

# **INTERNATIONAL K-12 STUDENT MOBILITY INTO BC IN A COMPETITIVE CONTEXT**

**BCCIE Summer Conference**

- **This presentation was presented by ICG at the BCCIE Summer Conference in Vancouver on 17 June 2018.**
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## Introduction and Housekeeping

**Comments from Global Affairs Canada**

**On Global K-12 Student Mobility: Data and Limitations**

**Perspectives on Key Sending Countries**

**Perspectives on Key Receiving Countries**

**Canada's Competitive Position and Future Growth Opportunities**

**Discussion**

## Introduction

- **Global Affairs Canada (GAC)** commissioned this report to gain perspectives on recent K-12 student mobility trends in six relevant sending countries and four receiving countries.
- A second goal of the report is to highlight underlying mobility drivers, and how Canada can further grow its student intake.

### **Sending countries**

- **Brazil**
- **China**
- **Japan**
- **Mexico**
- **South Korea**
- **Vietnam**

### **Receiving countries**

- **Australia**
- **Canada**
- **New Zealand**
- **United States**

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**Please welcome Fred Farag  
Trade Commissioner, International Education  
Global Affairs Canada**

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### Types of Data

- **Student data.**
- **Performance data.**
- **Contextual demographic and economic data.**

### Data Collection

- **Bench research (largely by accessing public databases).**
- **Purchase of data sets from private entities.**
- **Direct requests from governmental agencies.**



### Key Data Sources by Country (I)

- **Australia**
  - Australia Bureau of Statistics
  - Australian Department of Education and Training
  - Australian Trade Commission
- **Brazil**
  - National Institute of Educational Studies and Research Anísio Teixeira
- **Canada**
  - Global Affairs Canada (Edu Canada and country missions)
  - Immigration, Refugees and Citizenship Canada
  - Ontario Ministry of Education
  - Statistics Canada
- **China**
  - National Bureau of Statistics of the People's Republic of China
  - Ministry of Education of the People's Republic of China

### Key Data Sources by Country (II)

- **Japan**
  - Ministry of Education, Culture, Sports, Science and Technology of Japan
  - Ministry of Foreign Affairs of Japan
- **Mexico**
  - United Nations Educational, Scientific and Cultural Organization
- **New Zealand**
  - New Zealand Ministry of Education
- **South Korea**
  - Korean Educational Statistics Services
- **Vietnam**
  - General Statistics Office of Vietnam
- **United States of America**
  - Institute of International Education
  - United States Immigration and Customs Enforcement

### Key International Data Sources

- **International Association for the Evaluation of Educational Achievement**
- **OANDA Corporation (currency rates)**
- **Organisation for Economic Co-operation and Development**
- **United Nations Educational, Scientific and Cultural Organization**
- **World Bank**

## Limitations

- **The international K-12 student landscape remains far less well-structured, documented, and researched than its peer, international higher education landscape.**
- **Data analysis was limited as a result.**
- **Structural limitations include:**
  - **A lack of data.**
  - **Data definitions and collection structure differences.**
  - **Inter-country and intra-country data comparability.**

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## BRAZIL

### K-12 Study Abroad Trends from Brazil to Canada

- As of 2016, Brazil is the fourth most significant source of international K-12 enrollments in Canada, accounting for 3.3% of enrollments from all source countries.
- Canada remains the **most sought-after study destination** for Brazilian students abroad.
- Favorable exchange rate between the Brazilian Real (BRL) and the Canadian Dollar (CAD) was one of the top three factors motivating students to study in Canada.

### Outlook

- Brazil has been buffeted by a sharp economic downturn, political upheaval and challenges to civil society.
- Brazilian upper middle class has recently increased their outbound mobility.
- Brazil does offer further growth opportunities, especially for upper secondary education, and centered on **exchange and study abroad-based patterns**.



## CHINA

### K-12 Study Abroad Trends from China to Canada

- 1.26 million Chinese youth — about 25% of the world's total number of international students — studied abroad in 2015.
- K-12 education is the **fastest growing category** in the Chinese international student population.
- A growing proportion of parents in middle and upper income brackets are seeking education for their children abroad.
- Experience studying abroad and foreign language skills, **particularly in English**, are seen as highly valuable assets in the ever-more competitive Chinese job market.

### Outlook

- Increasing numbers of Chinese students return from studying abroad disappointed with the return on their investments as **foreign study credentials become more common**.
- Education-seeking demographics will experience **shrinkage** over the coming decade.
- Strong growth of international curricula schools in China suggests that this potential target segment will not be available for future growth.
- A continued over-reliance on Chinese students has the potential to **significantly impair** the Canadian K-12 international student landscape.

## JAPAN

### **K-12 Study Abroad Trends from Japan to Canada**

- **As of 2016, Japan is the fifth most significant source of international K-12 enrollments in Canada, accounting for 3.2% of enrollments from all source countries.**
- **Japanese enrollments increased by 5.9% between 2000 and 2016, from 1,685 to 1,785.**
- **In 2016, 59.1% of Japanese students in Canada studied in BC.**

### K-12 Study Abroad Trends from Japan to Canada

- Japanese government has announced its intention to implement programs that will facilitate the mobility of in- and out-bound students.
- Emphasis: **Fluency in foreign languages.**
- Aim: **Double the number of Japanese K-12 students abroad — to 60,000 by 2020 —** in order to improve Japan's competitiveness globally.
- English language competency is a growing priority in the Japanese education system.

### Outlook

- Japan has experienced a strong **population contraction** over the last 30 years.
- It is an open question whether Japanese K-12 enrollments can grow substantially given:
  - Demographic pressures.
  - The need to take university entrance exams in Japan.
  - A lack of widespread cultural exposure to western-style education.

# MEXICO



### K-12 Study Abroad Trends from Mexico to Canada

- As of 2016, Mexico is the tenth most significant source of international students globally.
- **Lacking familiarity with institutional brands** in Canada posits a drawback to students seeking to transition into post-secondary studies.
- Advantageous conversion rate from the Mexican peso (MXN) to CAD relative to USD has been an additional economic driver.

### Outlook

- **Mexico holds promise for larger enrollment numbers due to:**
  - **Export-orientated economy and GDP have grown strongly over the last decade.**
  - **Mexican public K-12 education quality remains comparatively low.**
- **Recruiting has faced challenges:**
  - **Conservative approach to children leaving their families.**
  - **Preference for private education among affluent families.**
  - **Misconceptions of public education in Canada.**

# SOUTH KOREA

## **K-12 Study Abroad Trends from South Korea to Canada**

- **In 2016, South Korea accounted for the second most international K-12 enrollments in Canada, amounting to 10.3% of enrollments.**
- **South Korean enrollments increased by 31.1% between 2000 and 2016, from 4,340 to 5,690 (with a high of 14,645 in 2007).**
- **In 2016, 52.6% of all South Korean students in Canada studied in BC.**

## **K-12 Study Abroad Trends from South Korea to Canada**

- **South Korea is experiencing a declining birth rate, with 2016 marking the lowest ever recorded.**
- **Additional causes for the reduction of the K-12 market include:**
  - **The introduction of international schools in South Korea.**
  - **Socioeconomic strain on families with children studying overseas.**

### Outlook

- A combination of issues produce a market that is unlikely to reach enrollment levels from a decade ago:
  - Sustained demographic decline.
  - Competition from the U.S.
  - Challenge-fraught changes in English language instruction.
  - Newfound orientation towards China.
- South Korea would seem best described as a “**maintenance plus**” market.
- Increase in enrollments is based on competition with other international—as well as increasingly domestic—alternatives.

## VIETNAM

## **K-12 Study Abroad Trends from Vietnam to Canada**

- **As of 2016, Vietnam is the sixth most significant source of international K-12 enrollments in Canada, accounting for 2.8% of enrollments from all source countries.**
- **Vietnamese enrollments increased by 1,600% between 2000 and 2016, from 90 to 1,530.**
- **In 2016, 24.8 % of all Vietnamese students in Canada studied in BC.**



## **K-12 Study Abroad Trends from Vietnam to Canada**

- **Economic development in Vietnam has allowed for **increasing numbers of upper- and middle-class families** to send their children abroad at younger ages.**
- **Limitations in capacity and quality** of the Vietnamese education system have led families to seek more prestigious opportunities overseas.
- **Few Vietnamese parents are comfortable sending their children abroad for primary education in the absence of immigration incentives.**
- **Positive attitudes towards international studies have been encouraged by improved employability and economic prosperity.**

### Outlook

- Vietnam is a key albeit still **structurally under-served** growth market.
- Vietnam is still sending less than one-third as many K-12 students as South Korea, and less than ten percent relative to China...
- ... but has the **potential to overtake South Korea in the medium term**.
- Canada will be best served by a more forceful in-market presence that stresses the key strength of its K-12 system, including opportunities for subsequent university studies.

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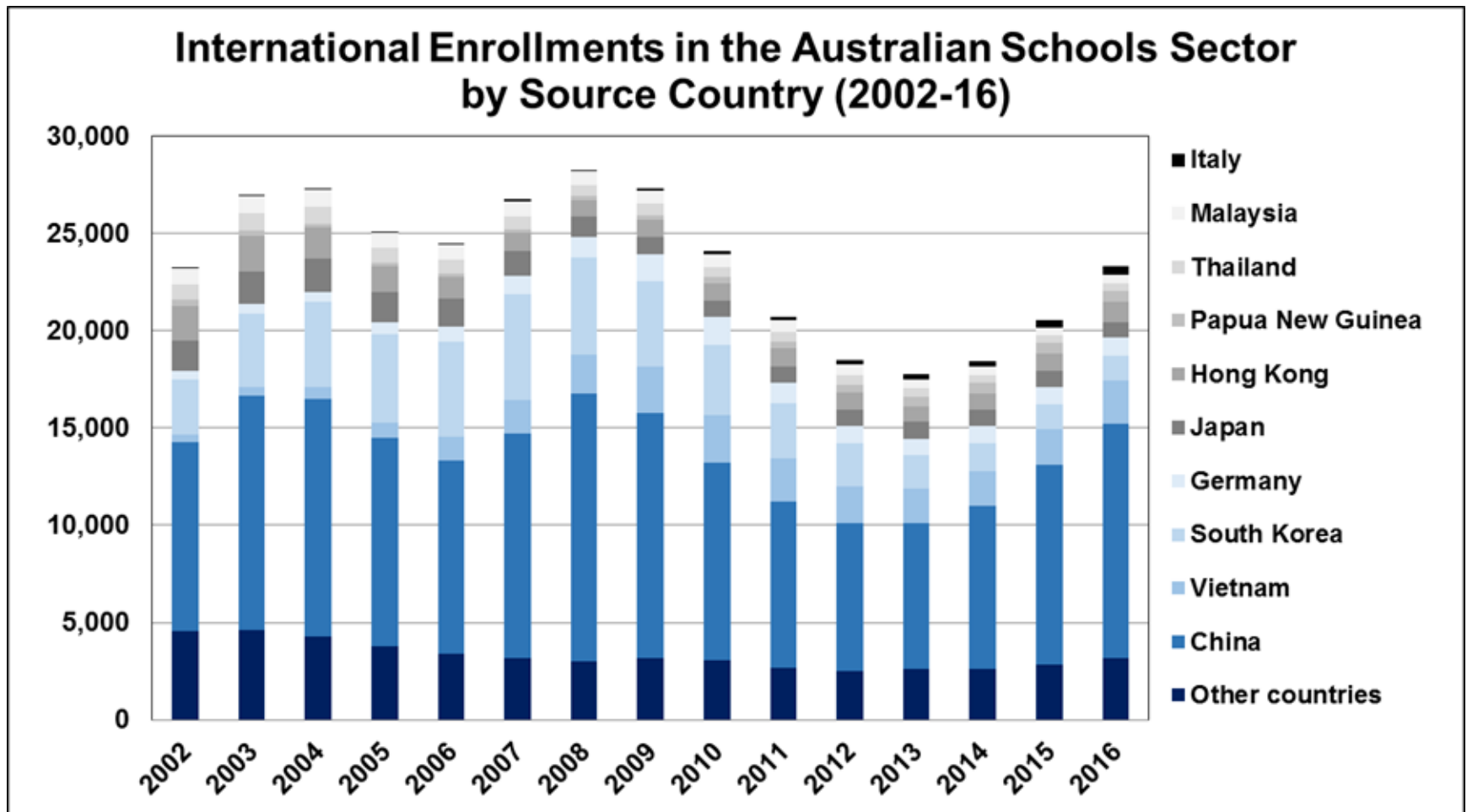
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# AUSTRALIA

# PERSPECTIVES ON KEY RECEIVING COUNTRIES

## Australia



**Australian enrollments are characterized by a high degree of volatility.**

Notes: Full-time students only.

Sources: Australian Education International.

### International K-12 Students in Australia

- **China is the key driver for both increases as well as decreases in overall enrollment.**
- **By 2016, Chinese students accounted for 51.8% of all international K-12 students in Australia, up from 41.7% in 2002.**
- **In terms of total numbers, 2016 Chinese enrollment levels have not yet recovered 2008 levels but are bound to do so in 2017.**

### Lessons for Canada

- **Australian international K-12 enrollments share many commonalities with Canada.**
- **Recent success in attracting international students is rooted in three main factors:**
  - **Overall popularity of Australia as a study destination.**
  - **State-based recruiting initiatives, especially Queensland.**
  - **“Investment logic.”**

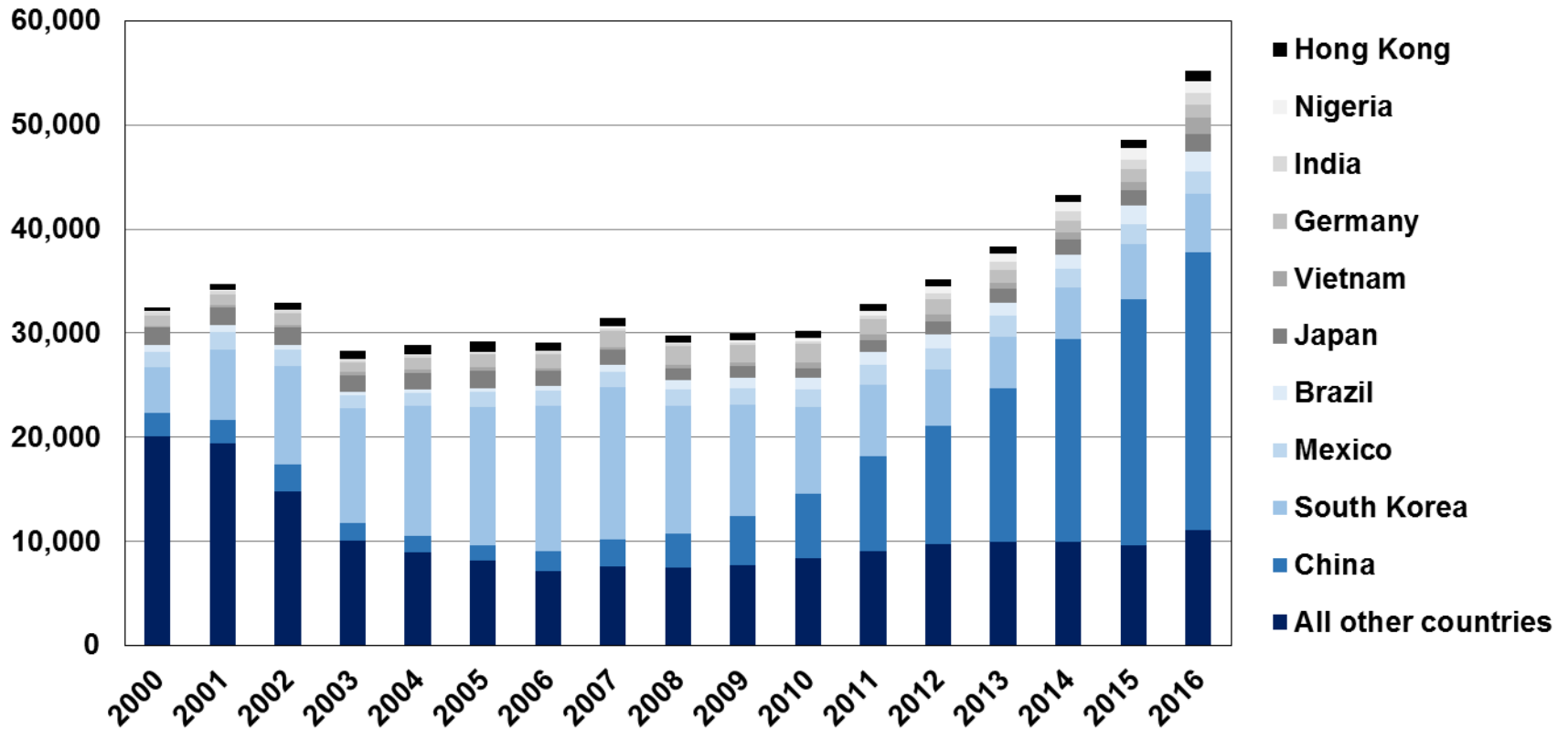
## CANADA



# PERSPECTIVES ON KEY RECEIVING COUNTRIES

## Canada

### Study Permit Holders (Study Level: Secondary or Less) in Canada by Country of Citizenship (2000-16)



**Growth from China; shrinking numbers from South Korea**

Notes: Territories have been omitted owing to small numbers. Study permit holders at the “secondary or less” level based on the calendar year the study permit(s) became effective.

Sources: IRCC.

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### International K-12 Students in Canada

- **Canada experienced growth in international K-12 students from 33,225 in 2000 to 56,020 in 2016 (+68.6%).**
- **The five largest destination provinces in 2016 all experienced enrollment growth, apart from Quebec.**
- **BC grew from 8,645 to 19,370 students (+124.1%).**

### International K-12 Students in Canada

- **Canada's K-12 sector has experienced both international student growth and notable shifts in source countries.**
- **South Korea has seen a steep decline in total student enrollments from a high of 14,656 in 2007 to just 5,690 in 2016 — a market share drop from 46.6 to 10.3%.**
- **Conversely, the number of Chinese students rose more than ten-fold from 2,570 to 26,605 during the same period.**
- **China's market share grew from 8.2 to 48.2%.**

### International K-12 Students in Canada

- Canadian schools are sought after for two purposes:
  - **Degree acquisition** (China, South Korea, Vietnam, and Hong Kong).
  - **Study abroad experiences** (Brazil, Germany, Mexico, and Japan).
- Up to 12,000 (nationally) short-term students from “study abroad” countries are not captured by IRCC study permit data.

### International K-12 Students in Canada

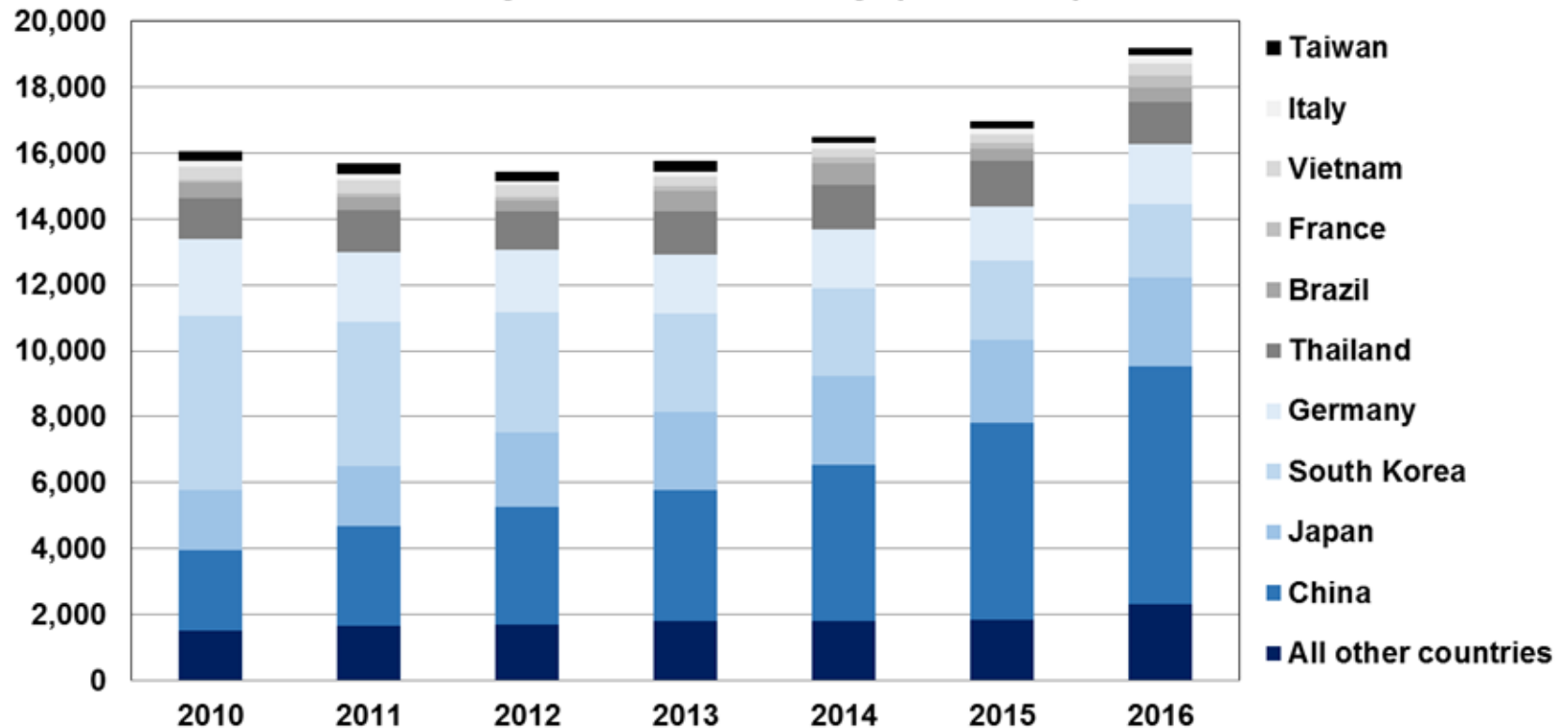
- In recent years (2010-14), international K-12 students are increasingly enrolling at **higher levels of secondary education**.
- Primary education enrollment has grown more slowly.
- Between 2004 and 2014, secondary-level enrollment has increased from 22,363 to 35,414 students (+58.4%).
- Primary level has increased more modestly from 7,577 to 9,445 (+24.7).
- This changing distribution among enrollment levels may reflect a shift in motivation for incoming students towards **degree acquisition vs. study abroad experience**.

# NEW ZEALAND

# PERSPECTIVES ON KEY RECEIVING COUNTRIES

## New Zealand

### International Fee-Paying Students in New Zealand Schools by Source Country (2010-16)



**Growth from China; shrinking numbers from South Korea**

Notes: Fees-paying students only.

Sources: New Zealand Ministry of Education.

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### International K-12 Students in New Zealand

- **The composition of countries of origin is in line with other destinations, including Canada.**
- **China has assumed a lead role, accounting for 37.6% of students in 2016 (2010: 15.3%).**
- **Counter to trends in other jurisdictions, Japan has grown, contributing 14.15% in 2016 (2010: 11.3%).**
- **Similar to Canada, the number and share of students from South Korea dropped notably, from 5,290 in 2010 (32.9%) to 2,230 in 2016 (11.6%).**



### Lessons for Canada

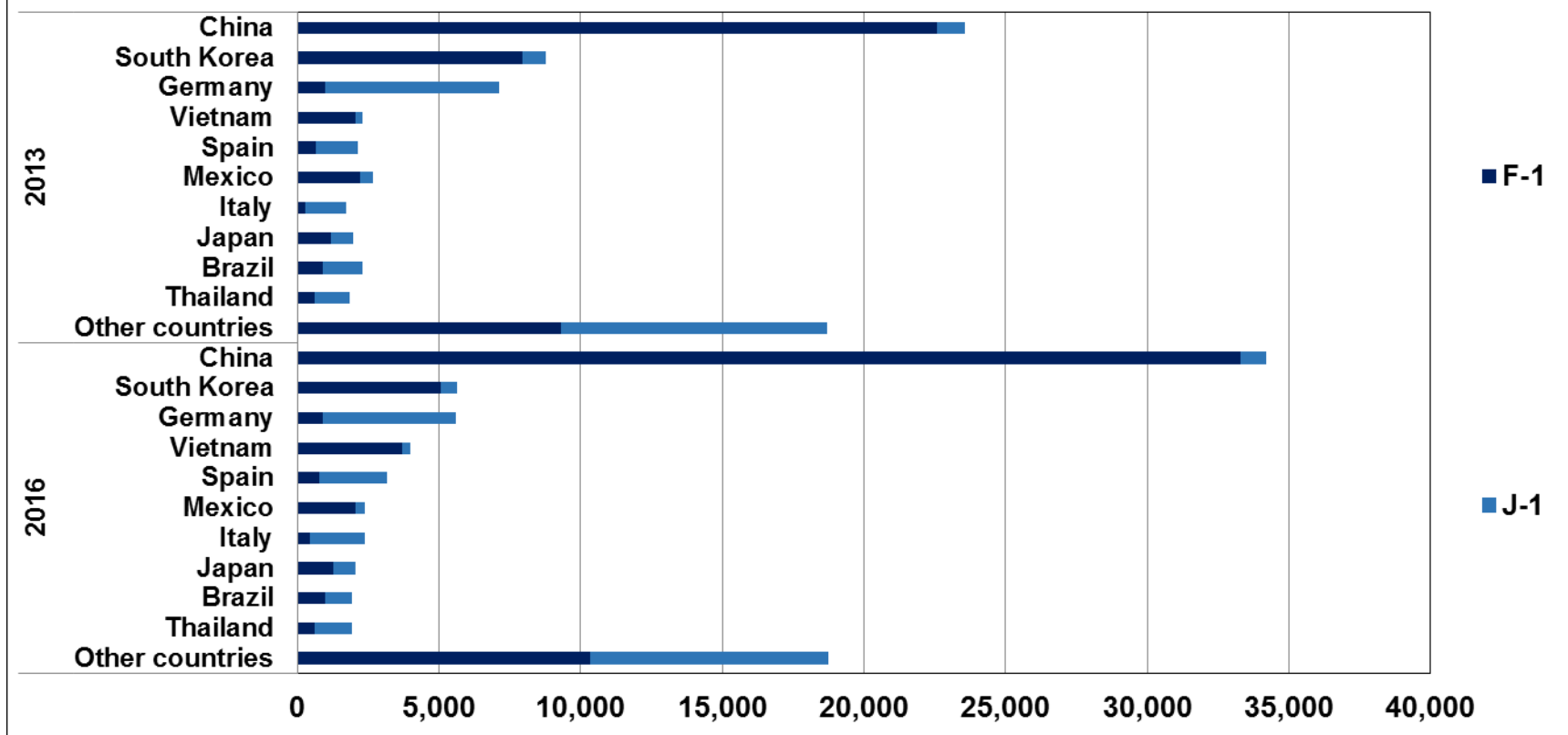
- New Zealand's K-12 sector has experienced growth based on:
  - **Marketing resources** by Education New Zealand.
  - Structural function of the Schools International Education Business Association (**SIEBA**, constituted in 2015).
  - Attractive option for graduates from New Zealand schools to access Australian universities at (Australian) **domestic tuition fee rates** (revoked: 2017).
- A similar, targeted tuition fees discount model within Canada certainly would be a strong recruitment tool.

# UNITED STATES

# PERSPECTIVES ON KEY RECEIVING COUNTRIES

## United States

### International Secondary Students in the United States by Place of Origin and Visa Type (2013 and 2016)



**Degree-leading (F-1) vs. Study abroad (J-1).**

Notes: J-1 and F-1 visa holders only.

Sources: United States Immigration and Customs Enforcement.

### International K-12 Students in the United States

- Students on F-1 predominately pursue **degree-leading studies** (China, South Korea, Vietnam, Mexico, Japan, Taiwan, and Canada).
- Limited-duration students on J-1 hail mostly **from affluent European countries**.
- Total enrollments grew from 73,019 in 2013 to 81,982 in 2016.
- In 2016, the leading source country by a wide margin was China with a total of 34,197 (41.7%) enrolled students.
- The growth in Chinese students masked an otherwise **overall decline** in enrollments.

### Lessons for Canada

- International K-12 enrollments in the United States have been on a growth path similar to other destination countries.
- A notable difference is the strong role independent (private) schools have started to play.
- A recent IIE report indicates a growth slow down starting in 2015.
- The United States **may not hold directly applicable lessons** for Canada given size and regulatory complexity issues.

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## Canada's Competitive Position

- Canada enjoys a positive reputation as a **safe and desirable study destination**.
- Core yet volatile economic factors, such as exchange rates, drive interest relative to the U.S.
- **Work and immigration opportunities** remain strong for students (and families) from economically or politically tumultuous areas.
- **English-language instruction** is a key attractor.
- Canada suffers from **a lack of brand awareness** regarding students seeking post-secondary studies after graduation.

## Recommendations

- **Diversify:** Depending too much on China leads to vulnerability.
- **Post-secondary:** Incentives for continued study after graduation are key attractors.
- **Brand awareness:** Strongly position Canadian education as a peer to its U.S. counterpart.
- **Capitalize:** Cost competitiveness relative to other key destinations should be used as a primary attraction level.



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**Trevor Clarke**  
**Analyst**

**Phone +1 650 860 6101**

**E-mail [clarke@illuminategroup.com](mailto:clarke@illuminategroup.com)**

**Illuminate Consulting Group**  
**P.O. Box 262**  
**San Carlos, CA 94070**  
**USA**