

ACPET Policy Statement

on International Education



Increasing Australia's Productivity through International Education

There are approximately 1,200 CRICOS (Commonwealth Register of Institutions and Courses for Overseas Students) registered education and training institutions in Australia, ranging from niche providers of specialised courses and English language colleges to universities. Of these institutions, 442 are ACPET members, delivering education and training to 86% of international vocational education and training students and 13% of international higher education students. More than 100 ACPET members offer English language courses and 75% of ELICOS students choose to study with a private provider.

Australia has been a global leader in international education for decades. However, we are at risk of losing that position in an increasingly competitive industry because government policies undervalue the sector's contribution to the nation's future relevance, prosperity and security.

The future of international education in Australia will rely on a multi-sector, multi-agency and multi-disciplinary approach.

ACPET calls on Government to:

1. Fully recognise the social, economic and strategic contribution that international education makes to Australia.
2. Support the scope, diversity and contribution of private institutions.
3. Apply regulation and risk management evenly across the international education sector.

Fully recognise the social, economic and strategic contribution that international education makes to Australia

ACPET's most recent analysis (conducted by Deloitte Access Economics) of international education services exports reveals that during the height of the Global Financial Crisis international education provided critical stimulus for the Australian economy, helping Australians to keep their jobs and businesses to stay afloat.

It is concerning, therefore, that the same analysis highlights the continued decline of the industry's contribution to export earnings since the Commonwealth Government introduced measures to tighten international student visa settings. From the high water mark of \$17.9 billion in 2009-2010, international education export earnings fell to \$16.1 billion in 2010-2011 and \$15.3 billion in 2011-2012.¹

ACPET acknowledges several recent positive changes for Australia's international education sector, including:

- Introducing enhanced post study work rights for all degree graduates;

- Reducing financial requirements for higher risk (Assessment Level 3 and 4) student visa applicants; and,
- Establishing the Tuition Protection Service (TPS) and the risk-based approach to determining levies for private providers.

However, while individual governments and departments have made efforts in recent years to enhance Australia's international education sector, cross-ministerial representation that recognises international education as an industry in its own right has been lacking.

ACPET commends the blueprint outlined in the International Education Advisory Council's *Australia – Educating Globally* report, which incorporates several of ACPET's key recommendations including:

- the establishment of a Ministerial Coordinating Council on International Education (MCCIE);
- a communications campaign to educate the Australian public about the benefits of international education;
- a review of the Genuine Temporary Entrant criterion;
- expediting streamlined visa processing for low immigration risk providers;
- support for offshore delivery;
- a review of accommodation for international students; and,
- streamlining regulatory requirements for providers.

ACPET urges the government to issue its response to the report as soon as possible and to work closely with industry on the implementation of key measures.

Support the scope, diversity and contribution of private education institutions

Australia has led the world in the delivery of course consistency through training packages in the VET sector and peer reviews in higher education, as well as in student fee protection. Recent moves to establish national regulatory agencies build on these approaches.

In the context of such effective consistency mechanisms, ACPET believes that international students, like domestic students, should have a choice of education or training provider.

Presently, international AusAID-funded students are not eligible to study at a private VET or higher education provider; they can only apply to study at universities or TAFEs. In addition, only Australian Commonwealth supported students have access to the OS-HELP funding to conduct part of their undergraduate study at an overseas institution; Australian students that are enrolled at private higher education or VET institutions do not receive government funding support in their quest to become more globalised citizens. Inevitably, the wider community and industry lose out.

ACPET urges the Commonwealth Government to widen the scope for AusAID-funded international students to include private VET

¹ Australian Bureau of Statistics' publication International Trade in Services, by Country, by State and by Detailed Services Category, Financial Year, 2011-2012, November 2012.

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and higher education providers and to extend OS-HELP funding to Australian students enrolled in private higher education institutions.

Government needs to support all quality providers equally, and not maintain the current default assumption that all public providers are “good” while all private providers are somehow inherently “less good” and “less worthy”. DIAC, ASQA and TEQSA’s risk-assessments of providers give them the knowledge and ability to assess student visa compliance and educational quality in a transparent manner and manage higher risk providers as necessary.

Apply regulation and risk management evenly across the international education sector

Despite several positive measures arising from the Knight Review and the commissioning of the subsequent Assessment Level Framework Review designed to strengthen Australia’s international education sector, deep divisions remain between the treatment and regulation of different parts of the sector.

In an attempt to reduce the negative impact of international students selecting a narrow range of courses in the VET sector, the policy pendulum has swung too far to the higher education sector, particularly the university sector, through initiatives such as post study work rights. Ironically this is leading to the unintended consequence, once again, of a concentration of international enrolments in one sector at the expense of other sectors.

ACPET urges the government to correct the balance of international students across sectors and to back all quality providers by adjusting the following policy settings:

1. Streamline student visa assessment levels for non-university providers

Universities are currently offered streamlined visa processing (SVP) arrangements that are not afforded to high-quality, trusted, non-university providers.

A review of the Student Visa Assessment Level framework, which sought to outline the extension of SVP rights beyond the university sector was due to be announced by mid-2012 but remains stalled. While many universities and their partners are seeing strong growth in student visa applications and grants in 2013, other high quality providers in the non-university sectors continue to contract.

ACPET strongly urges the Commonwealth Government to extend SVP arrangements to non-university providers, including providers with smaller numbers of international students by working with the sector on rigorous, alternative models.

2. Extend post-study work rights to VET students

Following the Knight Review, post-study work rights have been available to all higher education providers, not only the university sector. ACPET believes that proven and trusted VET providers should be able to offer their Diploma students the same rights.

Australia’s history of international education includes a proud record of offering high quality VET courses. Affording post-study work rights to high quality VET providers will deliver the dual benefit of helping the international education sector to grow and diversify, while also helping to address the nation’s skills shortages in a targeted way.

3. Improve the application of the Genuine Temporary Entrant criterion

The introduction of the Genuine Temporary Entrant (GTE) criterion for student visas has become a contentious additional barrier to studying in Australia.

Since its introduction in November 2011, ACPET has collated almost 250 examples of questionable visa refusals on the basis of the GTE criterion, applied to applicants in many ‘low migration risk’ as well as higher migration risk countries. This factor is preventing genuine students from being able to access study in Australia.

The Department of Immigration and Citizenship should improve the professionalism and actions of its staff in assessing GTE criteria and ensure that poor implementation of the criteria does not serve to further burden an already struggling sector.

4. Provide incentives to deliver VET offshore

Three recommendations in the Knight Review indicate that there is a strong future for Australian VET in offshore delivery, and suggests that the government provide support through Austrade, the Export Market Development Grant and other forms of assistance.

ACPET members have been delivering training offshore for many years, despite the challenges of establishing offshore delivery models, which are often risky and expensive. If offshore delivery of vocational education and training is to strengthen and grow there needs to be a concerted effort by VET providers and governments alike to enable this.

ACPET encourages the Commonwealth to commit funding to support providers to establish partnerships offshore. Additionally, through the Ministers for Trade and Foreign Affairs, Australia needs to organise more delegations to Australia’s key Asian markets to realise this evolution in the VET sector