International education & training snapshot:

Darling Downs 2020

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$6.4m — **Gross Value Added** to the Darling Downs economy by the IET sector in 2020

12.7% decline relative to 2019

41 — **Full-Time Equivalent (FTE)** supported by the Darling Downs IET sector in 2020

20.1% decline relative to 2019

$6.2m — **Export revenue** generated through the Darling Downs IET sector in 2020

16% decline relative to 2019

145 — **International student enrolments** in 2020

11.9% decline relative to 2019

International student enrolments

International student enrolments

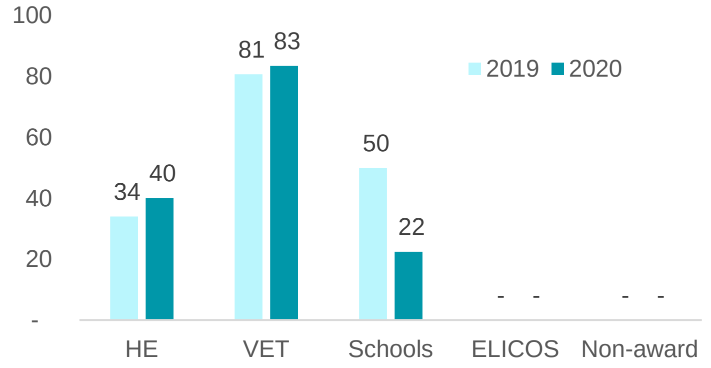
145
enrolments in 2020

In 2020, student enrolments in Darling Downs (on student visas) totalled 145. **VET** remained the largest sub-sector, with **83** enrolments, followed by the HE and schools sub-sectors.

-11.9%
decline in enrolments 2019 to 2020

The onset of COVID-19 and timing of Australia's border closures in 2020 disrupted a large cohort of international students who had departed the country or were intending to arrive for studies. It is likely that the impact of COVID-19 on enrolments (given cancellations and deferrals) will not be fully observed until 2021.

Chart 1: IET enrolments by sub-sector, 2020



Source: Australian Government Department of Education, Skills and Employment, international student enrolment data. Enrolments in December each year.

Enrolments by source market

The largest source markets for international student enrolments in Darling Downs were South Korea and Taiwan, which together accounted for **25% of total enrolments in 2020.**

Compared to the other regions in Queensland, Darling Downs as a region attracts a higher share of students from South Korea, Taiwan and Nepal.

Three of Darling Downs' top ten source markets recorded growth in IET enrolments in 2020. These were Nepal (20%), India (33%) and Philippines (25%).

Table 2: Enrolments in top five source markets, 2019 to 2020

2019			2020			
Country	Enrolments	Share	Country	Enrolments	Share	Growth (share)
South Korea	35	21%	South Korea	29	16%	⬇
Italy	21	13%	Taiwan	16	9%	⬇
Taiwan	17	10%	Nepal	12	7%	⬆
China	14	9%	India	12	7%	⬆
Papua New Guinea	11	7%	Philippines	10	5%	⬆
Total	98	60%		79	44%	⬇

Source: Australian Government Department of Education, Skills and Employment.

44%

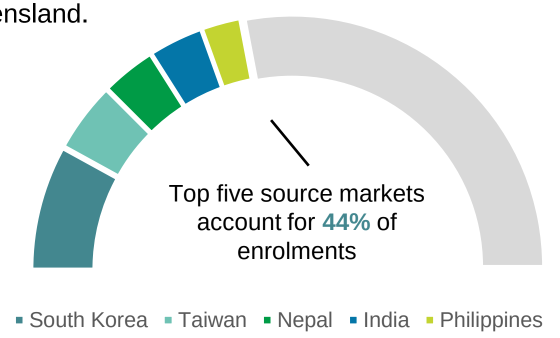
The share of total enrolments attributable to the top five source markets, lower than the Queensland total of 55%.

Source market concentration

Overall, Darling Downs **is the second most diverse IET sector in Queensland**, with a diversity index score of **610** in 2020*. In 2020, Darling Downs became more diversified, with the diversity index decreasing from 654 in 2019.

This was driven by an decreased concentration of enrolments in Darling Downs' top five source markets, which have decreased to account for 44% of enrolments in 2020, relative to 60% in 2019.

The top five source markets accounted for **44%** of IET enrolments in Darling Downs, compared to 55% for Queensland.



*Deloitte Access Economics measures the degree of enrolment source market concentration within a region by the Herfindahl-Hirschman index. This is defined as the sum of square of the source market shares of enrolments. The index can range from 0 to 10,000, with a low index suggesting that enrolments in the IET sector are spread over a diverse range of source markets. This can make the sector more resilient to shocks in the global market.

Regional concentration

Geographically, Darling Downs accounted for **0.1% of IET enrolments in Queensland in 2020.**

Export revenue

$6.2m
Export revenue in 2020

Total export revenue from international student expenditure on tuition fees and goods and services was **$6.2 million in 2020.**

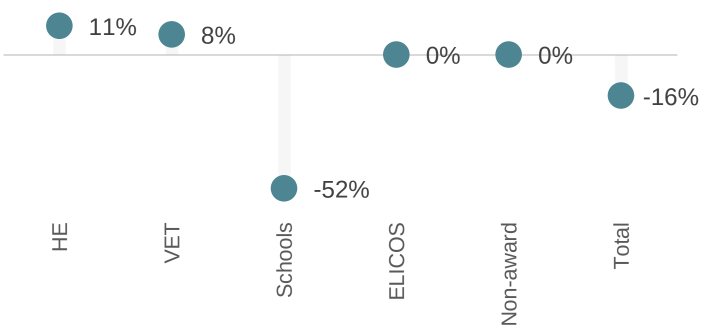
The HE and VET sub-sectors made the largest contribution to revenue in Darling Downs, with $2.4 million revenue for 2020 each, accounting for 39% of total IET export revenue.

-16%
decline in export revenue from 2019 to 2020

Overall, export revenue declined 16% from 2019 to 2020.

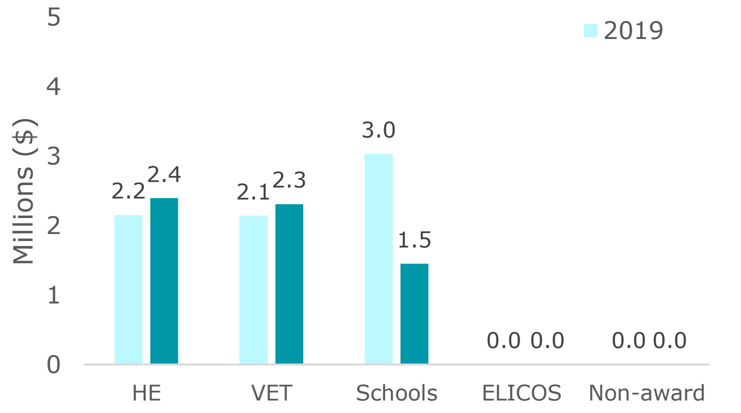
Export revenue declined at a faster rate than enrolments partly due to an increased proportion of student holders being located offshore.

Chart 3: Growth rate (%) of export revenue by IET sub-sector, 2019 to 2020



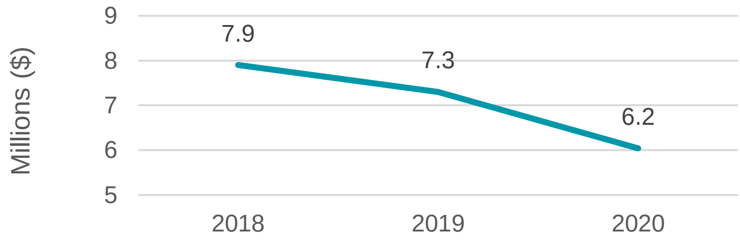
Source: Australian Bureau of Statistics, Australian Government Department of Education, Skills and Employment, Deloitte Access Economics estimates.

Chart 4: IET revenue by sub-sector, 2019 and 2020 ($m)



Source: Australian Bureau of Statistics, Australian Government Department of Education, Skills and Employment. Deloitte Access Economics estimates. Note: 2020 calendar year values are estimated given that some datasets have not yet been released – see the "Methodology" section for more information.

Chart 5: IET export revenue from 2018 to 2020 ($m)



Source: Australian Bureau of Statistics, Australian Government Department of Education, Skills and Employment. Deloitte Access Economics estimates.

Regional breakdown

Darling Downs was the eleventh largest segment of the Queensland IET sector, attracting **0.12% of export revenue** in 2020. Export revenue declined by **16%** in 2020.

Capacity of CRICOS providers

5%
Operating capacity of Darling Downs institutions

In 2020, **there were approximately 18 CRICOS education providers in Darling Downs** with a total capacity of 3,365 CRICOS registered places.*

Darling Downs' educational institutions were operating at approximately 5% capacity in 2020.

Darling Downs is operating at the lowest capacity compared to other regions in the state, and lower than Queensland's operating capacity of 60.4%. However, there exists capacity to facilitate further growth in the region.

*Deloitte Access Economics uses CRICOS registered places as a measure of capacity and student enrolments as a measure of demand. Data current as of 30 July 2021.

ELICOS students on non-student visas

Non-student visas

In addition to international students on student visas, 0 international students on non-student visas (NSV) also chose to study in Darling Downs in 2020*.

Source: Economic impact in Queensland report, June 2021

Economic contribution of the IET sector

Direct economic contribution

The IET sector directly contributed **$2.94 million** to the Darling Downs economy and supported **20 full-time equivalent (FTE)** jobs in 2020 (Table 1).

This represents the value of economic activity associated with businesses that directly supply goods and services to international students and their visitors.

Table 1: Direct economic contribution of the IET sector, 2020

	Value added ($m)	Employment (FTE)
Student visa students	2.94	20
NSV ELICOS	0.0	0
VFRs	0.0	0
IET sector	**2.94**	**20**

Source: Deloitte Access Economics estimates.

Indirect economic contribution

The IET sector also indirectly contributed **$3.47 million** and **22 jobs (FTE)** to Darling Downs in 2020. This represents the flow-on effects for industries that supply goods and services to the IET sector. This includes the maintenance services supplied to training providers, and the agricultural producers that restaurants source their food from.

Table 2: Indirect economic contribution of the IET sector, 2020

	Value added ($m)	Employment (FTE)
Student visa students	3.43	21
NSV ELICOS	0.02	0
VFRs	0.01	0
IET sector	**3.47**	**22**

Source: Deloitte Access Economics estimates.

Total economic contribution

$6.4m
Value added to the Darling Downs economy by the IET sector in 2020

In total, the IET sector contributed **$6.4 million** and supported **41 full-time equivalent (FTE) jobs** in the Darling Downs regional economy in 2020. This represents a decline of **12.7%** in total value added contribution, and **20.1%** in employment from 2019.

Table 3: Growth in economic contribution of the IET sector, 2018 to 2020

	2018 to 2019	2019 to 2020
Value added	-1%	-12.7%
Employment (FTE)	-26%	-20.1%

Source: Deloitte Access Economics estimates; Australian Bureau of Statistics.

Key industries

The most significant industries supporting the IET sector in Darling Downs are **education and training** (21%), **cafes, restaurants and takeaway food services** (5%), and **retail trade** (5%). Together, they comprised of 31% of Darling Downs export revenue from the IET sector.

Table 4: Employment breakdown by IET industry (economic contribution), 2020

Industry	Employment (FTE)
Accommodation	1
Cafes, restaurants and takeaway food services	2
Clubs, pubs, taverns and bars	1
Rail transport	0
Road transport and transport equipment rental	1
Air, water and other transport	0
Travel agency and tour operator services	-
Cultural services	0
Casinos and other gambling services	0
Other sports and recreation services	0
Retail trade	2
Education and training	9
All other industries	25

Source: Deloitte Access Economics estimates.

Frequently Asked Questions

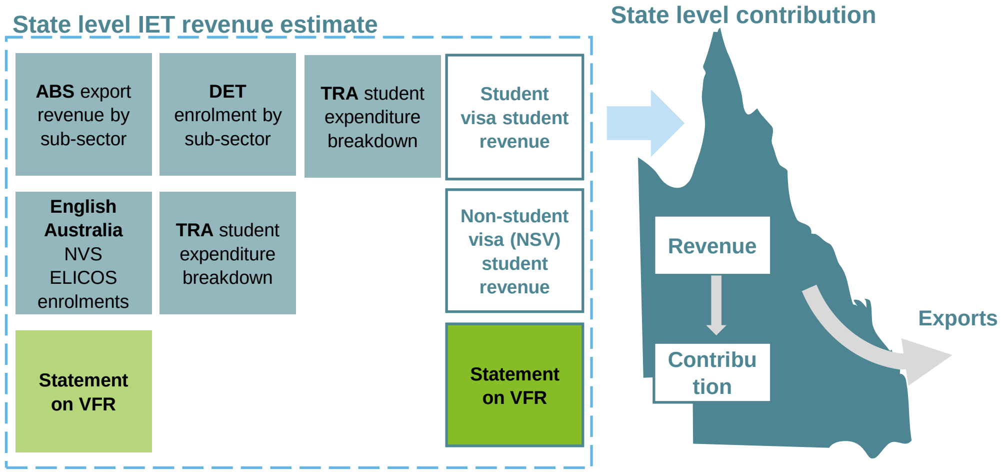
Methodology

Trade and Investment Queensland has worked with Deloitte Access Economics to produce consistent and comparable regional estimates of the contribution of IET to Queensland and its regions. The analysis has been informed by publicly available enrolment and expenditure data from the Department of Education, Skills and Employment (DESE), the Australian Bureau of Statistics (ABS), and Tourism Research Australia (TRA).

The ABS accounts for the impact of COVID-19 on IET export revenue by: (1) capturing the course fee of students studying offshore through 'correspondence courses' rather than 'education-related personal travel', (2) reflecting lower expenditure resultant from any students that have deferred their enrolments, and (3) reflecting any potential changes in students' expenditure on goods and services by using the latest TRA data on student expenditure.

The analysis focuses on the export revenue and economic activity associated with (1) onshore international students in Queensland, and (2) the additional cross-border delivery of international education to students offshore as a result of COVID-19 border closures. There is a high degree of uncertainty over the export revenue associated with cross-border IET due to limited publicly available information. Consequently, a simplifying assumption based on higher education enrolments has been applied in determining their distribution in its regions.

The economic contribution is estimated by incorporating Deloitte Access Economics' integrated regional input-output model (DAE-IRIOM) with the Tourism Satellite Accounting framework, which is the internationally approved approach for measuring the economic contribution of tourism exports, including IET.



Using the results

For consistency in reporting, value added and employment (rather than export revenue) are the correct metrics to use in measuring the significance of the IET sector to a region. While it is appropriate to refer to the *total* value added and employment when referring to the overall size or contribution of the IET sector in a particular region, only the *direct* value added and employment figures should be used when comparing the IET sector against other industries within the same region.

Glossary

Contribution	
Direct contribution	The contribution generated by direct transactions between the international student and the producer of goods and services. This includes their education fees, as well as living expenses.
Indirect contribution	The subsequent flow-on effects created by the requirement for inputs from those industries supplying goods and services to IET. For example, this might include the fresh produce supplied to supermarkets visited by students.
Total contribution	The sum of the direct and indirect contributions from IET.
Export revenue	The sales revenue received by the IET sector in providing goods and services to international students.
Value added	A measure of the sector's return on its capital and labour. It is the indication of the sector's value and contribution to the regional economy. Export revenue and value added should not be summed.
Visiting friends and relatives (VFR)	Visitors who specifically indicate in the International Visitor Survey that they are visiting Queensland for the purpose of visiting an international student studying in Queensland.
Non-student visa (NSV)	Refers to international students studying in Queensland who do not hold student visas, and can include students in ELICOS courses and on study tours. This analysis only quantifies the contribution of NSV ELICOS students.

Disclaimer

These are Deloitte Access Economics' estimates for international student enrolments and contribution based on the best available data. The results do not include the contribution to Queensland from international students studying elsewhere in Australia (e.g. through tourism).