

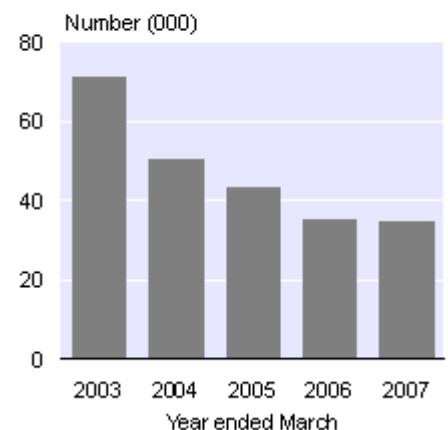
Embargoed until 10:45am – 1 August 2007

## Survey of English Language Providers Year ended March 2007

### Highlights

- Total estimated expenditure by all international students studying in New Zealand was \$1,242 million for the year ended March 2007.
- Tuition and related fees received by English language schools from international students was \$116 million during the March 2007 year, up \$5 million from the previous March year.
- The number of international students enrolled at English language schools in New Zealand fell for the fourth consecutive year, mainly due to a fall in the number of Chinese students.
- The total number of student weeks completed at New Zealand English language schools was up 2.2 percent in the March 2007 year, compared with the March 2006 year.

**Total Student Numbers**  
All countries  
Year ended March



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There is a companion Media Release published – [Survey of English Language Providers: Year ended March 2007](#).

# Commentary

## Overview

This release provides details on spending by international students in New Zealand. This spending forms part of the exports of travel services component in the Balance of Payments and also the expenditure measure of Gross Domestic Product.

Travel exports (spending by visitors to New Zealand) were valued at \$7,079 million for the year ended March 2007 and accounted for 14.8 percent of total exports of goods and services. Estimated spending by international students contributed \$1,242 million, or 17.5 percent, of travel exports. Spending by international students is made up of expenditure by international students studying at primary and secondary schools, and for formal tertiary qualifications, as well as students studying at English language schools.

## Total expenditure by international students

The estimated total value of expenditure by all international students studying in New Zealand was \$1,242 million for the year ended March 2007, compared with a revised figure of \$1,289 million for the year ended March 2006. These figures will be further revised in the June 2007 quarter release of the Balance of Payments and International Investment Position statistics, to be published on 20 September 2007. See the Data sources section at the end of this report for further details. Estimated expenditure by international students studying at primary and secondary schools, and for formal tertiary qualifications, fell \$57 million from the March 2006 year to the March 2007 year. This decrease was due to fewer foreign students studying in New Zealand this year. According to the English Language Providers (ELP) survey, expenditure by students studying at English language schools increased \$9 million over the same period. This release focuses on the data gathered from the ELP survey.

## Results from the ELP survey

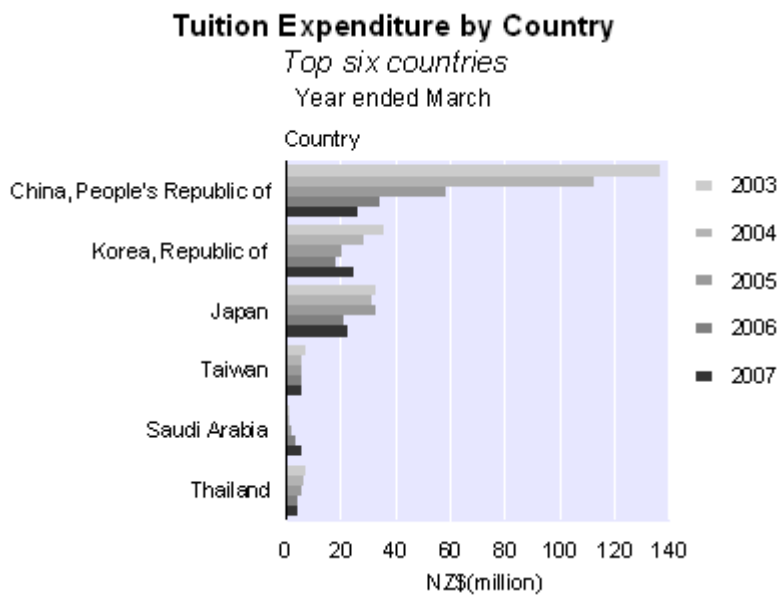
During the March 2007 year, there were a total of 35,166 international students enrolled in English language schools in New Zealand, which earned schools \$116 million in tuition and related fees. There was a 1.1 percent decrease in the number of English language students from the March 2006 year to the March 2007 year. This followed an 18.1 percent drop in student numbers for the previous March year. The number of Chinese students studying at English language schools continued to decrease, and again recorded the largest nominal fall out of all countries of student origin. There are now 84.0 percent fewer Chinese students studying at English language schools than there were in the March 2003 year. In the March 2007 year, income earned from tuition and related fees increased \$5 million (4.1 percent) compared with the March 2006 year. This compares with a decrease of \$43 million between the March 2005 and March 2006 years. On average, students enrolled in longer courses in the March 2007 year than in the previous year. The increase in average student weeks was the main contributor to the increase in tuition revenue reported, more than offsetting the small decrease in student numbers.

## Expenditure by international students at English language schools

Total expenditure by international students studying at English language schools includes expenditure on tuition and accommodation sourced from the ELP survey. Also included is an estimate for other expenditure, such as living costs, which is derived from ELP figures. The total estimate for expenditure by international students studying at English language schools was up \$9 million from the March 2006 year compared with the March 2007 year, to \$233 million. Revenue from tuition and related fees increased 4.1 percent in the March 2007 year, while revenue from accommodation provision increased 5.3 percent.

## English language provider tuition revenue

Revenue from English language tuition was \$116 million for the March 2007 year, up from the \$112 million reported for the previous March year. This 4.1 percent increase follows the 28.0 percent decrease of the previous year, and tuition revenue remains 54.9 percent lower than the peak of \$258 million recorded in the March 2003 year. The largest increase in tuition expenditure between the March 2006 year and the March 2007 year was by students from the Republic of Korea (South Korea), whose expenditure increased \$6.3 million (34.8 percent). Both the number of students from Korea and the amount of weeks studied by Korean students were up compared to the previous year. Other large increases in tuition revenue during the latest period were for Japan, up \$1.5 million (7.4 percent) and Saudi Arabia, up \$1.5 million (49.3 percent). These increases were partly offset by an \$8.2 million (23.8 percent) decrease in tuition revenue received from Chinese students. Expenditure on tuition and related fees by Chinese students has fallen for four consecutive years, and is now \$109.9 million lower than in the March 2003 year.

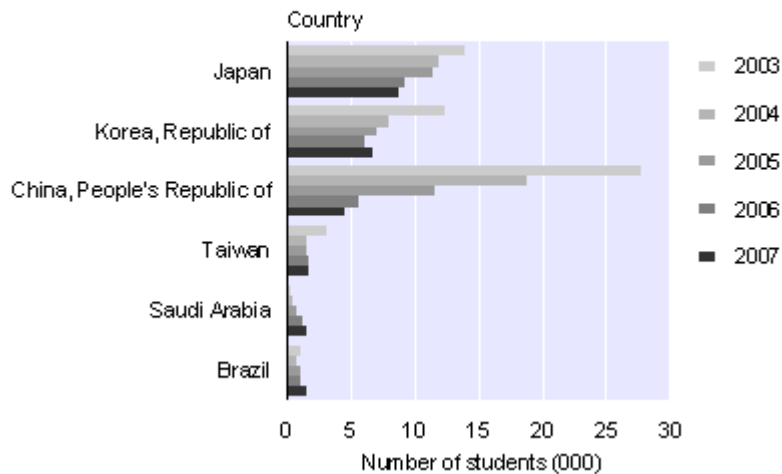


## Student numbers

The number of international students enrolled in English language courses in New Zealand during the March 2007 year was 35,166, down 1.1 percent from the previous March year. Student numbers have fallen in every year since the March 2003 year, when 71,503 students were enrolled. The number of students from China fell 1,080 (19.6 percent) from the March 2006 year to the March 2007 year. This is the fourth consecutive year that the number of Chinese students has decreased. Although Chinese students make up only 12.6 percent of student numbers, their tuition expenditure makes up 22.5 percent of total tuition revenue received by English language schools. Other countries to record significant decreases in student numbers between the March 2006 and March 2007 years were Japan (down 436) and Germany (down 189). These decreases, combined with the fall in the number of Chinese students, were partly offset by an increase in the number of Korean students (up 645) enrolled at English language schools in New Zealand. Student numbers from Brazil (up 554) and Saudi Arabia (up 335) also increased in the latest March year.

## Student Numbers by Country

Top six countries  
Year ended March



## Student weeks

Respondents are asked to provide data on the number of student weeks by country. This data is used to analyse changing course lengths over time. Refer to the Student weeks section of the Technical notes accompanying this release for further information. The average length of study attributed to English language courses for the March 2007 year was 10 weeks. Total weeks studied by all students increased 2.2 percent from the March 2006 year to the March 2007 year. Students from Korea recorded the largest increase in the number of weeks studied, with 12,738 (19.9 percent) more student weeks than in the previous year. The largest decrease in weeks studied was by students from China, which reflects the fall in student numbers from that country.

## English language provider accommodation provision

Accommodation revenue collected in the ELP survey only includes revenue for accommodation provided or arranged by English language schools. English language provider accommodation revenue was \$30 million for the year ended March 2007, an increase of \$1.5 million (5.3 percent) from the March 2006 year. The largest increase in accommodation expenditure from the March 2006 year to the March 2007 year was by students from Saudi Arabia. Accommodation revenue from Saudi Arabian students was up \$1.0 million from the March 2006 year. Other increases in accommodation revenue were recorded for Korean (up \$0.7 million) and Brazilian students (up \$0.6 million). As with tuition expenditure and student numbers, the largest decrease in accommodation expenditure this year was by students from China. This expenditure was down \$1.7 million (27.2 percent) from the previous year. For further information on the accommodation data from the ELP survey please refer to the Limitations section of the Technical notes accompanying this release.

## Data sources

There are two main data sources used in estimating spending by international students in New Zealand:

- The survey of English Language Providers (ELP), an annual survey that collects information from English language schools on expenditure by non-resident students studying in New Zealand.
- Estimated spending by international students studying at primary and secondary schools, and in formal tertiary courses, is calculated using enrolment numbers from the Ministry of Education. Data on student enrolments at these institutions is provided as at 31 July 2006. This data is used as an approximation for the year ended March 2007, as it is the most recent data available.

The estimated total value of expenditure by all international students studying in New Zealand reported in this release will be revised in the June 2007 quarter release of the Balance of Payments and International Investment Position statistics. These revisions will reflect a change in the way student numbers data are collected by the Ministry of Education. Currently, student numbers are a snapshot as at 31 July. From the next release, Statistics NZ will use Full-time Equivalent (FTE) student numbers for the year ended December instead. Statistics NZ is also investigating tuition fee estimates used to calculate total expenditure by international students. These revisions will not affect figures reported in the ELP survey.

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# Technical notes

## Purpose of the survey

The objective of the Survey of English Language Providers (ELP) is to measure the revenue earned by New Zealand English Language schools for education services provided to non-resident students studying in New Zealand. The data collected from this survey is then used in the calculation of total education exports in the travel component of the Balance of Payments statistics.

## Information collected

The ELP survey collects data on total revenue received from tuition and other types of fees for education services provided to non-resident students studying at English language schools. Other types of fees include activity fees, enrolment fees, book fees, and administration and processing fees. The survey also collects data on the total revenue received from non-resident students for any boarding, accommodation or homestay placement fees, where accommodation is arranged by the school. Data is requested by the country of residence of students. Also collected is the number of students from each country, as well as the number of student weeks studied.

## Population

All known New Zealand private, polytechnic and university English language schools with non-resident students are surveyed. Respondents are identified from the Statistics New Zealand Business Frame, the English Language Schools Register (provided by the Ministry of Education), and media search activity. Primary and secondary schools are not included in the ELP survey. Where institutions offer other courses, for example formal tertiary qualifications, international students enrolled in these courses are recorded separately.

## Methodology

Imputations are calculated to allow for English language providers who were surveyed but did not respond. Non-response imputations are based on the data received from that respondent the year before, rated forward by a measure of the change in the data of schools that did respond. If the respondent was not in the survey previously, or did not respond in the previous year, non-response is imputed from the average of similar-sized respondents. An estimate is also made for spending by international students on accommodation not provided by English language schools and for other spending by English language students.

## Limitations

The ELP survey collects data on expenditure by international students on tuition and accommodation arranged by English language schools. No other expenditure data is collected. Expenditure estimates for international students studying in New Zealand at primary and secondary schools, and those studying for formal tertiary qualifications, is based on data on average course fees.

Country data from the ELP survey should be used with caution. Respondents may not always be able to accurately identify the number of students by country of origin. Further, some respondents were able to report the number of students by country and total tuition revenue, but not tuition revenue on a by-country basis. In such cases, the same average expenditure per student was applied to all students, regardless of country of origin.

The ELP survey is designed to collect data on the number of students and expenditure for the period between 1 April and 31 March. However, it is not always possible for English language schools to report on a year ended March basis. In such cases the respondents are asked to provide the requested information for an alternative recent year ended, such as the year ended December.

In the ELP survey, respondents are asked to provide an estimate for revenue from accommodation arranged by the school. Statistics NZ does not explicitly collect information on the accommodation expenditure of international students that do not have their accommodation arranged by the English language school. However, the estimate for other expenditure by ELP students includes all spending, other than tuition and related fees, by international students studying on English language courses in New Zealand. Therefore, all accommodation expenditure, whether arranged by an English language school or not, will be implicitly included in the 'other expenditure' estimate.

## **Student numbers**

Student numbers collected in the ELP survey are the number of students studying during the period April 2006 to the end of March 2007. This number of students does not reflect full-time equivalent student numbers, therefore differences in tuition and accommodation expenditure per student can be a result of the differences in the length of courses.

## **Student weeks**

Since the year ended March 2006 ELP survey, respondents were asked to provide the number of student weeks by country. This data provides information on the lengths of courses being undertaken by international students at English language schools. Together with student numbers figures, this additional data will help explain movements in tuition revenue. Some schools are unable to provide accurate information on the number of student weeks studied by country, in these instances the average number of student weeks, as reported by all other respondents, is assigned to the relevant countries. Where schools provide data in full-time equivalent student (EFTS) numbers, these figures are reported as student weeks by using the ratio of one EFTS equals 40 student weeks.

## **Response rates**

The ELP survey has been run as a census since 2003. One hundred and sixty one schools provided data for the year ended March 2007, and a response rate of 90 percent was achieved for the survey. Schools that closed down during the survey period may have had students earlier in the year that may not have been included in the results.

## **Number of schools in survey**

In the March 2007 year, there were 179 schools in the survey population for the ELP questionnaire. The number of schools returning data was 122 in the March 2007 year, with 39 schools responding as having no revenue or students for the period. These 'nil responses' are a mixture of schools that have closed down, newly established schools which were planning to begin operations during the March 2008 year, and schools that have had no activity during the March 2007 year but are expecting data for the following year.

## Responses to the ELP Survey

	2003	2004	2005	2006	2007
Schools in survey	136	186	189	193	179
Number responding with non-zero data	103	151	139	125	122
Total responding	131	179	173	162	161
Response rate (%)	96	96	92	84	90

### Revisions to previously published data

Revisions were made to the 2006 ELP survey data and to the estimated expenditure of international students studying in New Zealand, due to new or improved data.

### Sampling errors

As the ELP survey is run as a census, sampling errors are not calculated.

### Non-sampling errors

Non-sampling errors in the survey data may result from errors in the survey frame, respondent error, mistakes made during processing survey results and non-response imputation. There may be some English language schools that are not registered or are for some other reason not included in this survey population. Statistics NZ adopts procedures to detect and minimise these types of errors but they may still occur and they are not quantifiable.

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### Timing

Timed statistical releases are delivered using postal and electronic services provided by third parties. Delivery of these releases may be delayed by circumstances outside the control of Statistics NZ. Statistics NZ accepts no responsibility for any such delays.

### Next release...

*Survey of English Language Providers: Year ended March 2008* will be released on 1 August 2008.

## Tables

The following tables can be downloaded from the Statistics New Zealand website in Excel format. If you do not have access to Excel, you may use the [Excel file viewer](#) to view, print and export the contents of the file.

### List of tables

1. Tuition and related fees
2. Student numbers
3. Accommodation provision
4. Student weeks

[✖ Survey of English Language Providers: March 2007 - All tables \(45KB\) xls](#)