



Submission to the Australian Senate Inquiry into the Welfare of International Students

This submission is authorised by the Board of the International Education Association of Australia.

The submission is made in the broader context of initiatives underway at a national and state level through a variety of taskforces, reference groups and peak body discussions about the future directions of international education in which the International Education Association of Australia is involved.

Preamble

The International Education Association of Australia (IEAA) welcomes the opportunity to make a submission to the Australian Senate's Inquiry into the Welfare of International Students.

The success and quality of Australian international education is remarkable and should be acknowledged and affirmed.

International education is Australia's third largest export industry after coal and iron ore and Australia's largest service export industry, ahead of tourism (Appendix 1). [Note: recent claims by industry critic Bob Birell that the value of the industry is half the official value attributed by the Australian Bureau of Statistics are wrong in terms of both the methodology and the data used].

Evidence from large scale student experience surveys is that over 80% of international students have a positive experience in Australia, both within their institution and in interactions with the Australian community.

The role of international education in Australian innovation and economic development is not yet fully recognised. The potential of international education for Australia's global positioning is enormous but has hardly begun to be appreciated or realised.

Recent events affecting some international students do not diminish the success, overall quality and future crucial role of Australian international education. While there are problems requiring rectification in the short term, there is also a need to remove constraints to good performance and to foster desirable strategic initiatives in the interests of Australia's global positioning, prosperity and social cohesion.

It would be a mistake to believe the complex issues involved can be dealt with superficially, within a short timescale or without significant and ongoing investment of resources.

It goes without saying that the value of international education for the national and state economies is potentially at risk if the quality of the international student experience is diminished in any way. It is also at risk if negative publicity based on superficial evidence is not balanced by proactive measures to promote the quality of the student outcomes that the overwhelming majority of international students in Australia obtain as a result of their experiences here.

Fundamentally, we have a responsibility to international students, their parents and families, as well as to the Australian community, to ensure that the experiences of international students are positive and that there is effective and harmonious engagement between international students and the Australian community. This is a moral as well as a practical responsibility.

About IEAA

The International Education Association of Australia (IEAA) is the leading national professional organisation for international education professionals in Australia. Its membership is made up of individuals from the higher education, vocational education and training (VET), English language and schools sectors, both public and private, predominantly in Australia.

The Association is active in public policy, professional development, industry research, consultancy and project management and quality enhancement and support of international education professionals. It works closely with counterpart professional organisations in Asia, Europe, North America, South and Central America, South Africa and elsewhere.

IEAA jointly presents the annual Australian International Education Conference (AIEC), the third largest international education conference in the world and the largest in the Asia-Pacific region.

The Association is one of the major peak bodies represented on the Australian Government's GISC (Government Industry Stakeholders Consultative) Committee. The Association works closely with other industry peak bodies – Universities Australia, TAFE Directors Australia, ACPET, English Australia and the Independent Schools Council of Australia - to advance the interests of the international education industry.

For further information go to: www.ieaa.org.au

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This submission is made within the framework of the Senate Committee's terms of reference and is grouped under two broad focus areas:

1. Long term development and sustainability of Australian international education
2. Student experience welfare and safety (as a related but separate matter).

At the outset however, it should be stressed that Australia's education system in general and the provision of education and support services to international students by the great majority of Australian education providers, both public and private, are of a very high quality. This should be publicly recognized and affirmed.

IEAA recommends the Australian Senate affirm the high quality of the Australian education system and the high quality of provision of education and support services to international students by the majority of Australian education providers.

FOCUS AREA 1

LONG TERM DEVELOPMENT AND SUSTAINABILITY OF AUSTRALIAN INTERNATIONAL EDUCATION

1. Political oversight of the industry

There is a demonstrable need for a more coherent and comprehensive oversight of the international education industry at the Australian government level. International education is complex and involves many departments of government – Education, Employment and Workplace Relations, Immigration and Citizenship, Foreign Affairs and Trade, Tourism, Health, and Innovation, Industry, Science and Research. A whole-of-government approach is needed if the industry is to develop and to be sustainable.

Recent problems facing the industry reveal an unacceptably fragmented approach by Commonwealth and State governments to matters of quality assurance and regulation of the industry. There is a lack of coherence in Commonwealth and State regulatory jurisdictions, responsibilities and practices. Moreover, there has been a lack of investment in the resources needed to develop, manage and regulate the industry. This fragmentation has been damaging, first and foremost to students, but also to the industry as a whole.

The potential of international education for Australia's global positioning is enormous but is hamstrung by a lack of high level strategic thinking and political oversight and by a lack of investment. The level of Australian Government political oversight over international education needs to be enhanced.

IEAA recommends that Australian Government political oversight over international education be raised to the level of at least a Parliamentary Secretary, preferably reporting to the Prime Minister.

2. Long term industry development

2.1 Industry development authority

Australia's global market position amongst the top three English speaking exporters of education services is not assured. Australia runs the risk of losing market share to other more innovative and proactive competitor countries.

The investments other countries, especially those within our region, are making in their education and research capabilities dwarf Australia's efforts. We run the risk of becoming increasingly less competitive in the global education and research stakes. Our economic and social prosperity will suffer.

Australia needs to invest in the development of international education at a level commensurate with the investment made in other major enterprise export industries in Australia. This means investment in people, products, research and marketing.

We particularly need to invest in the higher end outcomes of international education – research and innovation - by positioning Australia to be among the top three preferred destinations for research students and researchers (after the USA and the UK).

We need to develop a more comprehensive, better funded and targeted international scholarship scheme to attract the best students.

We need to develop new markets for Australia's international education services and to improve our market share in countries where Australia has a low presence compared with competitor countries, especially in regions of strategic importance to Australia.

IEAA recommends that the Australian Government establish an international education development authority as the focus for ongoing development and support of the international education industry in Australia. The authority should have a commercial, educational, international relations as well as a community focus, and should operate at a distance from government. It should probably be a statutory body, funded through a government-industry partnership and be comprised of industry, government, and community representatives. It should be responsible for development and implementation of an Australian international education strategy.

2.2 A national strategy for international education

A comprehensive Australian strategy for international education is needed, to maximise the net economic and non-economic benefits to the Australian economy and to the Australian community. The recently released Jackson Report, *Informing the National Long-Term Tourism Strategy*, provides a model of what is required for international education.

Jackson's call for a national strategy, an industry development body, greater investment in the industry by government, increased industry research and better data collection, professional development of industry staff members, improved and streamlined regulation between the Commonwealth and the States, and a greater emphasis on leadership all sound familiar to those working in international education. They are the strategies IEAA has been calling for over at least the past two years.

While the international student program will be core to the strategy, it should also encompass study abroad by Australian students; expansion of international education linkages for teaching, research and innovation; engagement with global industry; greater focus and support for internationalised curricula, including foreign language learning, in all education sectors; improved education development assistance, particularly to neighbouring countries; a comprehensive industry research capability; and more effective use of international education as part of Australia's global positioning generally. Raising investment in the industry to levels commensurate with that for other major export industries is necessary to achieve to these objectives.

The international education strategy should focus on the supply as well as the demand side of the industry. Recent events have shown that the supply side of the industry – quality of education provision; international student support services; safety and security of students; engagement of international students with the Australian community; access to reasonable cost accommodation; access to transport concessions; access to part time work and industry experience – is in critical deficit.

The strategy requires a sustained, whole-of-government approach and the ongoing involvement of stakeholders - education providers, international students, civil authorities, local governments and communities, business and employers, accommodation providers and the Australian community more broadly.

IEAA recommends

- a. A comprehensive international education strategy for Australia be developed, along the lines of the Jackson Report, *Informing the National Long-Term Tourism Strategy*, and encompassing not only the international student program, but also other crucial elements:**
 - study abroad by Australian students
 - expansion of international education linkages for teaching, research, innovation and engagement with global industry
 - support for internationalised curricula, including foreign language learning
 - improved international development assistance
 - increased support for priority industry research
 - professional development of industry members
- b. Government investment in the industry be raised to levels commensurate with that provided for other major export industries.**
- c. Development and implementation of Australia's international education strategy be the responsibility of the international education development authority in cooperation with industry stakeholders.**
- d. As well as promoting Australia as a study destination, the strategy should attend to supply-side issues such as investment in industry research, in student support services (including community engagement, assistance with work related issues and housing for international students) and in other required infrastructure.**
- e. The authority should not be responsible for regulation of the industry but should liaise closely with the relevant State and Commonwealth regulatory authorities to ensure a whole-of-industry approach to quality international education provision.**

2.3 Quality Enhancement

The only capital Australian education has to trade with internationally is its reputation. Loss of quality means loss of business. Even if the quality of Australian education overall is high, quality failure at the low end affects all education sectors. Perceptions of quality failure are clearly damaging. Quality and management of risk around quality are the lynchpins of any effective international education strategy.

At the same time, there is a need to ensure accurate and timely communication with international students by education providers and by other stakeholders, including Commonwealth, State and local governments and civil authorities. It is particularly necessary to provide accurate information to prospective international students about their intended education providers, study programs, fees and charges, services and facilities, health insurance, accommodation and living costs and pressing issues of safety and security.

While these requirements are already legislated through the ESOS Act, there has clearly been a gap between Australian legislation protecting international students and enforcement of that legislation. The failures appear to be systemic, through unnecessarily complex, confusing and inconsistent jurisdictional practices involving the States and the Commonwealth and through inadequate resourcing of regulatory bodies by some States. The opaqueness of Commonwealth Ministerial exemptions over some years for certain private education providers is also of concern.

Strengthening, streamlining and effective enforcement of regulatory provisions is needed to ensure the quality and reputation of Australian international education. There is an urgent need for increased regulation and oversight of some providers, their products and services.

IEAA recommends

- a. Commonwealth and State governments work together to strengthen, simplify, streamline and coordinate regulatory and quality assurance frameworks for Australian providers, within the context of the review of the ESOS Act and in support of a comprehensive and coherent national quality and standards framework.
- b. Commonwealth and State governments ensure resources are provided to guarantee effective enforcement of regulatory provisions governing the industry.

The effective regulation of agents is a complex and controversial issue. The Australian government does not have jurisdiction over agents located outside Australia. The power to regulate offshore agents rests with other authorities in the countries concerned. This should be encouraged.

Commonwealth or State government regulation of agents is unlikely to be workable. Ultimately, the management of agents and ensuring they act within the requirements of Australian laws, in particular the ESOS Act, is a responsibility of education providers.

Education institutions should set standards for the operation of agents, possibly at a sector wide or possibly industry wide level and be held accountable for ensuring agents act to meet these standards. There are overseas models, such as that in the United States, which should be examined and considered in the framing up of standards relevant for the Australian context.

Ultimately the solution lies with refinements to the ESOS Act itself. The review of the Act is certain to strengthen requirements for heightened oversight of agents by education providers. This can only be a good thing. Consultation with industry in the course of the ESOS review will be critical to ensure the right solutions are found to achieve effective regulation and management of agents.

IEAA recommends the ESOS Act be amended to provide for a mechanism for the establishment by industry of standards for agent regulation, with responsibility for ongoing auditing against these standards given to TEQSA or an equivalent authority.

Finally, the pull factors associated with migration and permanent residency outcomes for certain groups of international students have adversely affected the quality of education programs and service provided by some education institutions in some education sectors especially.

The largely unforeseen consequences of the overly close alignment of international education and immigration are not acceptable. In itself, the policy of aligning education and immigration is not the issue, the link is crucial to enable Australia to attract talented migrants in a globally competitive labour market. The issue is to deal with abuses that have grown up at the fringe of the policy. A refinement of the alignment between international education and Australia's labour force needs must be achieved.

IEAA recommends the Commonwealth Government review and refine the alignment between immigration and international education.

2.3 Industry research capability

A sustained industry research capability is critical to provide the evidence base to inform policy and practice. The focus of research should be wide and should include the social, cultural, educational, diplomatic and business aspects of the industry.

IEAA recommends the international education development authority be funded to effectively undertake an industry-wide research facilitation role, in close cooperation with stakeholders nationally, and to be capable of commissioning and financially supporting relevant industry related research.

2.4 Industry communications strategy

The international education industry and governments have not been effective in communicating the importance and value of international education to the Australian community. Widespread misconceptions about the industry remain prevalent within in the community, often reinforced by poor quality and inaccurate media reporting.

IEAA recommends the international education development authority have a communications responsibility not only for international marketing purposes but also to communicate to international students and to the wider Australian community the value and importance of international education and the contributions international students make to Australian society.

FOCUS AREA 2

STUDENT EXPERIENCE, WELFARE AND SAFETY

What do we know about the lived experiences of international students?

While the majority of international students report positive experiences, a significant minority indicate they experience some difficulties, at institutional or at the broader community level. These difficulties range from dissatisfaction with their course; aspects of institutional resources and facilities or the perceived quality of teaching; a range of broader study-life issues including accommodation, finances, the availability of part time work; and a range of welfare, safety and security matters, including in some cases perceived racism, discrimination and victimisation.

Perceptions are important and easily misconstrued by media in Australia and overseas. It is important to better understand what these perceptions are. At the same time, and to balance perceptions, evidence about the actual incidence and scale of problems affecting international students as compared with other groups is not readily available.

Our ignorance means we are constrained (you have used hamstrung previously) in identifying solutions and those who should be responsible for them. A targeted, priority action research program is critical if we are to inform policy and practice at all levels and to allocate responsibilities appropriately among the stakeholder groups.

We need to know more about the lived experiences of international students, especially difficulties faced by students and their social engagement with Australian students and the Australian community.

IEAA recommends

- a. International student experience be a priority research focus for the education industry, governments and the international education development authority.
- b. the international education development authority be funded to support an ongoing program of research on international student experience to inform policy and practice by governments and by education providers. The authority should disseminate research findings and exemplars of good practice in an ongoing way.

Immediate action program

An action program is needed immediately to focus on the following matters of priority concern.

1. Safety and security

Urgent action is needed to improve international student safety and security.

IEAA recommends

- a. Commonwealth and State governments and education providers, through their peak bodies, work together to fund, develop and disseminate key safety messages through appropriate media in a variety of formats and where possible with the capacity for information to be added and updated.
- b. the key messages be regularly reviewed and updated by the international education development authority in consultation with the relevant civil authorities and providers.

2. International student accommodation

Urgent action is needed to increase the provision of housing for international students at reasonable cost and of appropriate standard in the vicinity of their place of study.

IEAA recommends State Governments, in partnership with education providers, local councils and business, develop strategies to increase provision and access by international students to reasonable cost international student housing of appropriate standard and in suitable locations.

3. Transport concessions

NSW and Victoria are the only two States which do not provide international students with transport concessions. High accommodation and high transport costs affect international student safety and security. High housing costs frequently force students to live in areas more prone to crime and with poorer quality accommodation, and often at a distance from their place of study. Lack of travel concessions mean students' income which could be better spent on accommodation is required to meet the cost of travel. Many students work to make up the difference and frequently must travel late at night on public transport.

International students purchase goods and services while in Australia and contribute to the GST revenue of the States. Many international students also work and pay taxes in the same way as domestic students. Withholding of travel concessions is discriminatory in this sense.

The lack of travel concessions in NSW and Victoria is a major negative against the industry in those States. It causes unnecessary resentment towards Australian authorities and the Australian community by the students affected. It is perceived as unfair and discriminatory by most international students.

Granting of travel concessions in NSW and Victoria would have an immediate impact as an indication of goodwill towards students who perceive they are under pressure. In public relations terms it would be a much needed plus at a time of seriously adverse perceptions about the industry here and overseas.

IEAA recommends the NSW and Victorian governments provide international student travel concessions commensurate with those received by Australian students.

The Australian International Education Industry

Extract from IEAA Occasional Paper No. 1: The Australian International Education Industry, a policy paper prepared for the Australian Services Summit 2009.

Education is Australia's third largest export industry and the largest service export industry, out-performing tourism. It is a major source of jobs within the Australian economy, within and beyond the education sector. This has been achieved largely by education providers themselves with only modest government support. The role of international education in Australian innovation and economic development is only now being fully recognized. The future viability and success of the industry needs to be underpinned by a comprehensive national policy on international education, with a comprehensive set of well funded priority program initiatives. Funding support for the industry should be lifted to levels commensurate with the support already provided by government to Australia's other major export industries.

The Nature of International Education in Australia

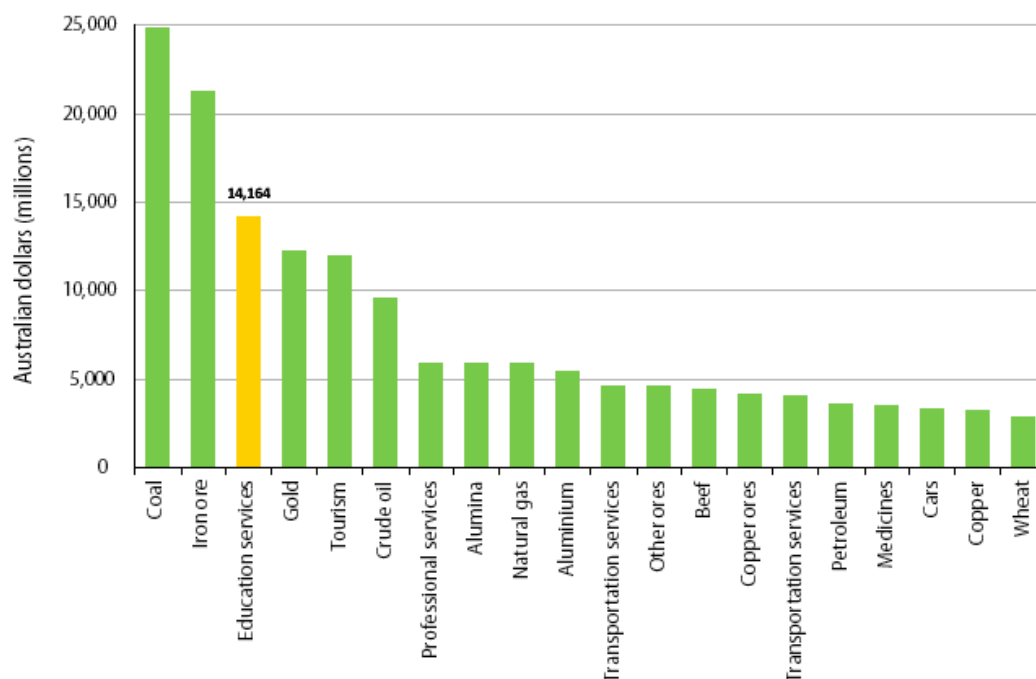
The international student program, with over half a million students from overseas studying in Australia, is the most obvious feature of international education in Australia. While the international student program is the main focus of this background paper, international education is much broader. Australian education sectors and provider institutions also offer internationalized curricula to their students. Universities are internationalizing their research and research collaborations, including linking with overseas industries. Education providers in all sectors, but particularly in higher education, VET and ELT (English Language Teaching), offer many of their courses offshore (transnational education). Universities and VET institutions are increasingly providing professional and skills training to overseas industry. Higher education and VET deliver Australian education as part of Australia's development assistance program in the Asia Pacific region. And universities and VET institutions are increasingly active in sending Australian students abroad for part of their studies.

Benefits to Australia

The benefits to Australia of the international education program are both commercial and non-commercial, the latter involving in terms of enhanced foreign relations and educational interactions and greater intercultural contact and understanding.

Australia's exports of education were worth \$15.5 billion in 2008.

Revenue from Australia's Major Export Industries



Source: DFAT 2008 - ABS trade data on DFAT STATS database and ABS catalogue 5368.0

Note: The income figure of \$14.164 billion refers to a twelve month period straddling 2007/08. The income for the 2008 calendar year reached \$15.5 billion.

Education as an export has displaced tourism as Australia's largest service export. Education is Australia's third largest export, behind only coal and iron ore.

There are exceptionally strong links between the international student program and skilled migration. Since 2001, international students completing qualifications in Australia have been permitted to apply for permanent residence in Australia as skilled migrants, without having to leave Australia. Also since 2001, there has been a transparent set of assessment levels and criteria for the granting of student visas.

Australian Government support for the industry was late coming but began in the early to mid 1990s. It remains relatively modest. Australian Education International (AEI - a division of the Department of Education, Employment and Workplace Relations) now operates an international office network covering 23 cities in 19 countries. AEI staff work in Australian diplomatic missions to promote the capability of Australian education, research and training. AEI has also provided funding support for some market research and for quality enhancement of aspects of the international program (e.g. transnational education). AEI also collects and disseminates data on enrolment trends, mostly involving the public higher education and VET sectors. All education sectors have welcomed and have greatly appreciated the significant work done by AEI over the past decade to support and strengthen the international education industry.

Policies and practices at the State level vary greatly. The Queensland and South Australia governments have actively supported the international education industry in their States for almost a decade. Victoria, destination for 30% of Australia's international students, has been modestly pro-active. In 2008, Victoria set up an Overseas Student Education Experience Taskforce to address some worrying social inclusion issues involving international students in Melbourne. Victoria is currently developing an international education strategy. NSW is lagging behind, appearing to believe that 40% of Australia's international students will continue to study in that state without the NSW government being proactive.

The Future

The long term, durable character of international education as a contributor to Australia's national interest cannot be overstressed. Internationally comparable data are more readily available for universities than other education sectors. UNESCO estimates that at least 2.5 million tertiary students were studying outside their own countries in 2004, up from 800,000 in 1975. Despite some gaps in data, in this 30 year period there was not a single year with a dip in aggregate numbers. Given that there were a number of events which disturbed the world economy over the period, including an oil price shock (1979), the Black Monday stock market crash (1987), the Asian economic crisis (1998) and the 9/11 terror attacks (2001), the UNESCO data suggest that **international education may be substantially more resilient in recession than many other industries.**

Public Policy Priorities

Lack of government recognition and support characterized the industry in its first 10 years (1986-mid 1990s). This has been changing. Government has a crucial role to play, to provide a conducive policy and program framework, supported by enhanced budget allocations, to assist the industry to further develop and thrive.

A more holistic approach would include:

- Developing a comprehensive national policy on international education and inaugurating a suite of properly funded priority program initiatives to give effect to identified strategic objectives
- Governments entering into more effective engagement with industry to better resource crucial priority industry research and program initiatives at a level commensurate with support given to other major Australian export industries
- Mapping strategic directions and maintaining a sustainable 'trade' agenda to ensure continued targeted growth, with a more diverse international student body, a greater proportion of higher degree research students and an effective balanced growth across the public and private sectors
- Improving coordination across government to ensure an alignment of policies and program strategies to support industry development, regulation and skilled migration
- Expanding and supporting priority international research collaboration and industry linkages
- Expanding opportunities for Australian students to study abroad

- Better supporting students (both domestic and international) to improve their intercultural experiences on campus, and to ensure they are “globally literate” and able to participate effectively in an increasingly globalized workforce
- Increasing understanding within the Australian community about the importance of international education
- The Australian Government should engage and consult all sectors of the international education industry in the final design of the independent regulatory body and the independent industry development body proposed by the *Review of Higher Education*
- The Australian Government should appoint a dedicated Minister, or at a minimum a Parliamentary Secretary, with responsibility for international education.