



Commentary

Educational services are a key and growing sector of the international economy. The training and education of international students in Canada alone has an estimated \$4 billion impact. Most international students in Canada and elsewhere come from Asia, and especially China, resulting in keen competition for elementary, high school, college and university students from the region by Australia, New Zealand, France, Germany, Japan, the United States and the United Kingdom. Canada has been a comparatively minor player in this growing sector, despite strong historical ties between China and Canada and the presence of a large Chinese-Canadian community. Canada has not been able to match the strong appeal of American education, particularly at the university level. In comparison to its main competitors, notably Australia, New Zealand and the United Kingdom, Canadian institutions lack a coordinated national marketing effort, and have not made a sustained commitment to

recruit overseas students. There is, in sharp contrast to the other nations, no “Canadian brand” identity in the Chinese market. While the Government of Canada is constrained by its lack of constitutional authority in the delivery of educational services at home, it has been generally absent from the promotion of Canadian education overseas. Yet at the institutional level Canadian school districts, colleges, universities and private institutions have taken independent and creative steps to enhance their presence in the Chinese market. These range from aggressive recruiting campaigns to the establishment of campuses in China. However, a sharp rise in the number of Chinese university spaces in recent years, a large and growing number of foreign-owned institutions in the country, and strong international competition, is already dampening the flow of new Chinese students to Canada. Without rapid and concerted efforts in China and elsewhere, Canada will forfeit its place in this successful and lucrative service industry. It will also jeopardize Canada’s future ties with Asia.

Canada Missing Opportunity in the Booming China Education Market

By Carin Holroyd *



Canadian educators have, with varying degrees of understanding and commitment, realized that education presents an important economic opportunity. Students come from all over the world to study in communities across Canada. Many come for short-term English as a Second Language (ESL) and French as a Second Language (FSL) programs. Some come as elementary school students while others complete university undergraduate and graduate programs. As the number of Canadian students at the elementary, secondary and university levels is expected to decline sharply in several provinces over the next few years, universities and school boards are realizing the economic importance of recruiting more international students. As

they venture, with varying degrees of success and enthusiasm, into the global educational marketplace, Canadian institutions are encountering a fast-changing and potentially very remunerative field of opportunity. They are also discovering that other nations, particularly Australia, the United Kingdom, New Zealand, Germany, France, the Netherlands and the United States, are serious competitors for the same students, with a more extensive international presence and with forceful backing from their national governments.

**Foreign student market
only 20 years old**

Twenty years ago, students who studied outside their home countries were generally part of organized government or service group exchanges, such as those promoted for many years by Rotary International. International education was supported largely as an avenue of development assistance, for its cross-cultural benefits and as a means of introducing domestic students to life in other countries. The situation then changed dramatically. School boards, colleges and universities, strapped for cash and often experiencing strong enrollment pressures, realized that many international students were willing to pay the full cost of their education. Institutions recognized that, even after subtracting the cost of recruitment activities and on-campus support programs, the tuition fees from a comparatively small number of international students could provide budgetary security and even additional funds for extra educational activities.

**Inflow brings gains
to whole economy**

There are also significant benefits for the broader economy. Educational institutions and the federal government estimate that the average full-time international student in Canada spends at least \$25,000 a year beyond tuition fees (which, for high school and university students are in the range of \$10,000 to \$15,000 a year for non-professional programs). They pay for accommodation, buy food, clothing, recreation, travel and many other goods and services. Recognizing the economic benefits associated with overseas students, a growing number of countries have made international recruitment a priority.

**Canadian institutions
open for business...**

With the burgeoning global demand for education, and with many developing countries unable to provide high level opportunities for more than a fraction of their student populations, institutions in many countries, including Canada, found themselves facing a wave of applicants. After sorting out many thorny details, like differential student fees for international students and questions of student visas, schools, colleges and universities declared themselves open for business. Canadian institutions were not disappointed, as they experienced an almost immediate surge in international enrollments. The early international student population typically came from the United States, the United Kingdom, Europe and a handful of other nations. The new wave of applicants come increasingly from Asia. In 2004, South Korea was the single most important source of students for Canada (in terms of student flows), followed by China and Japan. The United States and France rounded out the top five.¹ The three Asian nations – the two wealthiest in East Asia and a country with a rapidly growing economy – send substantially more students on an annual basis than the US and France, a pattern consistent with the pattern in the leading competitor nations of Australia, the United Kingdom and New Zealand.

¹ It is difficult to obtain complete statistics as students from many countries attending courses shorter than six months do not need student visas, although for some countries, including China, formal permits are needed. Chinese students are unlikely to be granted permission to study in Canada for less than six months so study permit statistics capture all or almost all Chinese students. Many students from countries such as South Korea and Japan come to Canada for short periods and require only visitor visas. According to the best estimates by the Canadian Embassy in Tokyo, the total number of students coming from Japan to Canada, for example, is probably about double the number indicated by study permit statistics.

Table 1: Foreign Student Flows by Country of Origin

	1998	1999	2000	2001	2002	2003	2004
S. Korea	3,671	6,407	10,682	13,311	13,755	12,995	12,304
China	1,772	3,614	5,635	9,948	10,577	9,535	6,988
Japan	5,513	5,760	5,598	6,452	5,873	5,263	4,868
US	4,156	4,507	4,947	4,787	4,087	3,808	3,809
France*	3,108	3,715	4,057	4,066	3,378	3,323	3,480
Total	40,846	50,501	61,036	70,871	66,410	60,201	56,536

Source: Citizenship and Immigration Canada, Facts and Figures 2004: Immigration Overview: Temporary Residents: <http://www.cic.gc.ca/english/pub/facts2004/temporary/9.html>

*Almost all of the students from France go to Quebec where they pay domestic student fees. (Students in Quebec pay lower tuition fees than students in other Canadian provinces.)

Student “flows” refers to the number of new international students coming to a country in a given year. Student “stock” refers to the total number of international students in a country at a particular time. Student stock numbers show that China is the largest source country for Canada followed by South Korea, the US, Japan and France. (See Table 2). This means that more of the Chinese students study in Canada for longer periods than do South Korean students.

Table 2: Foreign Student Stock by Country of Origin

	1998	1999	2000	2001	2002	2003	2004
China	3,017	5,450	9,341	17,673	26,312	33,188	36,747
S. Korea	8,346	10,073	14,384	19,096	22,231	23,844	25,204
US	9,084	9,928	10,987	11,857	11,647	11,368	11,630
Japan	9,583	9,469	9,452	10,164	9,382	8,794	8,775
France	4,265	5,109	5,607	6,096	5,621	5,814	6,058
Total	77,273	87,259	102,300	123,200	134,517	144,245	153,638

Source: CIC Canada, Facts and Figures 2004: Immigration Overview: Temporary Residents: <http://www.cic.gc.ca/english/pub/facts2004/temporary/10.html>

... but other countries sell harder than Canada

By 2000, institutions across Canada were looking to a major expansion of recruiting initiatives in Asia, and specifically in China. There was a growing sense that an influx of international students could address funding shortfalls at Canadian schools, colleges and universities. However, the increasing number of visa students masked the reality that Canada was not doing as well as its main competitors. In Australia and New Zealand, educational institutions and the national governments declared international education to be a high priority. Similarly, the United Kingdom under Prime Minister Tony Blair launched major initiatives to attract students to the country, particularly at the post-secondary level. The US, long the most popular destination for international students, continued to promote American education as the “gold standard” in education. Still, the US has not been as aggressive or nationally focused as Australia, New Zealand or the United Kingdom and although the Institute for International Education estimates that international students brought US\$13.3 billion to the US economy in 2004², international recruitment has not been a priority for the US government³ (especially since immigration controls have been tightened after 9/11). As a result, the US is gradually losing market share. New competitors are also entering the market. Both Singapore and Malaysia are actively recruiting international students, particularly from China. Malaysia recently opened four overseas recruiting offices, one of them in Beijing.

² <http://opendoors.iienetwork.org>

³ <http://www.ief-usa.org/>

Lost students means loss to the economy

Canada's lacklustre performance compared to New Zealand, Australia, the United Kingdom and the US costs this country billions of dollars in lost economic activity. In 2004, 153,638 international students studied in Canada. In the same year, 112,672 were studying in New Zealand, a country with a population approximately the same as that of British Columbia. In the US, there were 565,039 international students⁴, in the United Kingdom, 300,050 and in Australia, 322,776.⁵ So, Australia and the United Kingdom recruited 146,412 and 169,138 more international students than Canada respectively. Using the standard figure of \$25,000 in annual student spending, excluding tuition (and ignoring any multiplier effects), the United Kingdom gained almost \$3.6 billion more than Canada from international students in 2004; Australia earned \$4.2 billion more than Canada that same year.

Ottawa has shunned role in marketing

Despite consistent lobbying by all of the organizations involved in international education (such as the Canadian Bureau for International Education, the Association of Community Colleges in Canada and the Association of Universities and Colleges of Canada), the federal government has not assumed a role in international education. Perhaps worried about the perception that international students are "taking" places away from Canadian students seeking entry into elite professional programs, the Canadian government has shied away from major pronouncements or coordinated recruitment efforts. Ottawa is also sensitive to its lack of constitutional authority in the field of education. Many provincial governments are, however, beginning to become more involved in promoting international education. The government of New Brunswick, for example, has recently established a target of 10% for the numbers of students enrolled at provincial universities from outside the country and Nova Scotia is on the verge of re-introducing a provincial support program for international recruitment. In December 2005, the BC Progress Board, an independent panel of senior business and academic leaders in British Columbia, released a report on the role of international education in that province. It says that although \$2 billion is generated annually from international education in BC, the province is not well situated to respond to the increasingly competitive education marketplace. The report details several proposals for enhancing the province's international education sector. While provincial involvement in promoting international education is a welcome development, it does not supplant the need for support of Canadian education at a federal level.

The Transformation of Education in China

Liberalization in China set off education boom

Just 20 years ago, China had post-secondary spaces for only a tiny percentage of eligible students. Elementary and secondary schools, struggling to keep up with the extreme demand, often fell far short of basic international standards. With the liberalization of the Chinese economy, the country faced a severe shortage of well-educated and trained workers and managers, creating even more pressure on an already stretched national education system. With incomes rising, many parents sought to give their children a career advantage by arranging for them to study overseas, following a track earlier laid down by families in Singapore and Hong Kong. Growing numbers of Chinese students enrolled in high schools, colleges and universities around the world, particularly in leading industrialized nations.

⁴ It is interesting to compare Indian student numbers. While India is the largest source of students for the US with 80,466 students in 2004, Canada only had 4,717 Indian students in the same year. <http://www.cic.gc.ca/english/pub/facts2004/temporary/10.html> ; <http://opendoors.iienetwork.org>

⁵ <http://aei.dest.gov.au/AEI/MIP/Statistics>; <http://www.cic.gc.ca/english/pub/facts2004/temporary/10.html>; communication with Tony Basran, Information Provision Officer, Higher Education Statistics Authority; Communication from Ron Ross, Administrator Export Education Levy, Government of New Zealand; Institute of International Education <http://opendoors.iienetwork.org>.

**Beijing invests heavily
in new universities...**

Chinese involvement in international education sky-rocketed through the 1990s, driven by a continued shortage of spaces in China, fast-rising personal wealth among the professional and commercial elite, increased recruitment by foreign institutions, and the prevailing belief that a foreign university degree provided Chinese students with an entrée into the professional classes once they return home. Today China is still a prime source of international students, despite dramatic changes within the country. The government undertook a remarkable expansion of its post-secondary system, larger and faster than the growth of the western university and college system in the 1950s and 1960s. Foreign institutions, anxious for a share of a rich and vibrant market, have rushed into China, offering programs in high demand areas (such as business or computer science) and even establishing schools in the country, usually with a local partner.

**...so fewer students
study abroad**

Although Chinese interest in international education remains strong, the number of Chinese studying abroad appears to be in decline. Increasing numbers of students are electing to remain in China for their studies. Students have discovered that going overseas is no guarantee of a good job and may actually cost them the opportunity to develop local connections. (Chinese who study overseas and return to China, once affectionately called *hai gui* or sea turtles; are now often disparagingly referred to as *hai dai* or seaweed.) Most importantly, the government has made major investments in the development of the post-secondary education system. The number of post-secondary students doubled between

Where Do They Study?

Foreign enrollment varies markedly among post-secondary institutions, reflecting the global reputation of some universities (like McGill), consistent attention to overseas recruitment (Thompson Rivers University), internationally engaged leadership (Seneca College), or a reputation for welcoming students from outside the country (the University of British Columbia). International students constitute 7% of the Canadian post-secondary population, each student typically paying between 1½ to 4 times more in tuition fees than domestic students. McGill University, with close to 18% of its first-year class coming from outside the country, and Acadia University, at 17%, lead in this area. Nipissing University, in contrast, attracts only 0.7% of its freshman class from overseas, marginally less than the University of Saskatchewan, where international students account for just 0.8% of the first year class. The situation is a little different at the graduate level. Windsor attracts almost 59% of its graduate students from outside Canada (mostly from neighbouring Michigan); Regina is second, with almost one-third of all graduate students coming from overseas. Among the research-oriented schools, the University of Saskatchewan (which does not charge differential tuition fees at the graduate level) has the highest percentage of international graduate students, at slightly more than 29%. Nine other Canadian medical-doctoral universities attract 20% or more of their graduate students from outside the country.

All the Canadian provincial school systems are involved in international education with varying degrees of engagement. Some 40 of 60 British Columbia school districts have international programs generating a significant amount of revenue. In West Vancouver (one of Canada's wealthiest communities) international students provide approximately \$8.3 million in annual income to the city's highly regarded public schools, representing 17% of its annual budget. Public schools in Richmond, BC, attract international fee-paying students providing over \$5 million in tuition revenue each year. The international recruitment effort is not restricted to West Coast cities, with many school districts across the country actively seeking offshore students and their tuition fees. The Hamilton, Ontario, school board recently participated in the Ontario trade mission to China and approved a plan to recruit international students as a way to offset declining educational funding. This year Hamilton has attracted 105 international students who brought in \$1.1 million in tuition revenue.

1998 and 2001 to over 12 million and the Chinese higher education system is expanding in tandem. About US\$1 billion annually is being spent on new educational facilities. The number of graduates who hold doctoral degrees has increased five-fold in the past decade. The government wants to make Chinese universities among the best in the world within the next ten years and it is spending billions of dollars to do so by wooing leading scholars from other countries and building first-class research facilities.

Foreign schools offer programs in China

A law on private education promotion, which came into effect on September 1, 2003, put private schools on an equal footing with public schools. Chinese universities are partnering with foreign universities, particularly English-speaking institutions, to increase their capacity. The opportunity for foreign institutions is changing from one based on attracting students to study abroad to the delivery of programming in China.

Chinese Students in Canada

The Canadian experience with Chinese students initially followed the international pattern. Chinese students first began coming to Canada to study in significant numbers in the early 1990s. By 1996, there were about 1,200 Chinese students in Canada, then tripled to over 3,600 by 1999. The following year, over 5,600 Chinese students enrolled in Canadian institutions. By 2002, more than 10,500 young Chinese, representing almost 16% of all international students, were studying in Canada (See Table 3).

New Chinese student inflow in decline

According to the Canadian Education Centre Network, the ten most requested programs by Chinese students are: business (diploma/bachelor/master's), accounting, marketing, finance, computer science and engineering, engineering, economics, tourism, general sciences and agriculture.

Table 3: Chinese Student Flows to Canada

Year	Number of Students	% of foreign students in Canada	Ranking
1995	893	2.7	10
1996	1,208	3.0	9
1997	1,006	2.4	10
1998	1,772	4.3	7
1999	3,614	7.2	5
2000	5,635	9.2	2
2001	9,948	14.0	2
2002	10,577	15.9	2
2003	9,535	15.8	2
2004	6,988	12.4	2

Source: CIC Canada, Facts and Figures 2004: Immigration Overview;
<http://www.cic.gc.ca/English/pub/facts2004/>

2002 proved to be a turning point in Chinese enrollments, perhaps temporarily, as the numbers of new students coming from China to study in Canada began to fall almost as rapidly as they had risen through the 1990s. So far the total number of Chinese students in Canada has not fallen, as many of the students from the large annual flows for 2001-2003 are still at school (see Table 4). The decline in student numbers (and decreased financial impact) will therefore be felt in the next few years.

Table 4: Chinese Student Stock in Canada and Competitor Nations

	2002	2003	2004
Canada	26,312	33,188	36,747
Australia	47,904	58,574	68,857
United Kingdom*	20,710	35,155	47,740
New Zealand	N/A	51,965	48,630
United States*	64,757	61,765	62,523

Source: CIC Canada, <http://www.cic.gc.ca/english/pub/facts2004/temporary>; Australian International Education Network, <http://aei.dest.gov.au/AEI/MIP/statistics>; Institute of International Education <http://opendoors.iienetwork.org>, www.educationuk.org/; Ronald Ross, Administrator Export Education Levy New Zealand government; Tony Basran, United Kingdom Higher Education Authority
 *The data for the United Kingdom is for 2001/02, 2002/03 and 2003/04 and for the United States is 2002/03, 2003/04 and 2004/05.

Canada's success in Chinese recruitment has been declining, both in terms of the absolute number of Chinese students coming to Canada each year and when compared to other nations. The number of Chinese students in Canada is also small in comparison to our competitor nations. Canada receives slightly more than half the number of Chinese students attracted to Australia, and around three-quarters of the number of students enrolled in New Zealand and the United Kingdom.

Canadian Challenges in International Education

New market approach needed to win students

There are two reasons why the numbers of new Chinese students coming to Canada has dropped so precipitously in the past few years: increased opportunities in China — which Canada cannot influence — and strong international competition — which Canada can counteract. To help arrest the downturn, Canada must improve its approach to both international recruitment more broadly and of Chinese students specifically. The shortcomings are mainly the approach to market cultivation and funding for international initiatives.

Canadian regulations create obstacles...

Leaders in the international education field point to Canada's visa approval process as the most serious challenge. They complain that overly strict policies make Canada a less attractive educational destination. Stories abound in China about the delays and difficulties involved in obtaining a Canadian study permit. In fact Canadian refusal rates (running at approximately 40%) are not much different from competitor countries like the United Kingdom and Australia. There are other regulations, however, which are believed to discourage students from applying in the first place. Families, for example, have to submit original copies of banking deposit documents to prove their financial bona fides. More importantly our competitor countries have made conscious efforts to promote sustainable managed growth in their international education sectors and specifically to attract the best and brightest to stay on through their immigration policies. Australia introduced a more transparent and objective method of processing student visa applications in July 2001. In addition, regulations were formulated to allow recent international graduates of Australian universities to apply for permanent residency without leaving the country. New Zealand, the United Kingdom and France also have immigration policies to allow international graduates with the desired skills to become permanent residents without leaving the country.

... but new immigration rules give some relief

Belatedly, Immigration Canada has announced that a similar program for international students in Canada will commence in 2007. The federal government has also loosened the restrictions on international students working while in Canada (allowing off-campus employment for the summer and part-time during the school year after successful

completion of first year college or university). The absence of a nationwide policy in this area had dampened past recruiting efforts. One year of post-graduate employment has been permitted for a number of years for all international student graduates except those from private career colleges, and as of May 2005, a second year of employment has been permitted for international university graduates outside Montreal, Toronto and Vancouver. Although Canada has lagged behind its competitors in addressing these immigration issues and will have to make a concerted effort to promote and publicize the new regulations, these changes have been welcomed by students and administrators alike.

Critics say Canadian schools are complacent

Canadian professionals in international recruitment suggest that Canadian schools have become complacent about the Chinese market. Comfortable with current levels of Chinese enrollment, and perhaps fearful of having too many international students from a single market, many institutions apparently did not feel that there was a need for sustained marketing. However, that seems to have been a mistake as attendance at the 2004 Canadian Education Fairs in Shenzhen and Guangzhou was below expectations. Market research shows that in Asian markets especially, a constant presence is important. Chinese parents and students tend to trust institutions that visit the market regularly. Australia's success likely reflects the willingness of their institutions to exhibit frequently in China. It is not unusual for large Australian universities to promote across the country six times a year. Canadian universities tend to feel that they can not afford such extensive marketing. Canadian institutions have not yet felt the impact of declining Chinese student numbers because the stock of Chinese students remains high. But the decline will be felt in a year or two, increasing the pressures on Canadian institutions to promote themselves.

Not all faculty welcome more foreign students

Universities often have mixed feelings about international recruitment. Some administrators, like some local governments, are keen for the economic spin-off benefits international students bring. Some university faculty and some parts of the community, on the other hand, are strongly opposed. One view is that international students displace Canadian students, particularly in elite professional programs. In reality, the revenue brought in by international students often funds additional places in oversubscribed programs. Some faculty also fairly point out that support services for international students at Canadian universities are rarely funded adequately. They argue that the presence of international undergraduate students, particularly those for whom English is a second language, will place an extra burden on them which impacts on their enthusiasm to teach.

Weak national role the main problem

The consensus among international educators is that one reason Canada is not as competitive in the recruitment of students as it might be is because it lacks national leadership at the political level. Canada does not have a national coordinating body, national marketing or any sustained federal investment in marketing Canada as an international education destination. In Britain, the Blair government declared international education a cornerstone of its plan for the New Economy, and spends millions of dollars on international recruitment. Advertisements for studying in the United Kingdom adorn Beijing buses. The British Council, which has primary responsibility for education and cultural promotion by Britain, has 250 offices in 110 countries. Thirty of these offices have a particular focus on student recruitment. Part of the council's annual C\$900 million budget (one-third of which is a direct grant from government) is for international education and an additional C\$13 million over three years was earmarked specifically for educational marketing, promotion and branding of Britain. Australian International Education, primarily funded through the national government, runs 10 overseas offices. IDP Education Australia, a university-owned non-profit organization,

operates an additional 68 offices in 38 countries. The Australian government has committed A\$114 million between 2004 and 2009 to market Australian post-secondary institutions internationally. New Zealand's government is investing NZ\$70 million in international education in the same period – and this for a country with approximately four million people and only eight universities. (The Education Minister made that announcement from India where he was leading a New Zealand education delegation to increase the country's profile in that fast-growing market.)

Little effort to build Canadian image

The Canadian government contributes very little to the promotion of international education, despite the efforts of over-stretched embassy and consular officials. The federal government did support the establishment of the Canadian Education Centres Network (CECN) in 1995, and provided funding on an annually declining basis. That funding ceased in early 2005. CECN now relies entirely on fees from participating schools, colleges and universities to fund its operations. This lack of federal engagement means that very little is being done to promote the Canadian educational brand even though market surveys demonstrate that many nations, including China and Japan, do not identify Canada with high technology and innovation, and hence advance education. Canadian universities, therefore, have to promote both the country and their institutions, and they are typically left to do so with only modest assistance from the under-funded CECN.

Canadian Accomplishments in China

Of course, there are Canadian success stories in China. A number of institutions have actively promoted educational opportunities in Canada. Among them:

Canadian Curriculum in China: Canadian public and private institutions are introducing Canadian curriculum at the elementary and secondary level. Five provincial curriculums (British Columbia, Manitoba, Ontario, New Brunswick and Alberta) have won Chinese government approval and there are now a number of Chinese schools delivering Canadian education. Dalian Maple Leaf International School in Liaoning province, probably the most famous, has been operating since 1995 and is one of five British Columbia-certified school programs. Another two schools are candidates for BC certification and 21 additional schools have been selected to work toward certification. One school in Tianjin and another in Guangzhou offer the Ontario curriculum and Manitoba and New Brunswick each have schools in Beijing teaching their curriculum. Beijing Concord College has been delivering the New Brunswick curriculum to about 900 Grade 10, 11 and 12 students for a number of years. Some of these graduates go on to study with the University of New Brunswick in Saint John, taking courses in both China and Canada.

Community Colleges: China needs technical and scientific training programs, and several institutions have responded to the opportunity. Seneca College in Toronto is among the most heavily engaged with China. Seneca has 1,226 students from China, including 98 from Hong Kong. In fact, about 9% of all PRC educational visas issued in Beijing for Canada have historically been for students going to Seneca College. Seneca has been particularly involved in the development of joint diploma/degree programs. The college has arrangements with 23 Chinese academic institutions (universities and colleges) involving 41 programs. Typically the students spend a year or two in China and then finish their program in Toronto. Seneca also offers a complete Flight Attendant Training Program in China at Guangzhou Civil Aviation College. Seneca is in final negotiations to build a campus for a technical college in China, the culmination of a long process, which is not uncommon in the complex Chinese administrative environment.

Business Schools: A variety of Canadian business schools have links with China. The University of British Columbia's Sauder School of Business offers a range of programs for senior Chinese government and business executives. In 2005, UBC had 927 students from China (547 undergraduate, 10 exchange and visiting students and 370 graduate students). Over the past decade, Sauder's Chinese Executive Training Programs have taught more than 500 Chinese government and business people from across China. The Sauder School has strong teaching and research links with a number of universities including Shanghai Jiao Tong, and partnerships with various business and government enterprises including Shanghai Telecom, the Baosteel Group and the Guangdong provincial government. Carleton University offers an MBA in conjunction with Dongwha University in Shanghai; McGill University and its corporate partners, in conjunction with the Graduate School of the People's Bank of China, developed a national training centre in Beijing for senior executives of financial services firms; and the University of Toronto's business school offers a variety of short-term training programs and an Executive MBA program; and the University of Western Ontario's Richard Ivey School has been delivering courses at Beijing's Tsinghua University and Shanghai's Fudan University for around 20 years. There are other business schools with comparable or related activities in China. Interestingly, MBA programs, especially Executive MBA programs which account for 90% of the MBA programs taught in China, are extremely popular and the top programs are several times oversubscribed. The China Europe International Business School or CEIBS (a joint venture between the European Foundation for Management Development and Shanghai Jiao Tong University) is the world's largest EMBA program, graduating 550 EMBA graduates annually. UBC has an MBA exchange program with CEIBS.

Private Sector Initiatives: Private Canadian institutions are also becoming involved in China. Kingston College, which has been operating in Canada for 15 years, is one of the most active privately owned companies in the market. Kingston's campuses in Greater Vancouver, Toronto and Niagara Falls attract many Chinese students to diploma and brokered degree programs from other Canadian and American universities. The company, which owns Lansbridge University (accredited in British Columbia and New Brunswick), is setting up schools in China following the BC curriculum, and has several program delivery partnerships with Chinese universities. Other private companies have taken similar steps. Vancouver's CIBT School of Business & Technology Corp. acquired 60% of Behai College in Shandong province. Behai, which specializes in undergraduate business and technology degree programs, is part of Weifang University. China Ventures, also of Vancouver, has purchased a 70% interest in a kindergarten which was previously operated by Tianjin Kindergarten Teacher's College. China Ventures is launching a chain of kindergartens under the name "New Happiness Kindergartens." Moncton Flight College has signed an MOU with the Beijing University of Aeronautics and Astronautics to deliver pilot training for 100 pilots a year over five years beginning this year. A number of other firms are active in the marketing of Chinese-language textbooks and various forms of educational technology.

Recent Initiatives: Last year, Simon Fraser University launched an innovative dual degree program in computer science with Zhejiang University in Hangzhou. Students study at both institutions, providing an excellent opportunity for collaboration across cultural boundaries. Some 40% of the participants on last year's Ontario trade mission to China were educational establishments and a number of agreements were signed between Ontario and Chinese institutions. Algonquin College in Ottawa signed MOUs with five institutions to provide ESL training and curriculum to students of the Shanghai Dong-Zhang Education Development Group; ESL at the Anhui Fuyang No.1 Middle School in

Fuyang City; animation training to students at Shanghai University; programs and training for students from Nanjing University of Technology at Algonquin's Ottawa campus; and professional development and teacher training programs at Algonquin College for students at Shandong Jiatong University. Brock University of St. Catharines, Ontario, signed an agreement with Beijing's Qingdao University of Science and Technology to establish a collaborative research program to allow students in computer science and information processing to complete half of their study programs at each university. The University of Waterloo has announced a partnership protocol with Tsinghua University to explore scientific and academic cooperation. Renison College, University of Waterloo, signed an MOU with the Jiangsu Teachers' University of Technology in Changzhou to promote academic exchanges between the two institutions. Renison College will also offer joint Bachelor of Arts degree programs with the School of Foreign Studies at Nanjing University. London, Ontario-based Fanshawe College signed an agreement with the Beijing Institute of Education to establish student, teacher and staff exchanges and joint education programs. Finally, the George Brown College Centre for Early Childhood Development will establish a laboratory school in Suzhou to develop curriculum and best operation practices along with providing practicum and job opportunities for early childhood development students and graduates of George Brown College.

Conclusions and Recommendations

Canadian schools lack marketing skills

China holds enormous potential for the promotion of international education, as a variety of Canadian institutions have already discovered. But many institutions that have attempted to establish programs in the country or attract more Chinese students to Canada have been frustrated by the costly delays, complex regulations cultural barriers and, most importantly, competition from educational providers from other countries. Few institutions have staff with the networks and contacts necessary to pursue the Chinese market aggressively on their own, and fewer still have made the cultivation of China a high priority.

Governments gives little financial support

Canadian institutions are not alone in setting their sights on China. Given fierce international competition, the absence of a national strategic approach by Canada to international education makes the fight more challenging. Canada is losing the competition for international students and is losing out on crucial short- and long-term economic opportunities. International education is a multi-billion dollar, value-added industry. It enhances Canada's ability to be a gateway to the Asia Pacific and the rest of the world and creates friendships and connections that can lead to future business and investment linkages. Many of those who work in the international education sector, though, are not convinced that the federal and provincial governments fully understand the challenges and opportunities in the field. Promoters of international education wonder why the industry receives so little financial support – even though universities and colleges are enthusiastic supporters of Canadian international trade missions. Professionals in the field have offered several recommendations:

- national and provincial governments should designate international education as a key economic growth sector in Canada;
- a well-funded national coordinating body for international education must be established to ensure that student recruiting is streamlined; and
- a needs-based award system should be established to attract international students from poorer countries to demonstrate that Canada is not just recruiting international students for financial gain, a situation which applies to China as much as to other nations.

**A little effort could
yield big rewards**

For a decade or longer, Canadian governments have paid comparatively little attention to the international education sector. Even if significant changes in approach and funding were implemented immediately, it would take time for the Canadian education industry to catch up and make significant inroads in China and other markets. The success of international education in other countries makes clear the opportunity that exists. If Canadian educational institutions and the national and provincial governments tackled this important sector with new urgency and resources, the rewards would be substantial in the short and long terms.



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