

# Education as an Economic Driver

As well as providing the foundation for effective economic participation by graduating students, the education system is an important economic driver as an industry in its own right. This includes the potential for education institutions to act as economic and social hubs in a city, as the centre of innovation precincts and collaborative business enterprises, and clustering of secondary services. It also includes the role of education as an export-oriented service industry; a role which is evolving as the global economic and educational landscape changes. Institutions which might once have seen foreign students as 'cash cows' as funding arrangements changed can no longer afford to do so. With rapid development of high-performing educational institutions in countries that were previously target markets for Australian institutions, our providers need to innovate and refine their offering in order to compete – and perhaps even to retain our own high-performing students. This will be especially so if overseas institutions adapt faster to deliver the kind of education today's students believe they need to succeed in the dynamic modern economy. This working group will consider the economic potential of the education sector to contribute both to the domestic and export services sectors.

Key questions to be answered include:

## *Education as an economic input*

- How can we increase the value of educational institution-based R&D/innovation as an economic input?
- How do we ensure the education system is preparing the future workforce in a way that maximises its ability to participate in and expand economic activity?
- How are the economics of education delivery changing? Do new methods offer better efficiency and more market reach; and what are the economic and learning outcomes implications?
- Where costs currently fall, and where do benefits accrue, in the education sector? Is the current balance of funding sources appropriate and, if not, what might be done to better share costs?

## *International/borderless education*

- What is the future potential for education as an export industry to generate net positive economic impacts in an increasingly competitive environment?
- How can the interests of institutions be balanced with the interests of local students and businesses as consumers of their product, and with broader economic demand considerations (such as housing and infrastructure impacts)?
- Is there future potential for export education to be used to attract foreign students to help drive innovation, and if so, how can we retain the highest performers after they graduate?
- Can export education be used to help grow the international networks institutions, students, and businesses increasingly need to succeed in the new transnational economy; if so, how?
- What is the role of tourism and the broader 'Brand Australia' in driving the competitiveness of international education?

## *Economic contribution of campuses/precincts*

- Are regional campuses able to drive cost-effective regional development?
- What is the potential of R&D and innovation precincts or collaborative business hubs in driving economic activity?

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