

## International Education Market Insight: China

August 2021

### Summary

The Chinese economy continues to bounce-back from the COVID-19 pandemic, yet still faces major challenges related to the unprecedented global context, as well as domestic industry restructure and an ageing population. Education is one essential tool to support China's economic transformation and achieve technology self-sufficiency, and the Chinese Government has implemented major education policy changes and reforms to achieve these goals.

### Recent success for Victoria

- Since its launch in March 2021, the Study Melbourne Hub Shanghai has become a welcoming space for international students and Victorian education providers, hosting dozens of activities with over 600 participants to date. Increasing numbers of students are coming to the Hub to study, meet friends and connect with their education providers in Victoria. The Study Melbourne Hub Shanghai continues to be a key support for students unable to travel to Victoria and assists education providers to maintain an in-market presence.
- The Victorian Government further enhanced the partnership in Southwest China by hosting the Victoria-Chongqing Education Forum in Chongqing on 9 July. New partnerships were forged between Victorian education providers and the Chongqing Education Association for International Exchange in vocational education teacher training and diploma programs.

### Current Market Status

#### Coronavirus response

While increasing vaccination rates, China is also facing the challenge of the Delta Variant and tightening COVID-19 prevention measures across the country. As of the end of August, Mainland China has administered over two billion doses of COVID vaccine, with 63% of the population now fully vaccinated.

#### Economic impact

China is transforming its economy, by restructuring industry, devising a new development plan and implementing reforms across sectors to facilitate change. China's GDP increased by 12.7% through the first half of 2021 and is expected to average between 7-8% for the year. China's recovery can be broadly attributed to two main factors: significant government stimulus spending on new infrastructure, and domestic consumer-led growth. As per the latest Five Year Plan, China is increasing investment in priority sectors including infrastructure, health, new energy, transportation, and social welfare.

## The education sector

China recently announced new regulations to make off-campus tutoring not-for-profit only to ease the burden of excessive homework on students as well as reduce the cost burden on parents. This has impacted businesses connected to this part of the education industry. The Chinese Government still encourages Chinese students to study abroad to learn cutting-edge technology.

During the pandemic, the Chinese Government has provided significant support to students, such as recognising studies taken online due to COVID travel restrictions and opening China-foreign joint run programs/ventures as alternatives for new students with overseas offers.

## **Opportunities**

### Study Melbourne Hub Shanghai

The Study Melbourne Hub Shanghai supports Victorian providers to engage their Chinese students offshore and create connections with Victoria in a physical space while borders are yet to open. Victorian providers are encouraged to promote the Hub to enrolled students as a place for self-study, to meet classmates and participate in Hub activities. Providers can utilise the space for their own events (in-person or hybrid) for current and prospective students and alumni, to help retain existing students and grow the student pipeline.

### In-country delivery

More offshore student study centres have also been established in China. Programs combining in-country delivery continue to gain popularity in the market.

### Vocational Education

Online vocational education teacher training programs continue to generate interest. The VGTI education team has received an increased number of inquiries for transnational education (TNE) programs at the Diploma level.

### High Potential Markets

- Provincial or municipal governments in the Greater Bay Area and Hainan Province seek partners for joint programs and ventures.
- Research opportunities are boosted through Technology Precincts in the Greater Bay Area, focusing on life science and health, advanced manufacturing, and new energy.
- There is great potential to build a student pipeline through a focused marketing campaign targeting the increasing number of international schools in the Greater Bay Area and Hainan Province.

## **Contact and further information**

Please contact Qian Li, Education Services Director in Beijing at [qian.li@global.vic.gov.au](mailto:qian.li@global.vic.gov.au), and Terry Wang, Education Services Manager in Chengdu at [terry.wang@global.vic.gov.au](mailto:terry.wang@global.vic.gov.au).