 – 40 weeks category.

Student Excursions generally stay less than a week and it is estimated that days from Japan average 4 days, from USA average 5 days but Europe longer with some recording towards a month.

3.4 Seasonality

The following table records responses on seasonality as between Fee-paying Students and Study Tours.

Table 3: Q3 - Seasonality

Fee-paying Students	
Months	**%**
Oct	*8%*
Nov	*8%*
Dec	*6%*
Ja	*7%*
Feb	*9%*
Mar	*9%*
Apr	*9%*
May	*9%*
Jun	*9%*
Jul	*9%*
Aug	*9%*
Sep	*9%*
Total	***100%***

Study Tours	
Months	**%**
Oct	*7%*
Nov	*7%*
Dec	*17%*
Ja	*1%*
Feb	*4%*
Mar	*11%*
Apr	*5%*
May	*2%*
Jun	*11%*
Jul	*14%*
Aug	*17%*
Sep	*5%*
Total	***100%***

The figures for Fee-paying Students were very regular throughout the year at about 8% – 9%, except for December and January when they drop down to 6% – 7%.

The figures for Study Tours jump around with higher reported in December, March, June and July.

3.5 Recruitment

The following table gives responses to Question, "*What proportion of your international students in 2018 were recruited at confirmation of enrolment?*"

Table 4: Q4a - How Recruited

Fee-paying Students	
Recruited	**%**
Offshore through agents	*39%*
Onshore through Cairns agents	*17%*
Onshore through other agents	*15%*
Internet direct	*22%*
From other providers in Cairns	*1%*
Other (walk-ins)	*6%*
Total	***100%***

Study Tours	
Recruited	**%**
Offshore through agents	*56%*
Onshore through Cairns agents	*18%*
Onshore through other agents	*22%*
Internet direct	*<1%*
From other providers in Cairns	*3%*
Other (walk-ins)	*0%*
Total	***100%***

For Fee-paying Students, overseas agents led followed by Internet direct, Cairns agents, Onshore through other agents and a significant recording of Walk-ins. For Study Tours, Overseas agents followed by Cairns agents dominated. Student Excursions are recruited for Japan through travel agencies but for US and Europe by firms and institutions that specialise in student travel opportunities.

3.6 Visas

The following gives responses to the question what proportion of your students in 2018 came on student visas and non-student visas.

Table 5: Q4b - Proportion of Students on Student Visas and Non-Student Visas.

Institution	Student Visas	Working Holiday Visas	Tourist Visas	Other Visas
School	*67%*	*0%*	*33%*	*0%*
Vocational	*88%*	*6%*	*6%*	*0%*
University	*100%*	*0%*	*0%*	*0%*
English Language	*20%*	*25%*	*54%*	*1%*
Study Tours	*0%*	*0%*	*100%*	*0%*
Student Excursions	*0%*	*0%*	*100%*	*0%*

The pattern varied with all University and Vocational, and most School, being on student visas. However, for English Language, it varied with a half being on tourist visas and all Study Tours and Student Excursions being on tourist visas.

If these ratios are applied to the estimated student numbers in Table 2, they give the following proportion of students coming to the region on different types of visas.

Student Visas........................8%

Working Visas.......................3%

Tourist Visas 92%

The table indicates that for every one on a student visa, there would be about 11 on other types of visas.

3.7 Origins

The following table gives proportion of students from different countries of origin.

Table 6: Q5 - Student Numbers by Origin

Asia	School %	Vocation %	University %	English Language %	Study Tours %	Total %
Japan	30%	8%	0%	49%	89%	**75%**
Hong Kong	1%	3%	1%	3%	8%	**7%**
Korea	3%	21%	1%	5%	1%	**2%**
Other China	6%	4%	6%	2%	1%	**2%**
India	0%	7%	15%	1%		**1%**
Taiwan		11%	1%	2%		**1%**
Other Unspecified	1%	6%	6%	1%		**1%**
Philippines	1%	1%	6%	1%		**0%**
Thailand	1%	1%		2%		**0%**
Vietnam	1%		2%			**0%**
Indonesia	0%		2%			**0%**
Macau	1%					**0%**
Sri Lanka	0%					**0%**
Nepal			0%			**0%**
Asia Total	**45%**	**63%**	**40%**	**65%**	**99%**	**90%**

Europe	School %	Vocation %	University %	English Language %	Study Tours %	Total %
Germany	5%	1%	2%	6%		**1%**
Switzerland	1%	0%	0%	8%		**1%**
Europe Unspecified		6%	4%		1%	**1%**
Italy	4%	1%		5%		**1%**
Czech Republic		3%		2%		**0%**
United Kingdom	0%	1%	3%			**0%**
France	0%				0%	**0%**
Spain		1%		1%		**0%**
Sweden		1%	1%			**0%**
Austria	1%					**0%**
Denmark			0%			**0%**
Netherlands	0%					**0%**
Europe Total	**10%**	**14%**	**11%**	**22%**		**5%**

Other	School %	Vocation %	University %	English Language %	Study Tours %	Total %
PNG/Pacific Islands	40%	6%	17%	1%		**2%**
Brazil		6%	1%	7%		**1%**
Other Unspecified		9%	5%			**1%**
Colombia		2%	1%	3%		**1%**
Canada			15%			**0%**
USA	2%		11%			**0%**
Chile	0%	1%		2%		**0%**
Norway	4%					**0%**
Argentina		0%	0%			**0%**
South Africa	0%					**0%**
Europe Total	**45%**	**24%**	**49%**	**13%**		**6%**
Overall Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

The table indicates some strong variations in pattern.

School students are dominated by two countries Papua New Guinea/ Pacific Islands 40% and Japan 30%, with the bulk of the remainder 15% from other Asian countries.

For Vocational, 63% were from Asia (with South Korea leading at 21%, Taiwan 11% and Japan 8%). Europe was low at 14%, with other countries contributing 24%.

University student origins were very dispersed but with US/Canada accounting for 26% followed by Papua New Guinea/ Pacific Islands at 17% and India 15%.

English Language students were dominated by Asia at 65% with the bulk from Japan at 49% and South Korea 5%. Europe recorded 22%. Others countries were 13%, mainly from Brazil and other South American countries.

Study Tours were 89% from Japan, followed by Hong Kong at 8%.

In the overall picture, for those attending Cairns institutions, Asia dominates with 90%, with Japan 75%, Hong Kong and South Korea 2% and Mainland China 2%.

Student Excursions were estimated to be approximately Japan 49%, USA 39%, Europe 12%.

3.8 Income Received

Total income received based on responses is estimated as follows.

Table 7: Q6 - Estimated Income Received

	Fee-Paying Students $M	Study Tours $M	Total $M
Fees	$23.7 m	$3.3 m	**$27.0 m**
Accommodation	$4.1 m	$2.7 m	**$6.8 m**
Health cover	$0.2 m	$0 m	**$0.2 m**
Tours	$0.7 m	$1.6 m	**$2.3 m**
Other	$0.1 m	$1.8 m	**$1.9 m**
Total	**$28.8 m**	**$9.4 m**	**$38.2 m**

Income received by the institutions is estimated to total about $29m from Fee-Paying Students and $9m from Study Tours.

3.9 Expenditure

This question was not well responded to and it has been necessary to estimate for a number of institutions based on typical responses for that type of institution. The following table should be regarded as giving an “order of magnitude” estimate only.

Table 8: Q7 - Expenditure Pattern

Expenditure		%
Delivery costs	Teachers/ Lecturers & Admin Wages/ Salaries	48%
	Other including Text Books	6%
	Total	**54%**
Marketing (includes wages & salaries, brochures, agents' commissions, trade fairs, etc.)	Local	2%
	Other Australia	4%
	Overseas	3%
	Total	**9%**
For Students	Accommodation	13%
	Tours	8%
	Overseas Student Health Cover	1%
	Other	10%
	Total	**32%**
Space Rentals		5%
All Other Expenses		0%
Overall Total		**100%**

There is a substantial element of expenditure on behalf of students. If this is excluded, the profile becomes:

Delivery costs 79%
Marketing costs.. 13%
Space rentals/ Other 7%
Total 100%

3.10 Student Private Expenditure & Student Excursions

Q8 - "Apart from the amounts paid by international students to your institution, what is your best estimate of the average weekly expenditure in the Cairns region by students while attending your institution?"

Responses varied but were generally in a pattern. Average responses were as follows (figures rounded).

Table 9: Q8 - Student Private Expenditure – Per Week

	Fee-paying Students	Study Tours
Accommodation	$250	$300
Food & Beverage	$110	$100
Tours	$30	$400
Other Entertainment	$70	$50
Other	$40	$150
Total	**$500**	**$1,000**

Among "Other" for Fee-paying students was transport, telephones/ internet, utility. "Other" for Study Tours was recorded as shopping. For Study Tours, apart from the above weekly expenditure, it is usual for an additional $400 to be spent per student visit.

In addition, expenditure in Cairns by Student Excursion groups is estimated to average about $1000, with additional private study generated averaging about $400, giving a total of $1400.

3.11 Investment and Floor Space

These questions were responded to by only four operators and responses provide insufficient information upon which to base estimates. However, an approximate order of magnitude estimate of investment in education facilities can be obtained through estimating the floor space required for equivalent of full-time students and estimating the value of the building and fit out involved per square metre. The student days excluding Student Excursions total close to 700,000. At 30 days a year for a full-time equivalent student by a standard ratio of 6.5 sq metres required per student by a building and fit out cost of $3,000 per sq metre gives a new construction value of the investment in education buildings of approximately $45m.

3.12 Accommodation Used

Q10 – *"What proportion of your international students in 2018 used homestay and other types of accommodation?"*

The following table gives a simple average of the nine (9) responses received.

Table 10: Q10 - Estimated Type of Accommodation Used by Students

	%
Home Stay	58%
Share House	25%
Student Hostel	1%
On Campus Accommodation	7%
Other Purpose-Built Student Accommodation	9%
Total	**100%**

Home Stay at 58% led followed by Share House 25%, with 17% in Student Accommodation. Comments especially in relation to school students**,** indicated that significant numbers live with their parents, friends, relatives.

3.13 Employment

Q11 – *"How many people do you normally employ?"*

Based on the returns received and estimating those not received based on their size compared with like operations, gives an approximate estimate of numbers employed in the sector of 120 full-time and 130 part-time.

It should be noted that in the Schools, TAFE and University sectors, those teaching international students will be teaching them as part of a larger class. The part-time employment is heavily in the private VET and English Language sectors.

3.14 Main Purpose of Visit

Q12 – *"What do you believe is the main purpose of your students' visits to Cairns?"*

The following table gives responses received.

Table 11: Q12 – Main Purpose of Visit

	Fee-paying Students	Study Tours
Mainly study	75%	16%
Mainly holiday	3%	9%
Evenly holiday & study	17%	75%
Working holiday	6%	0%
Other (Specify eg. Walk-ins)	0%	1%
Total	**100%**	**100%**

The opinion was that 75% of Fee-paying Students mainly came to study and bulk of the remainder were "Evenly holiday & study". Study Tours were 75% "Evenly holiday & study" and the bulk of the remainder "Mainly study".

3.15 Other Places Visited

The following table gives responses received.

Table 12: Q13 – Proportion of Students

	%
Visit the Cairns region only	69%
Visit other parts of Australia	31%
Total	**100%**

The balance of opinion of those responding was that about 30% visited other parts of Australia other than the Cairns region.

3.16 Secondary & Developmental Benefits

Respondents were asked whether they could identify other benefits of the international education sector to the region. Comments received are included in Appendix 3.

Apart from identifying the "flow-on" multiplier benefits of private student expenditure, they identified additional spending generated by home-stay families showing students around, parents/ guardians especially of school age students, travel by students to other parts of Australia, and visits to Cairns and spending by relatives and friends visiting because the students are in Cairns. (This last item is covered further in Section 4 Economic Impact.)

Outside of the above, there is seen to be a benefit to local students and families in engaging with overseas students, heightening cultural awareness and interest, and in students becoming more culturally aware of and interested in Australia.

In earlier reports, it was noted that this can lead to future development of business relations and future visitation as students get older and engage in careers.

4. ECONOMIC IMPACT ANALYSIS

4.1 Indications of Direct Expenditure

4.1.1 Income & expenditure of International Education institutions

The indication from the survey information is that the International Education sector in Cairns has been generating income for the city of approximately $38m per annum in recent years in terms of revenue received by institutions.

4.1.2 Student private spending & Student Excursions

On top of the income received by the institutions, students will spend while they are in the city. From the survey, it is estimated that students will spend privately approximately $500 a week ($70 a day) for Fee-paying Students and approximately $1000 a week ($140 a day) for Study Tours plus a further $400 per student visit.

Student Excursions are estimated to generate expenditure of $1400 per student visit.

Applying this to the number of student days indicated by the survey gives as follows.

Table 13: Estimated Student Private Expenditure Generated 2018

	Est Student Days No.	Est Expenditure Generated $M
Fee-paying Students	530,686	$37.1 m
Study Tours	185,000	$31.5 m
Student Excursions	77,000	$21.0 m
Total	**792,686**	**$89.6 m**

However, some of this expenditure is through the institutions. This is estimated from the responses to the survey at about $5m for Fee-paying students and $4.3m for Study Tours, bringing the net additional private spending by students down to about $80m.

4.1.3 Expenditure on airfares accruing to Cairns Airport

The above figures for expenditure through institutions and students' private expenditure, does not include airfares. However, part of the airfares accrues to Cairns airport.

Previous studies by Cummings Economics in relation to Cairns airport was indicating that of the order of 18% of airfares generated by international students were accruing to Cairns airport.

Estimated average return airfares for students of $1800 and allowing for some efficiency reductions in amount accruing to Cairns, gives estimated amount accruing to the Cairns economy per movement to be about $140 in and $140 out.

Total accrual to the Cairns economy would be of the order of $9m.

4.1.4 Expenditure by visiting parents, relatives and friends

Information was not collected in the surveying on this question. However, information from Tourism Research Australia International Visitor Survey indicates that during 2018, there were 218 international visitors to Cairns who were friends and relatives visiting international students generating 13,580 visitor nights and generating estimated expenditure of $2.8m at $200 a night per person.

4.1.5 Estimated total expenditure generated

The above gives estimated total expenditure generated in the Cairns region by international students as follows.

Table 14: Summary of Estimated Expenditure Generated by International Students in 2018

	$M
Est expenditure in education institutions	$38 m
Est private expenditure by students	$80 m
Est expenditure on airfares accruing to the region	$9 m
Est expenditure by visiting friends & relatives	$3 m
Est Total Expenditure	**$131 m**

4.2 Estimated Economic Impact

The following estimates impact on Gross Regional Product and employment generated including "flow-on" effects based on Modified National Coefficient Input/Output Model of the Cairns Local Government Area economy. See Technical Note Appendix 1 for details of multiplier coefficients used.

Industry classifications used and estimated expenditure in those classifications are:

Education .... $29 m
Household expenditure (student private spending) .... $37 m
Air transport .... $9 m
Tourism expenditure .... $54 m
Total .... $130 m

Total economic impact is estimated at:

Output (expenditure) .... $130 m

Total addition to Gross Regional Product including "flow-on" .... $121 m

Estimated direct employment generated 570

Est total employment generated including "flow-on" 970

The sector adds an estimated approximate 1% to Cairns' Gross Regional Product and employment including "flow-on" effects.

5. COMPARISON WITH OTHER REPORTS

5.1 Reconciliation with Visitor Statistics

The International Visitor Survey recorded, for calendar year 2018, the following number of international visitors to Cairns who said that the main purpose of their visit to Australia was for "education".

Cairns City Area 31,980
Trinity Beach..437
Gordonvale Trinity.................................234
Clifton Beach 18
Total...32,669

Numbers identified as a result of this research are about equivalent.

5.2 Comparison with Previous Surveys

Comparison with surveying carried out for Study Cairns and reported in 2005 indicates the following changes.

	Comment		2004	2018
1	There has been a large rise in the overall numbers identified	Overall Numbers	14,690	32,370
2	The rise has been strong in School, vocational and University level	School	150	463
		Vocational/ University	374	1,407
3	The Study tour/ Student Excursion numbers have risen strongly	Study Tours	9,170	12,800
		Student Excursions	-	15,000
4	However, there has been a strong drop off in English Language	English Language	Est 5,000	2,660

5.3 Comparison with Trade & Investment Queensland Snapshot

The following compares the survey results with those set out in Trade & Investment Queensland International Education & Training Snapshot for Cairns in 2018.

This snapshot only includes students on student visas and those on other visas recorded by CRICOS registered institutions.

Table 15: Comparison with Trade & Investment Queensland Snapshot

	TIQ SNAPSHOT			SURVEY		
	Total	Student Visas	Non-Student Visas	Est Total	Est Student Visas	Est Non-Student Visas
School	**417**	417	-	**467**	310	157
Vocational	**1,057**	1,057	-	**953**	837	116
University	**344**	344	-	**454**	454	-
English Language	**1,222**	611	611	**2,660**	532	2,128
Non Award (Study Tours)	**46**	46	-	**12,840**	-	12,840
Non Award (Student Excursions)	**-**	-	-	**15,000**	-	15,000
Total	**3,086**	**2,475**	**611**	**32,374**	**2,133**	**30,241**

Estimated number of student visas from the survey is 2,133 compared with the TIQ Snapshot of 2,475.

Estimated numbers attending Schools, Vocational, University and English Language on non-student visas is estimated in the above table at 2,401. Thus, in these fields, for every one on a student visa, there is about another one on a non-student visa.

Study Tours and Student Excursions are almost all on non-student visas.

6. WEAKNESS & OPPORTUNITIES ANALYSIS

In the surveying, respondents were asked, "*To help guide the efforts of Study Cairns, from your perspective, what are the most important?*" in relation to the following.

Q15a – *Weaknesses, Threats and Issues facing the sector that need to be dealt with?*

Detailed responses are given in Appendix 3.

A major weakness is that Cairns is perceived as a tourist destination and not a serious study destination. Associated with this is a perception of lack of study options with a need for the universities to lead in expanding study options that build on the region's unique qualities.

The "tropical expertise" theme does not resonate.

Agents are tending to send shorter term students to Cairns, longer term elsewhere.

Return on investment from attracting short-term students is mentioned as being low.

Cost of student visas and short-term 2-year duration is seen to be a negative, especially in attracting long-term students.

Perception the "reef is dead" and political issues were mentioned as being a negative along with lack of understanding of where Cairns was in Australia.

Q15b – *Strengths and Opportunities for the sector that need to be promoted and exploited?*

Limited number of education agents with limited offshore networks was seen to be a restraining factor for recruiting serious study segments. This is in contrast to the large Japanese agencies recruiting Study Tours.

There had been a lost opportunity with the Federal Government extending Regional Visas to anywhere outside of Sydney, Melbourne and Brisbane, ie. extending regional status to Adelaide, Perth and the Gold Coast.

There is seen to be a need to step up marketing as a serious destination with more presence in agents' offices, education fairs, TV, magazine and social media.

Visa changes, reputation as a climate change custodian and need for regional employment stability and opportunities were mentioned.

INTERNATIONAL EDUCATION IN THE CAIRNS ECONOMY

Economic Impact Analysis

APPENDICES

APPENDIX 1 – Technical Note

Warning - Estimation of "Flow-on" Effects – Limitations

In this report, standard modelling of "flow-on" effects is used at regional level for the Cairns Regional Council area based on a "Modified National Coefficients Input/Output Model". This modelling is based on the coefficients published by the Australian Bureau of Statistics National Accounts Input/Output Tables, Cat No. 5209.0 & 55.001.

Coefficients are adjusted to allow for the industrial structure in the region compared with national structure as measured by the proportion of workforce in the region in different industry classifications compared with the national workforce. The resulting multipliers include both 'industrial' of Type 1 multipliers based on the impacts of purchases by entities of inputs from other entities (ie. 'Industrial' multipliers), plus the impacts of spending of 'income' received by employees of entities (ie. 'income' multipliers), giving a total Type II multiplier.

Multipliers Used

The following Type II modelled multipliers are used to estimate "flow-on" effects in the Cairns Regional Council area.

Table 16: Estimated "Flow-on" Effects in Cairns Regional Council Area-Modelled Input/Output Multipliers

	Output	Est total impact on GRP incl "flow-on" effect	Est direct employment	Est total employment incl "flow-on" effect
	$M	$M	No.	No.
Education & Training [2]	1.00	**1.30**	5.22	**10.00**
Household Expenditure	1.00	**0.99**	4.34	**7.34**
Tourism [1]	1.00	**0.70**	4.40	**6.60**
Air Transport	1.00	**0.84**	1.84	**5.07**

Note [1]: Tourism multipliers used are based on Tourism Research Australia, Tourism Satellite Accounts for the Tropical North Queensland Region 2018.
Note [2]: Education and Training coefficients are a mix of coefficients for University, VET and School.

Limitation of Multipliers - Warning

It should be noted that this modelling is based on a number of assumptions:

1) The national multipliers are based on 2017-18 data and there is an assumption that there have been no or negligible changes over time.
2) The workforce data by industry classifications used, is from the 2016 Census (more recent available information at regional level is not reliable), and there is an assumption that there has been no or negligible change since then.
3) There is an assumption that if employment is lower than national averages in a given classification, inputs supplied will be proportional to the degree to which that classification is lower.
4) There is an assumption that input patterns for a given classification at regional level is the same or similar to that at national level.
5) The pattern of business and activity types within the broad classifications used is the same at regional levels as the national averages.

For the above reasons, the multiplier coefficients can be taken as being "**order of magnitude**" estimates only.

APPENDIX 2 - Approach Letter & The Questionnaire

Ref CE J3275 | December 2019

Survey: Value of International Education & Training Sector in the Cairns Region

Strictly Confidential

(Name)

The International Education and Training sector has become an important contributor to the Cairns regional economy. However, the extent of the sector is not well defined, especially Study Tours.

Study Cairns with support of the Cairns Regional Council have asked Cummings Economics to help remedy the situation.

We would be grateful if you could assist by completing the online questionnaire.

Your Survey Link

Alternatively we will contact you to provide an opportunity to respond over the telephone.

Please be assured that individual responses will be treated as **strictly confidential** and only aggregate figures reported.

It is imperative for the ongoing support of this sector, to be able to provide up to date and accurate information. The results will ensure that the value of the sector is fully appreciated at local community, state and national levels.

If you have any queries, please feel free to call Andrew Cummings, Cummings Economics on 4031 2888 or Janine Bowmaker, President, Study Cairns on 0416 248 180.

Thank you
Bill Cummings

Cummings Economics **|** T: 61 (0)7 40312888 **|** M: 0418 871 011
www.cummings.net.au **|** cummings@cummings.net.au
38 Grafton St, PO. Box 2148, Cairns, QLD, 4870, abn: 99734 489 175, © 2019

To remove yourself from this mailout, click here

Cummings Economics

Cummings Economics has been asked by Cairns Regional Council in association with Study Cairns to research and report on the:

Value of

The International Education Sector to the Cairns Region

December 2019 (CE Ref J3275)

We would be grateful if you could complete and submit the following.

- As you fill out this survey it will be progressively saved.
- You can close this page and continue to progress your saved response by clicking "your survey link" originally emailed to you.
- Once you SUBMIT the survey it will close the link as completed.

If you wish, you can print out a paper version here, for return or to help draft online response. To return, post to : Cummings Economics, PO Box 2148, Cairns Q 4870, or ring us on (07) 4031 2888 and arrange to complete over the telephone.

For those not submitted, we will send out 2 reminders and then one of our research staff will ring to offer to complete over the telephone.

NOTE

- If you cannot provide precise figures, please provide your BEST ESTIMATE
- Include both commencing & continuing students
- Reporting to be Calendar Year 2018

1. What market segment/s are you in

(If appropriate, provide multiple response)

- ☐ School
- ☐ Vocational
- ☐ University Level
- ☐ English Language
- ☐ Study Tours

INTERNATIONAL STUDENT NUMBERS

2a. How many international students and international student weeks did you cater for during calendar year 2018 in the following market segments?

	School	Vocational	University	English Language	Study Tours
Number of International Students					
Number of International Student Weeks					

DURATION OF STUDY

2b. How many of your students in 2018 had the following duration of studies?

(Please complete **University,TAFE,School/College & ESL** with **"visa students"** and **Other** with **"tourist visa students"**. ie working holiday, study tours etc)

University	No.	**TAFE**	No.	**School/College**	No.
Semester 1		Term 1		Term 1	
Semester 2		Term 2		Term 2	
Semester 3		More than 1 year		Term 3	
More than 1 year				Term 4	
				More than 1 year	

ESL and any institutions that measure by weeks	No.	**Other**	No.	
1 Week		1 Week		
2 Weeks		2 Weeks		
3 weeks		3 weeks		
4 weeks		4 weeks		
Up to 6 weeks		5 weeks		
Up to 12 weeks		6 weeks		
Up to 20 weeks		7 weeks		
Up to 40 weeks		8 weeks		
Up to 1 year		9 weeks		
More than 1 year		10 weeks		
		11 weeks		
		12 weeks		

SEASONALITY

3. Approximately how many overseas students did you have at your institution (both commencing and continuing) in the following months during 2018.

Overseas Students Enrolled

	Fee-paying Students	Study Tours
OCT		
NOV		

DEC		
JAN		
FEB		
MAR		
APR		
MAY		
JUN		
AUG		
SEP		

RECRUITMENT & VISAS

4. (a) What proportion of your international students in 2018 were recruited at confirmation of enrolment:

	Fee-paying Students	Study Tours
Offshore through agent?	%	%
Onshore through Cairns agents?	%	%
Onshore through other agents?	%	%
Through Internet direct?	%	%
From other providers in Cairns?	%	%
	%	%

4. (b) What proportion of your international students in 2018 came on student visas and non-student visas?

	Student Visas	Working Holiday Visas	Tourist Visas	Other Visas
School	%	%	%	%
Vocational	%	%	%	%
University	%	%	%	%
English Language	%	%	%	%
Study Tours	%	%	%	%

ORIGINS OF INTERNATIONAL STUDENTS

5. What were the sources of your International students in 2018 as a % of total, in the market segments you catered for?

(Note : If less than 5% you may include in "unspecified")

Asia	School	Vocation	University	English Language	Study Tours
Japan	%	%	%	%	%
Korea	%	%	%	%	%
Taiwan	%	%	%	%	%
Hong Kong	%	%	%	%	%
Other China	%	%	%	%	%
	%	%	%	%	%
	%	%	%	%	%
	%	%	%	%	%
Asia Unspecified	%	%	%	%	%

Europe	School	Vocation	University	English Language	Study Tours
Switzerland	%	%	%	%	%
Germany	%	%	%	%	%
Sweden	%	%	%	%	%
Denmark	%	%	%	%	%
Italy	%	%	%	%	%
	%	%	%	%	%
	%	%	%	%	%
	%	%	%	%	%
Europe Unspecified	%	%	%	%	%

.

Other Countries	School	Vocation	University	English Language	Study Tours
Brazil	%	%	%	%	%
Argentina	%	%	%	%	%
Colombia	%	%	%	%	%

PNG/Pacific Islands	%	%	%	%	%
	%	%	%	%	%
	%	%	%	%	%
	%	%	%	%	%
Other Unspecified	%	%	%	%	%
Total = 100%	**0 %**	**0 %**	**0 %**	**0 %**	**0 %**

INCOME FROM INTERNATIONAL STUDENTS

6. What was your institution's estimated gross income in the following fields during 2018 from international students?

Paid by Students or Their Agent	Fee-paying Students	Study Tours
Fees	$	$
Accommodation	$	$
Health Cover	$	$
Tours	$	$
Other Charges	$	$
Other	$	$
Paid to You By Other Than Students	Fee-paying Students	Study Tours
Tour Commissions	$	$
	$	$
	$	$

AMOUNTS PAID OUT IN RELATION TO INTERNATIONAL STUDENTS

7. How much did you pay out during calendar year 2018 in relation to international students on the following?

(Note : Include all amounts passing through your books. Amounts spent by students other than through your institution are covered in Q9.)

DELIVERY COSTS

Teachers/Lecturers & Admin Wages/Salaries $

Other including Text Books $

MARKETING (including wages & salaries, brochures, agents commissions, trade-fairs etc.)

Local $

Other Australia $

Overseas $

FOR STUDENTS

Accommodation $

Tours $

Overseas Student Health Cover $

Other $

SPACE RENTALS $

ALL OTHER EXPENSES $

STUDENTS' PRIVATE EXPENDITURE

8. Apart from the amounts paid by international students to your institution, what is your best estimate of the average weekly expenditure in the Cairns region by students while attending your institution?

Est Average Per Week Per Student

	School	Vocation	University	English Language	Study Tours
Accommodation	$	$	$	$	$
Food & Beverage	$	$	$	$	$
Tours	$	$	$	$	$
Other Entertainment	$	$	$	$	$
	$	$	$	$	$
	$	$	$	$	$

INVESTMENT

9. (a) Approximately how much capital is invested in your operation including land, buildings, vehicles, furniture, equipment and, working capital?

(Note : Use estimated current value not historical value.)

Include both owned and leased/rented $ ____

% Relating to International Students ____ %

INVESTMENT

9. (b) Approximately how many sq meters of space do you occupy?

Total Sq Meters ____

% Relating to International Students ____ %

ACCOMMODATION

10. What proportion of your international students in 2018 used homestay and other types of accommodation?

Proportion %	
Home Stay	%
Share House	%
Student Hostel	%
On Campus Accommodation	%
Other Purpose Built Student Accommodation	%

Any comments (Max length 300 characters)

EMPLOYMENT IN RELATION TO INTERNATIONAL STUDENTS

11. How many people do you normally employ?

	Total at Your Institution	Est No. Relating to International Students	% Relating to International Students
Full Time			%
Part Time			%

SUPPLEMENTARY INFORMATION ABOUT STUDENTS

MAIN PURPOSE OF VISIT

12. What do you believe is the main purpose of your students' visits to Cairns?

	Proportion %	
	Fee-paying Students	Study Tours
Mainly study	%	%
Mainly holiday	%	%
Evenly holiday & study	%	%
Working holiday	%	%
	%	%

OTHER PLACES VISITED

13. What proportion of your students:

Visit the Cairns region only %

Visit other parts of Australia %

SECONDARY & DEVELOPMENTAL BENEFITS

14. From the above, we will be able to work out direct expenditure benefits to the region including multiplier effects. Apart from the direct expenditure benefits generated by international students, can you identify other benefits of the international education sector to the region?

1. Max length 750 characters
2. Max length 750 characters
3. Max length 750 characters

SECONDARY & DEVELOPMENTAL BENEFITS

15. To help guide the efforts of Study Cairns, from your perspective, what are the most important:

Weaknesses, Threats and Issues facing the sector that need to be dealt with?

1. Max length 750 characters
2. Max length 750 characters
3. Max length 750 characters

Strengths and Opportunities for the sector that need to be promoted and exploited?

1. Max length 750 characters
2. Max length 750 characters
3. Max length 750 characters

For administrative data collection purposes only.

On completion below information will be separated from survey data

Name of contact

Institution

Tel Number

Email

Your individual responses are treated strictly confidential and only go towards identifying the value of the sector and actions needed to promote its further development.

Thank you very much for your time.

Submit

Value of The International Education Sector to the Cairns Region
Cummings Economics for Cairns Regional Council in association with Study Cairns
October 2019 (J3275)

Website: Cummings Economics
Phone: (07) 40 312 888
Email: cummings@cummings.net.au

APPENDIX 3 – Other Wider Benefits

- Awareness of international education among the general population in the region. Locals support and encourage international students to enjoy the region.
- economic investment to business and services utilised by students, tourism, hospitality, health and banking services
- Families who look after students are pressured to show them Cairns so they spend more money as well.
- Greater cultural awareness through interactions with international students.
- Local students can experience other cultures without leaving Cairns. This excites them and they want to travel to broaden their horizons.
- Primary school international students must live with Guardian parents or relations for the duration of their studies. These Guardians purchase or rent properties, own and drive motor vehicles (or pay for public transport), purchase food, pay utility bills, and pay for other lifestyle expenses (e.g., sporting clubs, entertainment, church etc.). they also travel and holiday in FNQ and Australia. Family members regularly visit and spend money in the Cairns community, in particular, Fathers who Fly-in and Fly-out of Cairns to work in PNG.
- The flow on effect of employment and expenditure to other sectors including tourism, hospitality and retail (I presume this will be included in the multiplier effects data)

APPENDIX 3 – Weaknesses & Opportunities

Weaknesses

- Cairns is not recognised as a serious international education destination. Globally the region is viewed as providing “fun in the sun” backpacker English and predominantly a study tour market. The ROI on a student studying for 1 week is $1000, for a Long-term 48-week student, it is $45,000. The Universities in Cairns must lead the way in developing and marketing courses that are unique to our region and play to our strengths. Tourism, hospitality and agriculture are obvious areas. We also have unique talents in our region in IT, research and small business entrepreneurship. The marketing of our 'tropical expertise' does not resonate.

- Lack of study options offered by providers in the region.

- Lack of understanding as to where Cairns is located in Australia - lack of understanding of the distances between cities.

- Now known well enough as a study destination. Agents tend to send shorter length of enrolment to Cairns and longer term of enrolment to other cities as they believe Cairns is

- Perception that the Reef is no longer attractive

- Political issues both locally, nationally and globally

- The image of Cairns as a tourist destination can be counter-productive, when trying to market Cairns as a serious study destination. Currently, the number of students on tourist and working holiday visas outweighs the number of student visa holders. The student visa requirements, cost of visa applications, and cost of migration agency services is also a deterrent for many potential serious long-term student visa applicants. The Department of Home Affairs (DHA) policy change (3 years ago) which limits primary school children (up to and including Year 4) to 2 year student visas, has been a deterrent to families, and has resulted in families having to reapply every 2 years for student visas, until children are in Year 5.

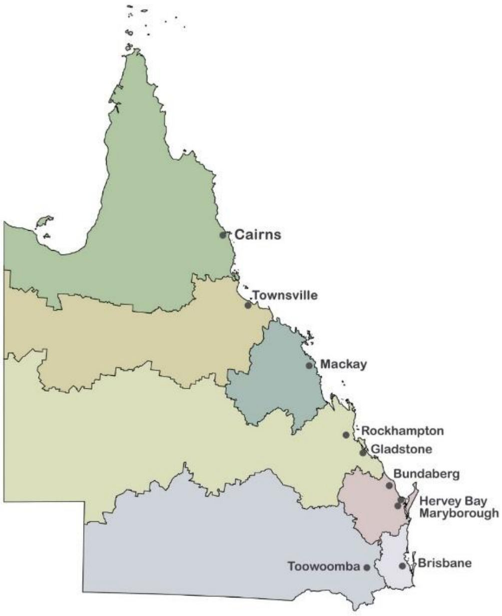
- Tourism is too big in Cairns and we need to diversify.

Opportunities

- Australia's poor reputation as a climate custodian
- Lack of marketing of the region as a serious study destination.
- Not known in some countries - Cairns needs to be seen more at agents' offices, education fair, TV, magazines, social medias.
- Study Cairns led the way and was successful in discussions with the Federal Department of Education and Training to provide solutions to increase international student numbers in regional areas. At last year's election Regional Visas were announced which would have given Cairns a lever to market a point of difference to other study destinations in Australia. After intense lobbying the Government have now changed the term 'regional; to include all major cities in Australia, except for Brisbane, Melbourne and Sydney, as 'regional;' so we have lost our regional advantage. For example, Gold Coast, Adelaide, Perth and Tasmania is now classified as regional.
- The number of international students on student visas studying in Cairns is limited by the number of universities actively recruiting in Cairns, and the number of registered, experienced education agents based in Cairns to recruit long term students. EQI has only 4 registered agents in Cairns recruiting long term students. Cairns state schools rely on word-of-mouth and the small cohort of past student alumni to attract long term primary and high school students. Those Cairns based registered agents do not have an extensive offshore network, and are more boutique local agencies, so their student recruitment is limited. In contrast, Study Tour programs are highly marketed with large established Japanese & other agencies based in Cairns.
- Visa changes and instability of employment and opportunities identified for students in the region.
- We need to develop different sidetracked industries eg. Education off campus (perfect now because of COVID19

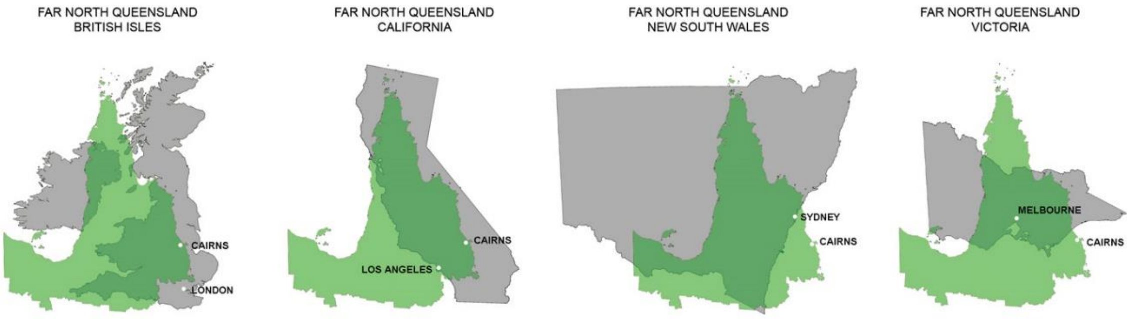
APPENDIX 4 – Cairns/ TNQ Regional Economy

MAP 1 – MAJOR REGIONS OF CENTRAL & NORTHERN QUEENSLAND & REGIONAL CAPITALS



Source: Cummings Economics 2019.

MAP 2 – AREA OF CAIRNS COMMERCIAL SERVICING REGION COMPARED



Source: Cummings Economics 2019.

Table 17: Population of Cairns as a Proportion of Commercial Servicing Region

	1976	2016
Cairns	**51,990**	**158,949**
Cairns Commercial Region	**128,030**	**286,599**
Cairns Proportion	**44%**	**55%**

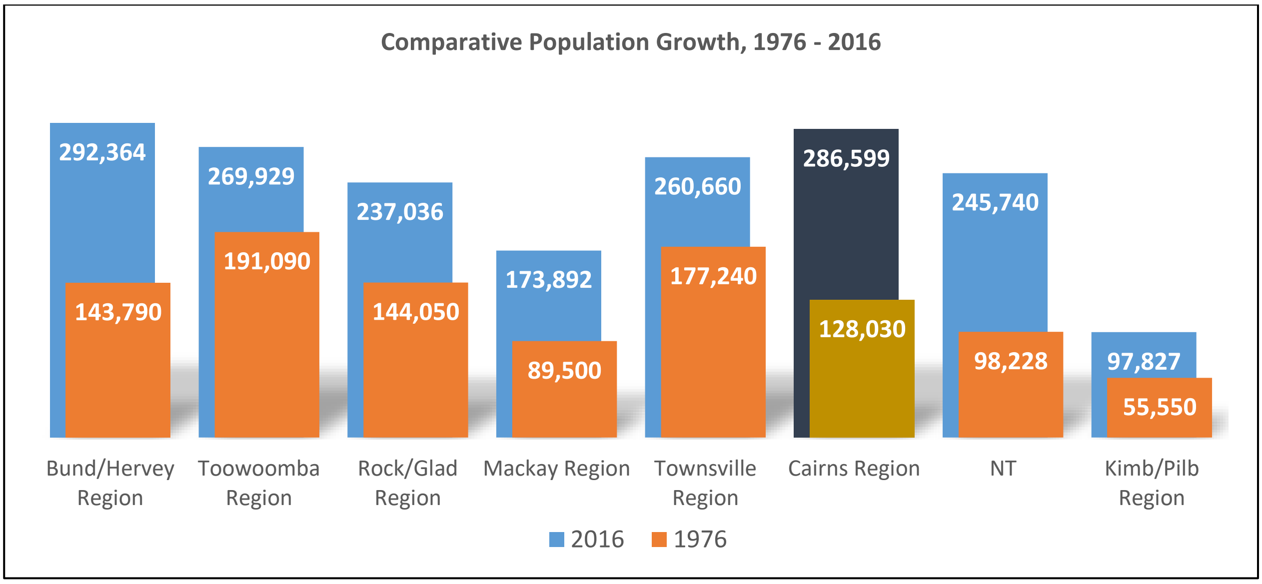
Source: Cummings Economics from ABS Population Data.

Table 18: Population - Passing Seven Other Australian Regional Cities

	1976	2015
Cairns	**49,590**	**147,993**
Rockhampton	53,660	80,665
Bendigo	55,152	92,888
Orange/Bathurst	55,933	80,008
Albury Wodonga	63,409	88,949
Ballarat	68,450	90,841
Toowoomba	69,390	114,622
Launceston	81,636	86,663

Source: ABS Regional Population Growth, Cat No. 3218.0. 1976 City Statistical sub division; 2015 Significant Urban Areas.

Chart 1: Comparative Pop'n Growth of Commercial Regions (1) Regional Qld & Nthn Australia



Source: Cummings Economics from ABS Cat No. 3218.0 et al.

Note (1) : Regions serviced by the regional city shown.

APPENDIX 5 – University Development

Table 19: Australian University Student Numbers per 1,000 Population, Census 2016

Cities SUA	Ratio University Student per 1000 Population
Townsville	58.72
Hobart	52.20
Ballarat	50.54
Darwin	48.57
Toowoomba	43.56
Average	**50.72**
Cairns	**34.63**

Source: Cummings Economics from ABS Census 2016.

Table 20: Employment in Higher Education Compared with Population – Cities 100,000 to 200,000, Census 2016

Cities SUA	Employment in Higher Education	Ratio Employment per 1000 Population
Toowoomba	1,458	11.15
Ballarat	1,057	10.58
Hobart	2,151	10.54
Townsville	1,626	9.35
Darwin	1,059	8.57
Average		**10.04**
Cairns	**606**	**4.19**

Source: Cummings Economics from ABS Census 2016.