NSW Industry Action Plan for International Education and Research

Submission from Australian Council for Private Education and Training (ACPET)

March 2012
1. Introduction

The Australian Council for Private Education and Training (ACPET) is the peak body for private education and training providers in Australia. Australia’s private education and training sector offers quality, diversity and choice to students from Australia and around the world. ACPET’s core purpose is to enhance and promote the role of private tertiary education in order to achieve educational outcomes of the highest quality for individuals, their employers and communities. ACPET has 1,100 members around Australia representing high quality private higher education, vocational education, schools and English language colleges.

ACPET represents 280 private providers based in NSW, as well as providers based in other states and territories with campuses and partner organisations in this state. In the vocational education and training (VET) sector alone, Australian Education International data (for the year to January 2012) showed 68,753 international student enrolments in NSW. This represents a 40.4 per cent share of the national market for international VET students. Some 93 per cent of international VET students (64,423) were enrolled with a private VET provider. AEI data shows a total of 129,235 international student enrolments in NSW, with 81,902 students (63 per cent) enrolled with private providers throughout the ELICOS, VET and higher education sectors.

ACPET welcomes the development and consultation of an industry action plan for international education and research in NSW, and we are pleased to provide this submission on behalf of our members.

ACPET believes that maintaining the high quality of education within NSW and cooperating across state and national boundaries to address skills shortages will be critical to the economic future of NSW and the nation. The increasing mobility of international students has resulted in the development of strong international education sector in NSW, of which ACPET members as private providers are a cornerstone. The products of this important sector – graduates with high-level skills and transferrable knowledge – embody the importance of tertiary education and training as a platform for international investment in NSW. International students contribute to the NSW economy and the state’s cultural and social richnness in a number of ways, including through:

- significant participation in the part-time labour market supporting small and medium businesses
- the creation of jobs for teachers and other industries directly associated with education
- supporting local business and accommodation providers as consumers
- promoting NSW as an education, tourism, business and immigration destination in their home countries, and
- bringing cultural diversity to their local communities.

ACPET members have been providing high quality education and training to international students for several decades in NSW. Private providers of higher education, vocational education and training and English language courses play a key role in encouraging international students and their families to invest in NSW as their education destination. The important role is reflected in the strong representation of private providers on the International Education and Research Taskforce (IER taskforce).

ACPET notes that the key areas of focus for the taskforce in developing an industry action plan for international education and research are increasing education exports, developing and enhancing international education, research and industry precincts, and focusing on mechanisms for digital and online delivery of education across NSW and internationally.
ACPET’s key area of interest and expertise is on developing strategies for increasing education exports, with specific regard to increasing international promotion of the NSW education industry and enhancing the reputation of NSW as a destination of choice for international students.

2. Increasing education exports

The IER Taskforce is seeking to develop an industry action plan for NSW that will focus on three key areas, including increasing exports from the vocational education and training (VET), university, higher education, secondary schools and associated services sector, including both public and private providers. The taskforce is considering high-quality standards of education delivery to international students, increasing the physical presence of education providers in NSW and international promotion of the NSW education industry.

High quality standards for the delivery of education and training are crucial to maintaining the state’s reputation as a destination of choice for international students. The reputation of the tertiary sector in NSW and other Australian states and territories has been tarnished by providers who have failed to demonstrate a commitment to quality delivery and have ceased operating as a result. The Australian Skills Quality Authority is responsible for regulating the compliance of NSW VET providers and ELICOS providers with the requirements of the VET Quality Framework and the ESOS Act. The Tertiary Education and Skills Quality Agency (TEQSA) has responsibility for ensuring compliance with the Higher Education standards and the ESOS Act by higher education providers. While the NSW Government does not have regulatory responsibility for standards of education delivery in the tertiary sector, ACPET supports the establishment of channels for communication between NSW and the Commonwealth on quality issues that have the potential to affect the student experience and threaten the reputation of this key sector.

Peak industry bodies like ACPET already play a key role in assuring quality within the sector. ACPET has its own quality standards – embodied in our code of ethics – and we require a commitment from all members to this code. Prospective students, parents and employers can choose to enrol with an ACPET member with confidence in this commitment. ACPET has stringent membership requirements, including financial viability checks and fit and proper person tests. Prospective or existing members who fail to meet ACPET’s standards can be prevented from entering certain markets, including delivery to international students. One example of this was ACPET’s refusal to grant membership to a NSW RTO in late 2010. The RTO challenged ACPET’s refusal in the Supreme Court, but had its appeal refused and has not been granted a ministerial exemption to deliver education to international students. ACPET recommends that the taskforce use the expertise and experience of peak industry bodies to inform representations to the Commonwealth on quality standards for providers of international education.

Increasing the physical presence of education providers in NSW means encouraging considerable economic investment in our state. Other states and territories have had considerable success in using economic incentives to encourage overseas-based tertiary providers to consider establishing a physical presence in their state. While ACPET is supportive of initiatives that encourage greater choice of quality providers for students and industry, ACPET recommends that the taskforce recognise the contribution of education providers that have already made a considerable investment in NSW (including ACPET members) and continue to attract domestic and international students to Sydney and regional centres.

ACPET has a keen interest in the international promotion of the NSW education industry. The great majority of international VET students in NSW are enrolled with private providers (more than 90%) and the number of international students enrolled with private higher education institutions is higher than in other states and territories. These statistics reflect a considerable investment by international students in their education and related services that result in economic benefits for NSW from a range of related
industries. ACPET members deliver Australian qualifications in many locations offshore and using a range of delivery models and local partnerships. ACPET supports measures to increase assistance in promoting the quality and benefits of the NSW education industry both onshore and offshore.

ACPET is actively promoting the benefits of the Australian education industry internationally, including throughout the Asian region. ACPET and its members are involved in key countries in the region, including China, India, Indonesia, Vietnam, the Philippines and Japan. ACPET is currently in the process of establishing an office in China (Chongqing) to represent the interests and offerings of ACPET members looking to engage with the Chinese Government, industry and education providers. China represents an important market for ACPET members and one that will continue to grow in the future. ACPET’s presence in China will be a valuable resource for members and an area where interest and support from the NSW Government would enhance the promotion of NSW as a destination for Chinese students.

ACPET’s key recommendation with regard to the promotion of the NSW education industry would be clarification of the responsibility for international education policy and promotion within government. Currently there is no single NSW Government department or agency with clear responsibility for international education policy. ACPET believes this leads to fragmentation and confusion in government decision making and in the promotion and retention of international students in NSW.

The Department of Education and Communities primarily focusses on the delivery of international education by TAFE NSW and public schools. Overall promotion of NSW as a destination for international students sits with the Department of Trade and Investment. Yet when the Premier travels overseas to promote NSW as a destination he has so far only been accompanied by representatives of NSW public universities and TAFE NSW. These arrangements are not replicated in any other jurisdiction. Typically, NSW’s competitors have developed a statewide approach to international education identifying opportunities for both public and private providers. These initiatives are often led by industry boards with specific funding and accountabilities, and it is common for leading private providers and peak body representatives to accompany officials on overseas trade related delegations.

ACPET believes that the remit for policy and promotion of international education in NSW should be with a dedicated team located within the Department of Trade and Investment, but reporting to an industry-led board. ACPET considers the work the department is already doing to encourage greater migration in the business, skills and investor areas is to be commended. The *NSW strategy for business migration and attracting international students* acknowledges the importance of international students to the future economic prosperity of NSW and focuses on the link between skills attained through study and those needed in the NSW economy. The Deputy Premier has included a priority action in the strategy to work with the Commonwealth (and the Victorian Government) on streamlining visa processing for a broader group of students and on securing post-study work rights for students at high-quality VET providers. ACPET strongly supports the goals of the strategy and is encouraged that the Department of Trade and Investment is already taking the lead on policy issues affecting the international education industry. An industry-led board would allow ongoing advice and input from experts in the sector to guide and shape policy and promotion of international education and could be modelled on successful initiatives in other jurisdictions.

ACPET’s view is the NSW education industry and its potential should be promoted through the export framework by an area of government that understands the international marketplace and is globally connected. Development of a branded marketing arm for the NSW education industry (e.g. Study NSW) would maximise opportunities to market NSW, Sydney and regional centres with a relatively small investment, once disparate funds for current marketing ventures are consolidated. Sydney has a reputation as Australia’s pre-eminent global city, and on this basis it may be appropriate for it to have its own separate brand e.g. Study Sydney – aligned with Study NSW.
In a recent submission (*Australia in the Asian Century*) to the development of the national *White Paper on Australia in the Asian Century*, ACPET noted the important roles played by Austrade and Australian Education International in facilitating Australia’s engagement in education in Asia. In addition, ACPET emphasised the need for whole of government and whole of sector engagement in ensuring the sustainability of Australia’s international education sector. ACPET recommends that the NSW Government and its representative bodies work closely with the Commonwealth and the recently formed International Education Advisory Council in developing a strategic approach to international engagement on education. In its submission on Australia in the Asian Century, ACPET has identified critical issues to ensure sustainable and effective education engagement across Asia. Some of these strategies apply equally to engagement with other regions, including supporting the development of links between industry and vocational training, building and enhancing regional quality assurance frameworks, supporting mutual recognition programs in key professions and skills, and building and maintaining strong alumni connections.

A final note on the promotion of NSW as a destination for NSW relates to an issue of ongoing concern for international students and ACPET members. While ACPET commends NSW and Victoria on their joint pledge to work together to pursue post-study work rights and streamlined visa processing for VET students, the failure of these two states to extend travel concessions to international students is at odds with this commitment. ACPET’s recent research (*Achieving equitable travel benefits for international students*, ACPET, February 2012) has shown that the lack of concessional travel benefits is making students think twice about choosing NSW as their study destination. As a result of its research, ACPET has recommended that the NSW Government prepare a fully-costed proposal for the provision of concession fares to full-time international students, looking at the cost and benefit scenario across all sectors of their economies. ACPET recommends that this key issue for students and providers be considered in developing priorities for the international education action plan.

### 3. Developing and enhancing international education, research and industry precincts

ACPET supports initiatives that enhance the attractiveness of urban and regional areas of NSW for international students, including the development of precincts that link study, research and work opportunities for individuals and involve investment and participation from innovative tertiary providers. ACPET members currently operate in regional and urban centres where they have forged strong links with local communities and industry. ACPET supports measures that would strengthen these relationships and encourage the development of precincts where private providers can work cooperatively and productively to address local skills needs.

### 4. Innovation in education delivery

ACPET supports initiatives that will enhance opportunities for students throughout the state, nationally and internationally, to choose their own learning pathway regardless of their geographic location.

The rollout of the National Broadband Network (NBN) has unlimited potential for learners and tertiary providers seeking to deliver courses using a variety of digital media, both within and outside NSW and Australia. ACPET supports a coordinated approach to the development of strategies for innovation in education delivery with the development of the Digital Economy Action Plan.