Internationalising Regional Australia: A Case for Change

Whilst the majority of international students study in metropolitan areas, there are significant opportunities for growth in regional Australia. Education institutions in regional Australia provide considerable research strengths, especially in agriculture, marine science and tropical medicine. Study opportunities in regional Australia can provide tremendous experiences for international students, with tight-knit communities and often plenty of hands-on experience.

Importantly, we recognise that international education offers Australia far more than just economic benefits. It offers opportunities to build enhanced bilateral and multilateral relationships, which increase cultural awareness and social engagement. In addition, diplomacy is advanced through Australian educated alumni who develop lasting connections at personal, organisational and government levels. All of this is fostering better relationships with our regional neighbours and the rest of the world.

National Strategy for International Education (Australia) 2025

Current Situation

The need to expand international student uptake of study options in regional Australia is clearly acknowledged in the recently released National Strategy for International Education 2025; with Pillar 3, Goal 9 (Embracing opportunities to grow international education) specifically noting that ‘building on innovative education and training services to meet student and employer needs’ (Action 9.1), ‘promoting opportunities in regional Australia’ (Action 9.2) and ‘identifying and responding to new opportunities’ (Action 9.3) are key to achieving this goal.

According to Deloitte Access Economics, international education is Australia’s largest export service earning in excess of $18.8 billion in 2014/2015. Deloitte forecast that the sector will continue to grow significantly in the short to medium term and predict it to be among the fastest growing sectors globally.

Australia’s current International student cohorts are overwhelmingly clustered in capital cities, however, with predictions of onshore enrolments reaching close to 1 million students by 2025 (pg 5 Deloitte), Australia’s major international student destinations are arguably approaching saturation point.

Institutional capacity, accommodation, part time and post study employment opportunities are becoming increasingly difficult to access in the cities. Indeed the Deloitte report states that “there are legitimate enquiries to be made in respect of the capacity of Australian education and training institutions, and supporting infrastructure, to accommodation this level of onshore growth” (pg 6).

This possible future places in jeopardy some of the key factors that make Australia a destination of choice for international students. In addition, the ‘Australian experience’, so valued by international students, is becoming increasingly questionable in metropolitan Australia.

Benefits of Growth in Regional Australia

It is clearly acknowledged that the number of international students studying in regional Australia will never match metropolitan Australia’s; and that those cities will always remain the preferred destination for the largest proportion of international students.

Students who are attracted to the facilities and cosmopolitan lifestyle available in centres such as Sydney, Melbourne and Brisbane are not the same students who are seeking or would benefit from a regional study experience. Many choose metropolitan destinations because of family or cultural connections in the city or
because they are from large cities in Asia or beyond and a bustling city environment is where they are most comfortable. In addition, most of Australia’s highest (research) ranked universities are located in these cities and these are a considerable drawcard; particularly to the Chinese market.

As of June 2016, 448,411 international students were studying in Australia. Seeing a greater proportion of these international student enrolments on Australia’s regional campuses would bring a multitude of benefits to students, regional communities and economies. Indeed, if only 20% of Australia’s total international market could be attracted to the study options offered in regional Australia, the economic and cultural benefits would be immense.

It would not only increase Australia’s capacity to grow this important market by taking the pressure off metropolitan universities where saturation will be reached in the foreseeable future (in terms of places, accommodation and student experience) but it would make a significant contribution to regional sustainability and growth.

International students would help support regional sustainability by contributing to the local economy through the funding that these students bring through simple living requirements (accommodation, food, social activity and family-associated tourism). Indeed Deloitte Economics estimate that each $1 in onshore fee revenue generates $0.93 of value add to the Australian economy (p7); a potential significant financial input for regions.

International students are, however, also potential future employees. International students would contribute through work place learning and casual employment throughout their degree programs and post-graduation through Post Study Work rights (PSWR). These formal and informal engagements lead to the potential for regional businesses, councils, communities and professions to form future close links with other countries; thus aiding export/import potential in addition to opportunities provided by graduates remaining in the regions for post-graduation employment and/or establishing their own small business.

International students help diversify regional communities, facilitate and enrich cultural development. They bring diverse perspectives to the classroom which, in turn, stimulates new ways of thinking for Australian students and assists with the development of global perspectives. Many of our regional towns and cities are not culturally diverse; providing Australian students with opportunities for broader exposure to international perspectives is critical in preparing them for their employment future and to their role as global citizens. Simultaneously, the international students will contribute to increasing cultural awareness and diversity in regional Australian communities.

Studying in regional Australia will also, in many cases, enhance the student experience; providing international students with a greater opportunity to improve their English skills and make Australian friends. International students would be embedded in a welcoming environment and would not ‘disappear’ into the crowd as they do in metropolitan locations. Research on the student experience of International students in Australia repeatedly identifies ‘making Australian friends’ as an area of critical importance; but one that is not often achieved. Studying in regional Australia increases this opportunity significantly. Regional Australia also provides more affordable housing and lower cost of living for students; with the exception of added transport costs from ‘port of entry’ to country.

Finally, increasing the number of international students would contribute to the sustainability of the regional universities themselves. International students are often interested in disciplines not necessarily in high demand from domestic students. Retaining offerings of those low (domestic) demand programs, particularly those associated with regional skills shortages, is a major challenge for the regional universities. Such programs would be significantly supported by the greater introduction of international students. Simultaneously, through increased Master and HDR student enrolment, international students have the potential to significantly contribute to the research output of these universities. Many regional universities have a strong focus on applied research and impact; with many focusing on research associated with agriculture (food security), environmental sustainability and management (e.g. water security), regional economic development and provision of key human services to ensure regional sustainability. The knowledge gained by this research demonstrates impact across the globe.

---


Internationalising Regional Australia: A Case for Change
What is Required?

Studying in regional Australia is not, nor should it ever be perceived as, a choice for students unable to afford or gain a place at a metropolitan location. Australia’s regional universities deliver world class education and research in a broad range of disciplines. A high quality education must remain at the centre of the regional study pitch. It is however acknowledged that prospective international students, and importantly their parents and recruitment agents, are not familiar with regional study options and the associated myriad of benefits and opportunities.

A new, innovative and effective approach to the recruitment of international students to regional Australia is required. There are several ways in which government support/policy could greatly enhance the attractiveness of regional universities for international students, including:

- Extend the permitted working hours of international students who study in regional Australia
  - For example, the permitted working hours per fortnight could be increased from 40 hrs in metropolitan areas to 50 hrs if studying in a regional location.

- Extend Post Study Work (PSWR) rights of international students who study in regional Australia.
  - For example, an international student studying at a regional location could receive an additional one or two years PSWR.
  - This could potentially also be used to incentivise commencing employment in regional Australia.
  - For example: An international student studying at a regional location AND who subsequently undertakes PSWR employment in a regional area could receive an additional two years PSWR.

- Reduce duration requirement for PSWR in regional areas
  - As noted above, extending PSWR if studying on a regional campus would bring significant economic and cultural value. While extending PSWR for regional international students would require an amendment to the current Visa or the introduction of a new ‘Regional’ Visa class and acknowledging that this would come with additional administrative workload, the benefits would far outweigh the cost.
  - For example, an international student enrolled through a regional university and who has predominantly completed a Bachelors/Masters/PhD offshore, independently or through an offshore partnership model, is only required to study full time in Australia (on shore at a regional campus) for 1 year to be eligible for PSWR. This would cater for not only online/offshore Bachelors/Masters students but also for the numerous PhD students based offshore with a partner institution. Providing some PSWR if they came onshore for one year would be extremely attractive and would enable Australia and the regions to benefit from a postgraduate/post-doctoral workforce.

- Provide additional bonus points for graduates towards Australian residency for attending regional campuses, particularly for those studying in areas of regional skills shortages
  - For example
    a) an international student who completes their degree on a regional campus could receive ‘X’ extra points towards residency; while
    b) an international student who completes their degree on a regional campus AND who subsequently undertakes PSWR employment in a regional area could receive ‘Y’ extra points towards residency; and
    c) an international student who completes their degree on a regional campus AND who subsequently enters full time employment in a recognised skill shortage area, in a regional town/city could receive ‘Z’ extra points towards residency.

- Provide support for exploratory marketing in countries where ‘regional’ destinations would have traction including supporting agent familiarisation activities.
  - Students from major Asian cities are mostly focused on a city destination, however, the emerging markets in Africa, the UAE and even the Philippines and Vietnam are more likely to attract students to...
the regions. The regional universities are unlikely to have the potential to significantly invest in new markets to raise the profile of regional Australia as a major destination for international students from these markets; additional funding support would be required. This would, however, also help build the reputation of Australia in these countries as an international student destination in general. It would also help diversity the current international student source markets to future proof against increasing competition for international students in Asian university programs taught in English.

- Provide designated employment opportunities including internships for international students in Government offices within the region.
  - For example, international students studying e.g. Accounting or Business at a campus in Albury could undertake an internship at the Australian Taxation Office in Albury; providing the student with workplace experience and a reference for potential future employers while diversifying the workplace.

- Provide scholarships to encourage international students to study in regional Australia.
  - The most successful method of student recruitment is word-of-mouth, however, this needs to grow in regional Australia from a very low base. Investment in international student scholarships, for example, would be an initial step in significantly growing international student enrolments in regional Australia.

- Expanding transport concessions, a state issue, to regional students
  - International students studying in regional areas bear the additional cost of getting from port of entry to destination campus. Assistance in meeting those costs would make regional Australia a much more attractive destination; especially given the subsequent cheaper living costs in the regions. There is limited use for e.g. OPAL cards in regional Australia and travel concessions of any kind are always problematic. It is more likely that provision of a travel scholarship would be more easily managed and useful. Perhaps a single time item - $1000 per course (all years). Such a scholarship would cover the cost of e.g. a student travelling from Sydney to Port Macquarie or Armidale or from Melbourne to Albury for all four years of their program if they travelled by train or bus or 4 return trips by plane so makes a significant contribution and would be much easier to administer.

- Provide free (public) school for children of international students in regional areas
  - While PhD students in NSW currently have access to free schooling for their children, this is not available for students enrolled in Undergraduate, Honours or Masters level programs (http://www.detinternational.nsw.edu.au/media-assets/trp/fees.pdf). Many international students at regional campuses chose the site for economic and family reasons as many are slightly more mature students. Encouraging the children of international students to enrol in local schools would have the added benefit of bringing diverse perspectives to the School classroom while facilitating and enriching cultural development of regional Australia and providing a clear benefit to more mature international students.

**Defining ‘Regional’**

It is important to note that all suggestions are in relation to study on regional campuses, not specifically at a regional university. For example, international students studying on a regional university Sydney based campus would not be expected to be eligible for any of the points noted above; while those studying on the regional campus would be eligible. For ease of reading the examples below have been based on NSW, however, the model would be easily extrapolated to a national policy to include all regional campuses.

The definition of ‘regional’ would clearly need to be determined but at its narrowest definition, in NSW, this could include the University of New England, Southern Cross University and Charles Sturt University. At a broader level the Universities of Newcastle and Wollongong would be included. The potential benefits of an adjusted regional approach could also be applicable to regional TAFE/RTO campuses.

Taking one or more of these approaches would be a ‘first’ in Australia and would be applicable to the country as a whole. It would lead the world in demonstrating how National and State government policy can actively contribute in an innovative way to ensure the economic and social sustainability and development of its regional towns, cities and universities. Indeed, Australia, or NSW if used as a pilot, would be showcased as leading the way in supporting the growth and sustainability of its regional universities and, through them, the...
flow on effect of regional sustainability, growth and economic development of Australia’s regional towns and cities.

**A Two Pronged Approach**

The role of regional Universities and RTOs is not limited to growing international student on campus numbers. Ensuring that the Federal and State governments work on behalf to position the regional universities for the opening of on-line education, especially in China, is another major role for government and associated agencies.

There can be no argument that full acceptance of online education in Asia, the ‘online revolution’, will occur in the next 5-10 years, if not sooner. Australia has a long and proud history in successful provision of online education; with the regional universities being the largest providers. It has been clearly demonstrated that regional/rural students studying online are more likely to be retained in regional areas for post-graduation employment; thus helping to address population trends of a move from country to city. Asia, and indeed many other countries, are also struggling to cope with stability and sustainability of regional areas. As overcrowding and unemployment in the cities and food security become of greater importance, assisting Asia to address this problem could be a major role for Australia.

It would therefore seem logical and strategic to leverage off Australia’s proven success in online education. International student numbers in the regions are never going to match e.g. Sydney, however, if Australia could significantly increase on campus international student numbers while positioning the regional online providers for the acceptance of online in China/Asia then it would be a two pronged approach. Government lobbying/introductions are required to start that positioning now; whether arranging for the major online providers (such as CSU) to ‘brief’ the Chinese government/Ministry of Education on the reality of online education, providing introductions to the Chinese ‘trial’ online universities or offering ‘our’ services as ‘consultants’ (and trainers) in the development of online education in China.

Without doubt if Australia does not move quickly in this space another country will be there before us.

**Summary**

Encouraging and facilitating international students to undertake their degree studies in regional Australia would provide significant advantages to the students, to the regional communities and to the regional universities that extend far beyond economics.

Australia needs to decide on the importance and value of international education and be innovative in growing this market. Regional Australia is an untapped resource for this market. If international student enrolments are to be encouraged and supported in regional Australia, however, a new approach needs to be taken. Attracting more international students to the regions has the potential to showcase Australia as leading the way in supporting regional sustainability and economic development while continuing to build Australia’s brand as a world class study destination.

---

Professor Heather Ma Cavanagh
Pro Vice Chancellor, International Educational & Partnerships,
Charles Sturt University
August 2016