

## China Education and Training Industry Report, 2007-2008



2007 witnessed a continuous and fast development in China's education and training industry, which has formed a huge market.

The government has gradually opened up the education market and has given substantial support to the non-public funded education. Therefore, the government has launched a series of laws and regulations to regulate and promote its development.

The development of every variety of education in 2007 is as follows:

**Development of Various Kinds of Education in 2007** (unit: 10,000 persons)

Index	Enrollment in 2007	Students in school in 2007	Graduates in 2007
Postgraduate	42	120	31
Higher education	566	1885	448
High school	840	2522	788
Middle school	1869	5736	1964
Primary school	1736	10564	1870
Special education	6	41	--
Preschool education	--	2349	--

**Major Laws and Regulations on Non-public Funded Education**

Year	Laws and Regulations	Notes
1982	"Constitution"	It prescribes clearly that the government encourages non-government sectors to develop all kinds of education
1987	Temporary Rules on Running School by Non-governmental Entities	China's non-government funded education has rules to abide by
1997	Rules on Running School by Non-governmental Entities	It standardizes the major administrative rules on non-government funded education
Sep.1, 2003	"the Non-government-funded Education Promotion Law"	It marks the basic establishment of the legal system of non-government funded education

IT training, English training, management training and children education have become the pillar for the current training and education industry.

In 2006, some IT training institutions made had a great restructuring, which has helped the whole industry enter into a period of stable development. In 2007, with the adjusted business model put in place and the participation of capital market, the industry would usher in a new round of developmental surge.

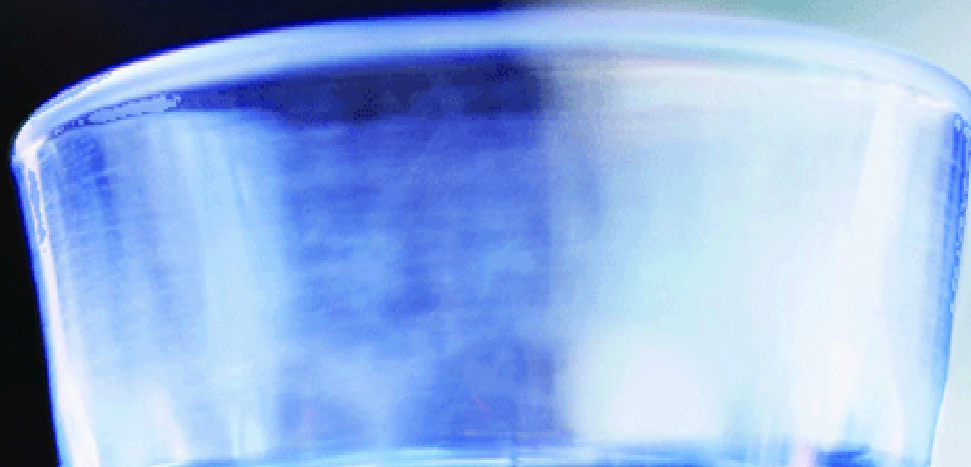
#### **Market Scale and Growth Rate of China IT Training Industry, 2006-2010 (CNY100 million)**

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Market capacity	39.0	48.0	60.3	74.3	89.3%	109.5
Growth rate	25.0%	23.7%	25.7%	23.1%	20.2%	22.6%

The market value of China English training market totals around CNY15 billion. There are already more than 50,000 English training institutions in China. It is expected that the market value of China English training industry will reach CNY30 billion in 2010.

Distance education is also a major part of training market. There are many classifications regarding its operating costs. In this report, we divide the costs into three parts: production cost, sending cost and support cost. The ratio of the three costs is about 10:1. Distance education has a high production and support costs, but a low sending cost, which is decided by its features of one-off exploitation, indefinite use and separation between teachers and students.

Based on the substantial data and information released by the National Bureau of Statistics, the Ministry of Education and major education and training companies, the report makes an in-depth study on China's education and training industry regarding development environment, competition condition, policy, segment market, major companies and regional development and also analyzes the development trend based on the current situation of the industry.



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