



Submission No 2

Australia's trade with Mexico and the Region

Organisation: Department of Education Science and Training

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Address:



Australian Government
Department of Education, Science and Training

Our Ref :
Your Ref :

The Secretary
Trade Sub-Committee
Joint Standing Committee on Foreign Affairs, Defence and Trade
Parliament House
Canberra ACT 2600

Dear Sir/Madam

Inquiry into Australia's Trade with Mexico and the Region

I refer to your correspondence dated 13 October 2006 requesting submissions for an inquiry into Australia's Trade with Mexico and the Region.

Mexico is the third largest source of international students for Australia from Latin America (after Brazil and Colombia). Enrolments have been growing steadily in recent years with the most significant increase in the ELICOS (English language) sector. There has been a 54.7% increase in this sector in the year to date August 2006. Growth is likely to continue at a steady rate and AEI aims to enrol around 2000 students at Australian education institutions by 2008

DEST manages a basic treaty-level Agreement between the Government of Australia and the Government of the United Mexican States on Scientific and Technological Cooperation (signed in 1981).

Australia has no formal education relationship with the governments of the other countries in the region.

DEST's submissions on Australia's bilateral education, science and technology relationship with Mexico are at Attachment A.

If you have any queries regarding this submission, please contact Tracy Harris on 6240 7551 or by email on tracy.harris@dest.gov.au

Yours sincerely

Fiona Buffinton
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International Education Group

30 November 2006

AUSTRALIA'S BILATERAL EDUCATION AND TRAINING RELATIONSHIP WITH MEXICO

KEY POINTS

The Role of AEI, DEST

Australian Education International (AEI) is part of the Australian Department of Education, Science and Training (DEST). AEI uniquely integrates the development of international government relations with support for the commercial activities of Australia's education community. To do this, AEI liaises with all sectors of the education and training industry and all levels of government

AEI promotes Australia's education and training capabilities through a range of strategies including brand positioning, promotional events, marketing materials, the multilingual Study in Australia website and in-country communications campaigns. AEI also administers national legislation for financial and tuition assurance mechanisms and codes of practices such as the Education for Overseas Students Act (ESOS) and the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS). AEI provides assessment services, information and advice on the recognition of educational and professional qualifications and skills from around the world through the National Office for Overseas Skills Recognition (NOOSR).

Mexican Enrolments in Australia

Mexico is the third largest source of international students for Australia from Latin America (after Brazil and Colombia). The most recent data indicates that there are 1,129 Mexican students enrolled in Australia in the year to date August 2006. Enrolments have been growing steadily in recent years with the most significant increase in the ELICOS (English language) sector. There has been a 54.7% increase in this sector in the year to date August 2006. Growth is likely to continue at a steady rate and AEI aims to enrol around 2000 students at Australian education institutions by 2008.

Memorandum of Understanding

Australia and Mexico signed a Memorandum of Understanding (MOU) for cooperation in the field of education and training in March 2003. The MOU encourages and facilitates the development of contacts and cooperation between government agencies and educational institutions, including the exchange of academic staff and students between recognised schools and institutions of vocational and higher education.

Following the signing of the MOU, Australian Education International (AEI) established an office in Mexico City, based at the Australian Embassy. AEI intends to broaden marketing promotions outside Mexico City to Monterrey, Guadalajara and other growth regions and to enrol around 2000 students at Australian education institutions by 2008.

Mexico's expectations of Australia

Mexican institutions are looking for more engagement with Australian counterparts, and among other things they will be expecting Australian partners to send more students to study in Mexico as part of this further engagement. To be sustainable and cost effective, Mexico cannot be treated purely as a student recruitment market; strong two-way links and mobility are required.

BACKGROUND

Delegations

In February 2005 DEST hosted a senior delegation from the Mexican Ministry of Public Education (SEP). The Canberra component of the visit was led by the outgoing Minister of Public Education, Dr Reyes S Tamez Guerra, who travelled to Australia as a Guest-of-Government. The delegation of seven senior officials visited Melbourne and Sydney, then joined Dr Tamez in Canberra for a series of bilateral meetings including with the Hon Dr Brendan Nelson MP, then Minister for Education, Science and Training and representatives from DEST.

Mexico has sent two other education delegations to Australia since the signing of the MOU to examine best practices in education and training. The first visit in 2003 was organised by IDP Education Australia, a private company owned by Australia's universities to recruit international students. The second visit in 2004 was organised by the Queensland Government.

SEP has commented on the speed at which the relationship between Australia and Mexico has progressed, and indicated that this is the first time a relationship has developed as quickly between Mexico and another country.

Links Between Mexican Universities and Australian Universities

Several Australian and Mexican universities and institutions are cooperating on student exchanges, languages teaching and Asian business programs

- The University of New South Wales (UNSW) is working with Mexico's National Council for Science and Technology (CONACYT) to provide scholarships to Mexican engineers. The university is running short programs in Mexico for UNSW students studying Spanish;
- The University of Queensland (UQ) is a Mexican Government partner in Australia for a non-award short program to help identify and prepare Mexico's future leaders. UQ operates a development program for Mexican teachers of English, mathematics and science to study English and teaching methodologies in Australia. The UQ Centre for Marine Studies also has partnerships and student exchange programs with Mexican institutions to improve coral reef management;
- La Trobe launched its Centre for Mexican Studies on 15 September 2006, financed partly by the Mexican Ministry of Education (SEP);
- Macquarie University has student exchange programmes with several Mexican universities. It is partnering Tec de Monterrey in a double degree program, and is involved in research projects with the National Autonomous University of Mexico, a SEP-funded doctoral program in linguistics at Benemerita Universidad Autonoma de Puebla, and various short term staff exchange programmes.
- Institutions such as the Tecnológico de Monterrey and La Universidad Iberoamericano each have at least ten international agreements in place with Australian institutions. Many Mexican institutions in Guadalajara, Monterrey, Puebla and even in Mexico City are looking for partnerships with Australian institutions

The prestigious Mexican university, Tecnológico de Monterrey was awarded an Australia Day Business Excellence Award in 2004, in recognition of their efforts to strengthen the education ties between Australia and Mexico. This university alone has sent close to 500 students to Australia over the last few years.

Australian scholarships for Mexican Students

- Endeavour International Postgraduate Research Scholarships (IPRS) allow students from around the world to undertake a higher degree (Masters or PhD) in Australia. In 2004/05, 13 IPRS were given to students from Mexico to study in Australia. Endeavour Research Fellowships, valued at up to A\$25,000, enable postgraduate students and postdoctoral fellows to undertake research in Australia for four to six months. In 2004/05, one award was given to a student from Mexico.

Scholarships for Australians to study in Mexico

- Funding in the 2007 Australian University Mobility in Asia and the Pacific (UMAP) round was awarded to four Australian higher education institutions for links with five counterpart institutions in Mexico. The funding is to subsidise the costs of two staff visits to counterpart institutions to negotiate the details of the student exchanges and the participation of 25 out-going undergraduate Australian students.

IDP Scholarships

- IDP Education P/L is a global company offering student recruiting and testing services around the globe. IDP is part owned by 38 prestigious universities in Australia and represents all education sectors. The IDP Peace Scholarship Programme commenced in 2004 and provides the opportunity for eligible students in selected countries, including Mexico, to study abroad in Australia for one or two semesters. Since 2004, 97 undergraduates and 4 postgraduates from Mexico have been Peace Scholarship recipients.

AEI Assistance in Mexico

AEI is represented in Mexico by a locally-engaged Manager-Education, Science and Training, who is based in the Australian Embassy but reports to the AEI Consul based in Los Angeles, who is currently responsible for Mexico.

AEI supports the Australian education sector with market entry and development strategies through the provision of up-to-date and relevant market intelligence, marketing and promotional activities and events, and the development of strong government to government relationships with the Mexican Ministry of Education and other key Mexican ministries and bodies.

AEI actively identifies market and relationship-building opportunities for Australian education providers in Mexico and has played a key liaison role in the development of numerous joint scholarship programs between the Mexican Ministry of Education and Australian universities and VTE institutions.

AEI also provides a crucial liaison and information-provision role with the network of Mexican agents who promote Australia as a study destination. AEI works with the Department of Immigration and Multicultural Affairs to provide regular training and information sessions for Mexican education agents.

AUSTRALIA'S BILATERAL SCIENCE & TECHNOLOGY RELATIONSHIP WITH MEXICO

KEY POINTS

The Role of International Science Branch, DEST

The International Science Branch (ISB) of DEST is responsible for managing Australia's science and technology relationships with governments of other countries, and with international organisations such as the OECD Committee on Science and Technology Policy. ISB manages formal government relationships in order to minimise any impediments to direct scientific collaboration and to provide frameworks within which researchers in Australia can seek to collaborate internationally. ISB manages the International Science Linkages programme, a fund of over \$10m per annum for targeted and competitive grants to support leading edge mutually beneficial research collaboration.

Agreement with Mexico

DEST manages a treaty-level Agreement between the Government of Australia and the Government of the United Mexican States on Scientific and Technological Cooperation, signed in 1981 (ref: Australian Treaty Series 1983 No 4).

The primary mechanism for consultation under this agreement is the Joint Australia-Mexico Commission for Scientific and Technological Cooperation. DEST's Mexican partner agency in the joint commission is the Mexican National Council for Science and Technology (CONACYT). Australia has agreed to host the next meeting of the joint commission in early 2007.

Engagement with Mexico

Australia's science and technology engagement with Mexico is currently modest in size and scope. CSIRO is the main Australian research agency collaborating with Mexico.

The upcoming joint commission meeting will provide an opportunity to discuss the current level of cooperation and to define priority areas for future bilateral research effort.

BACKGROUND

Treaty and Joint Commission

DEST manages a treaty on Science and Technology cooperation with Mexico (Australian Treaty Series 1983 No 4).

- This treaty establishes the Joint Australia-Mexico Commission for Scientific and Technological Cooperation to oversee the implementation of the agreement. The last meeting was held in Mexico City in May 2000.
- Over 5-7 January 2006, Mr Downer visited Mexico and met with the Mexican Foreign Minister, Luis Ernesto Derbez. At this meeting it was agreed to 'reinvigorate science and technology cooperation' by convening a meeting of the Commission in 2006. The Ministers also advised that they "wanted the Commission to concentrate on a limited number of projects in areas of real interest to both countries, eg marine biology".
- Due to events such as the Mexican election, the meeting is now scheduled for early 2007.

Mexican Science and Technology

Mexico has the world's 12th largest economy and 11th largest population. The science sector in Mexico is small and dominated by government funding, but is growing rapidly.

- Mexican expenditure on R&D rose more rapidly during the 1990's than that in any other OECD country except Iceland, with more than triple the average OECD increase and more than double the increase achieved in Australia.
- However, this rise is off a low base. Mexican investment in R&D is still low compared to other OECD nations, amounting to only 0.39% of GDP in 2002, compared with Australia's investment of 1.69% of GDP and the OECD average of 2.25%.
- Mexico has the lowest ratio of researchers to labour force in the OECD, with 0.6 per thousand, compared to an OECD average of 6.3 and Australia's 7.9 researchers per thousand people in the labour force.
- Mexico has the lowest per capita rate of scientific publication in the OECD, with 53 publications per million population over 2002-04. The OECD average was 676 and Australia had 1,114.
- R&D investment in Mexico is dominated by industrial technology, agriculture, human health and the environment fields.

Current Research Collaboration

Currently there is a modest amount of collaboration between Australian and Mexican researchers, under bilateral and multilateral arrangements.

- The main collaborator is CSIRO in the areas of entomology, agriculture and plant science. CSIRO Entomology Division has a field station at Boca del Rio, Veracruz, Mexico, which is currently staffed by locally engaged staff.
- The Mexican Government has recently expressed interest in DEST's Cooperative Research Centre (CRC) programme. In response DEST has proposed discussion of the CRC programme as an agenda item for the joint commission meeting in 2007. The CRC programme promotes cooperation between public sector researchers and industry. Several Australian CRCs have had links with Mexico in the areas of tropical pest management, wool production, wheat products and forestry. In 2005/06, the Molecular Plant Breeding CRC has been working with Mexico's International Maize and Wheat Improvement Centre (CIMMYT)
- As members of the OECD, Australia and Mexico participate in the OECD Committee for Science and Technology Policy.
- Australia and Mexico are also members of APEC and participate in the APEC Industrial Science and Technology Working Group.