Flexible foreign delivery part of fix for revenue slide

Russian President Vladimir Putin was looking for a signature achievement for the Asia-Pacific Economic Co-operation summit held recently in Vladivostok. He evidently decided education would give a headline to a meeting once best known for its heads of government costume parade.

From this politically driven calculation has come a major agreement on international education which, if APEC leaders take it seriously, will be a landmark for the Asia-Pacific region. And it will also bring significant opportunities for Australia.

There is broad understanding of the fix in which Australian international education finds itself. In the past three years it has suffered one blow after another: attacks on Indian students, scandals in the vocational education and training sector and the stubbornly high dollar.

Education export revenue is down 18 per cent from a high of $18 billion in 2009-10. The number of international students studying onshore in Australia has dropped 22 per cent from its peak of 631,000 in 2009.

So how does Putin’s APEC meeting help us out? If implemented, the APEC agreement on Promoting Cross-Border Education Co-operation will dismantle some of the barriers that impede international education. It will identify and establish best practice in course accreditation, quality assurance and regulatory practices. It will increase transparency of visa requirements and help universities become more internationalised by facilitating joint research and exchanges of academic staff together with making the academic workforce more mobile.

That’s all good, but alone it will not do much to specifically assist Australian educational institutions to enrol more international students and roll back the sharp decline.

Our quality assurance and regulation, while not perfect, is already at the high end, as judged by international norms. And while more academic exchanges and joint research helps universities improve their international status in the longer term, it is not a direct way to recruit more international students.

Luckily there’s more. The most important provisions for Australia are other clauses that promise to find “ways to enhance transparency of regulation of foreign providers and to remove unnecessary barriers to market access” as well as look at improving the flexible design and delivery of educational content, including online courses, in the APEC economies.

These go to the heart of what is likely to be the next evolution of Australian international education. At a time when the high dollar makes it very expensive for international students to live and study in Australia, enrolling in an Australian course overseas, either at a campus...

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Flexible foreign study part of fix for revenue slide

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or online, is an attractive alternative

In 2010 there were 76,000 international students enrolled in Australian universities outside of Australia, either at overseas campuses, at partner universities or online. This is a large number but there is room for it to get much larger.

And there is also space for more use of innovative practices such as studying for part of a course in Australia, to get the advantage of immersion in a foreign environment, and doing the rest cheaply at home.

It could enable Australian universities to get easier access to setting up overseas campuses, with less red tape and uncertainty. While Australian universities have 21 overseas campuses, most are small operations. China has been difficult to enter and Monash University only recently became the first Australian university to get a licence to operate in China.

The APEC agreement also gave a nod to the elephant in the room — the looming online revolution whose evangelistic backers promise will deliver a compelling educational experience to any student anywhere, if they can access broadband.

In the vanguard of change are the so-called massive open online courses (MOOCs), which are the fad of 2012. They are being offered by Udacity, and partnerships such as edX comprising Harvard, Berkeley and MIT. Not all agree, but there is a view that the MOOCs are crystallising into a revolution that will shake open higher education.

The value of the APEC agreement is that it recognises these changes exist. Political leaders and education policymakers are alert to them, if not yet alarmed.

So thank you Putin, but did you get what you wanted?

So far your APEC legacy is an empty facility, purpose-built for the APEC meetings on the near deserted Russky Island near Vladivostok. It is meant to become the Far Eastern Federal University but reports say that it was shoddily built and already falling apart. Hope there’s something out of APEC for you.

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Beware heavy-handed intervention

The eminent economist Max Corden coined the phrase “Moscow on the Molonglo”. He was referring to an era of Coalition industrial and governance intervention in universities and controls on fees and enrolments. The issue has returned with a vengeance, this time under Labor, as university authorities come to terms with the new regulator — the Tertiary Education Quality and Standards Agency (TEQSA).

The father of national competition policy, University of NSW vice-chancellor Fred Hilmer, has said: “We have few areas of national activity with the excellent performance and exciting opportunities provided by our universities. Yet we drown them in red tape.”

Actually, Professor Hilmer should count his blessings. If TEQSA’s twin in vocational education and training, the Australian Skills Quality Authority (ASQA), was let loose on universities, he would have apoplexy.

TEQSA has been far more nuanced than ASQA, which takes a very blunt interventionist approach. Yet a merger is planned for 2013, and Professor Hilmer should be afraid, very afraid. A merger in which TEQSA’s framework and culture predominates might improve matters for the VET sector. A merger in which the approach of ASQA predominates would be problematic for all tertiary education.

Perhaps overwhelmed by the remit of dealing with up to 5000 VET organisations rather than some 200 higher education providers, ASQA has adopted an unrelenting compliance culture requiring a massive burden of documentation and rigid adherence to its auditors’ and officials’ views of good education and business processes. But finding how to comply leads into a sometime Kafkaesque world.

Inconsistent audits, flawed risk assessments, incomplete databases, minimal guidance on good practice, opacity on evidentiary requirements, a focus on inputs rather than outcomes, an unwillingness to meet with providers, disproportion in sanctions, slow decision making and the downplaying of complaints are common industry criticisms of ASQA’s evolving system to date.

This is where John Dawkins comes in as the chairman of the National Skills Standards Council, which reports to state skills ministers and the federal counterpart, Chris Evans.

The ministers, in their wisdom and perhaps prompted by the difficulties in getting all states to buy in to ASQA, have asked that the standards being regulated for VET be reviewed by the Dawkins group. This sensibly includes the standards that apply to regulators themselves.

Strangely, the ASQA legislation was exempted from regulation impact analysis. And it shows.

Review is essential. Many checks and balances that apply to TEQSA are simply missing for ASQA.

The skills council will need to be assiduous in its deliberations. Above all, it will need to interrogate the conventional wisdom now prevailing in the relevant policy community and some media that tough VET regulation is essential and justifies open season for the regulator.

There is a view that there have been too many shonks and migration rorts. Any deregistrations or sanctions are seemingly therefore justified and indeed represent victories in the eyes of many.

The very real risk is exaggeration and over-reaction and massive collateral damage. Good providers are caught up, regulatory costs escalate, innovation and flexibility are stifled — and a flight to informal training markets ensues.

The origin of concerns over VET standards in the international student sphere has meant the response has received far less scrutiny than it deserves.

Dawkins and Evans may be tempted to pursue what they could see as unfinished business on education mergers and education-linked migration, respectively. But both can afford to move more carefully this time with due understanding of the limits to regulatory capability.

The previous migration clean-up brought dynamic growth of education exports to a juddering halt and cost Australia $3 billion annually and 30,000 jobs, which could have been retained and enhanced with more professional and sensitive regulatory administration.

Yes, let there be more regulatory integration and strong sanctions imposed on unethical providers, but with proper legislative principles and standards for regulators themselves.

If we get these regulatory details right perhaps we can better aspire to a gold standard performance in all post-school education. ASQA commissioner Michael Lavarch, a former attorney-general appointed under Labor, may be able to assist. If these Labor leaders do not deliver, then the premiers belonging to the Coalition and senator Arthur Sinodinis’ deregulation task force may do so instead.

Glenn Withers is professor of economics at ANU and former CEO of Universities Australia.
Enough red tape ... universities fear over-regulation.  

Illustration: KARL HILZINGER
Indigenous study goal

Universities and the federal government have agreed to work together to increase the number of indigenous Australians in higher education following the release last week of a report on closing the gap by eminent Aboriginal law professor Larissa Behrendt from the University of Technology, Sydney. The report says the university participation rate for indigenous Australians is only 1.4 per cent, almost half the 2.2 per cent of the working age population who are indigenous. Endorsing the report, Universities Australia chief executive Belinda Robinson described the difference between indigenous and non-indigenous enrolments as “alarming”. Tertiary Education Minister Chris Evans supported the report’s recommendation to better target existing money to support indigenous students. The report also suggests professional bodies and employers help indigenous students reach their study goals.

Joanna Mather
The UK government has gone into damage control following a crackdown on student visas reminiscent of that which has driven candidates away from Australia in recent years.

The UK universities minister, Conservative MP David Willetts, will launch a global drive to “protect Britain’s reputation” and spread the message that it remains open to students from overseas in the wake of the government’s curbs on student visas.

He will also set up a £2 million ($3 million) hardship fund to help “legitimate overseas students” at London Metropolitan University, which earlier this month was stripped of its licence to sponsor overseas students.

But Mr Willetts stopped short of meeting demands from vice-chancellors to remove overseas students from the government’s drive to reduce net migration to below 100,000 by the next election. Instead, Mr Willetts said the Office for National Statistics would publicise statistics that made clearer the separate contribution of overseas students to immigration and try to improve estimates of how many go home at the end of their studies.

The university lecturers’ union said it appeared the government was finally recognising the damage its student visa policy was doing to Britain’s international reputation.

Mr Willetts’ olive branch to the higher education sector over the government’s drive to curb numbers of students from overseas came as September 21 was fixed as the date for the High Court to hear London Metropolitan’s legal challenge to the revocation of its Home Office sponsorship licence.

The UK Border Agency is examining alleged failings by the university. Of 101 sample cases, 26 students had no leave to remain in the UK.

In Australia, tighter restrictions on student visas introduced several years ago contributed to a costly downturn in international student numbers, recovery from which has yet to occur.

Christopher Ziguras, an associate professor at RMIT University whose expertise is in international education, said there were similarities between the countries. Both had experienced a boom in enrolments by foreign students, particularly in private vocational colleges, and migration had been a key election issue.

“The big difference between the UK and Australia now is that the UK is in a severe recession and there is very strong anti-migration sentiment, whereas in Australia the unemployment rates are much lower and there is not the same level of anti-immigration sentiment.”
Howard-era reform needed to compete

Joanna Mather

The head of the industrial association representing the bulk of universities says she would welcome a return to John Howard-era workplace agreements if it meant more flexibility to respond to student expectations.

Australian Higher Education Industrial Association president and Curtin University vice-chancellor Jeanette Hacket said she also doubted that universities could afford the 7 per cent annual pay rises being demanded by the National Tertiary Education Union.

“The view would be very much at this stage that enterprise agreements are significantly slowing down our capacity to be flexible,” she said.

“It's hard to see that Australian higher education will be able to compete globally, both in terms of financial stability and output, if we don’t make changes.”

Professor Hacket’s comments, which have angered the union, come as enterprise bargaining reaches a critical phase at Curtin, where staff have already rejected a pay offer which fell short of expectations.

Around half of the nation’s 39 universities have either begun bargaining or will enter negotiations within the next couple of months.

As is typical in the Australian higher education sector, union branches at each university serve a log of claims containing a series of nationally consistent goals.

This time the union is arguing for pay rises of 7 per cent for agreements of up to four years, as well as protection of existing employment conditions and fairer workloads.

In the last bargaining round, which ended in early 2011, the union’s successful claims included the reinstatement of limits on fixed-term and casual employment that had been removed by the Howard government when it introduced Higher Education Workplace Relations Requirements.

“HEWRRs were a corrosive and destructive influence on the sector and it would be appalling to see their return,” the union’s assistant national secretary, Matthew McGowan, said.

“They directly withheld income from universities unless they denied staff certain rights under their agreements and forcibly introduced [Australian Workplace Agreements].”

Professor Hacket said it was critical that Australian universities prepared themselves to adapt to changing student behaviour and evolving technology.

She said restrictions on teaching periods and whether staff could be research- or teaching-focused was hampering attempts to become more "nimble, agile, flexible and competitive".

“It was certainly the case during HEWRRs that there were a number of new flexibilities introduced and it's the achievement of flexibility in the work arrangements that will make Australia competitive,” Professor Hacket said.

But Mr McGowan said that situation was about flexibility for employers, not employees.

“Flexibility is a one-way street as far as many of these institutions are concerned,” he said.

“The higher education sector has got the second highest casualised workforce in the Australian economy following only the hospitality industry. How much more flexibility do they need?”
Evans threatens to block reward funding

State cuts to vocational training budgets endanger a COAG agreement on overhauling the sector, write Joanna Mather and Laura Tingle.

A deal to give the states $1.75 billion in federal funding in return for their agreement on national skills reform could be in jeopardy as conservative state governments cut funding for vocational education and training (VET) and look to shed TAFE assets.

Leaked documents have revealed proposals in Victoria to sell off a number of TAFE campuses in regional and metropolitan areas after $300 million in cuts to VET funding, which has already forced the axing of courses and job losses.

Federal Skills Minister Chris Evans has warned the cuts which come as NSW has slashed TAFE funding and Queensland is considering closing campuses could undermine the intent of a deal signed at the Council of Australian Governments this year which pledged a large increase in funds to states in return for an overhaul of the VET sector.

Senator Evans said the agreement provided reward funding for states if they met targets for increased training numbers and increased skills.

"Clearly those reward payments are at risk because they are going to be shutting thousands of young Victorians out from the training system," he said at the weekend.

The states had “budgeted for those reward payments ... So they seem to assume we’re going to keep on paying them and rewarding them when this sort of activity occurs,” he said. “That is clearly not the case.”

The $1.75 billion National Partnership on Skills Reform requires states and territories to introduce an entitlement to government-funded training for anyone of working age without a Certificate III or higher qualification, as well as the lifting of quality and standards.

An additional 375,000 students are expected to complete qualifications over the next five years under the plan, part of the broader $7.2 billion National Agreement for Skills and Workforce Development.

As the Australian Industry Group condemned the “painful” short-term approach in Victoria, TAFE Directors Australia said the states were shifting costs in an effort to meet their obligations under an agreement for which no cost modelling had been done.

“Now we’ve started to see states do that modelling and suddenly we’re seeing major cutbacks to TAFE budgets,” TDA chief Martin Riordan said. “One can only assume they are doing it to honour their commitment to the national partnership plan and there is a whole range of rearrangement of the deck chairs in terms of cost and expenditure.”

TAFEs have given in-principle support to the plan but are wary of its potential financial impact because students will be able to take their government-subsidised entitlement to private providers.

The Victorian TAFE Association estimates 2000 staff will be made redundant as a result of the loss of $300 million a year from 2013.

Along with cuts to school funding, the NSW government last week announced the axing of 800 TAFE positions and rises in student fees as part of a drive to ensure the state “lives within it means”.

In Queensland, the third eastern state where TAFE is under stress, an interim report to the LNP government recommends campus closures.

Pat Forward, the Australian Education Union’s federal TAFE secretary, said rural and regional communities would be the biggest losers. “The sharpest impact will be felt in rural and regional areas, where the local TAFE is often the only option for training,” she said.

Australian Industry Group chief executive Innes Willox said that while there was no doubt TAFE needed to be more responsive to industry, the states had gone too far.

Continued next page
Evans threatens to withhold VET reward funding

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“What you've got now is the development of quite a disturbing trend among the states to cut education funding — but vocational education funding in particular,” he said.

“There will be very significant short-term consequences for industry because we won't see the flow through of graduates and apprentices in core trades like electrical engineering, plumbing and welding that we need for our economy. We're already facing skills shortages as a result of cutbacks in the '70s and '80s. We don't want to repeat that mistake.”

Leaked documents in the possession of the ABC show drastic changes being considered by TAFE institutes and universities in Victoria, the broadcaster reported last Thursday.

Following the report, Swinburne University, which has a TAFE arm, released the executive summary of its business transition plan, dated September 7. Among its proposals are that the state acquire the university’s Lilydale and Prahran campuses or, alternatively, allow for their sale. The Prahran campus would reportedly fetch $50 million and the Lilydale campus $27.5 million.

Other possible sell-offs included Bendigo’s Castlemaine campus, GippsTAFE’s Yallourn site, Kangan Institute’s Moreland campus and NMIT’s Ararat campus, the ABC reported.

One of the nation’s leading VET researchers, Leesa Wheelahan from the University of Melbourne, said TAFE’s viability was being undermined in what was tantamount to “economic and social vandalism”.

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Training tumult

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> May state budget reduce funding by $300m a year from 2013.
> Hundreds of courses facing the chop and an estimated 2000 jobs at risk.
> Campuses could close or be amalgamated.

> 800 TAFE positions to go over four years.
> Student fee increases ranging from $44 to $150 for government-supported courses from 2013.
> Courses in sculpture, visual arts and ceramics only to be offered on full-fee basis.

> Interim report on September 4 by the Queensland Skills and Training Workforce recommends reducing TAFE campuses from 82 to 44.
> Final report due November.

> “There will be very significant short-term consequences for industry because we won’t see the flow through of graduates and apprentices in core trades.”
> INNES WILLOX
> Australian Industry Group chief executive

> “The sharpest impact will be felt in rural and regional areas, where the local TAFE is often the only option for training.”
> PAT FORWARD
> The Australian Education Union’s federal TAFE secretary
Outstanding achievements recognised

CANBERRA’S finest in the vocational education and training sector were announced at the 2012 ACT Training Excellence Awards on September 6 at the Vikings Club auditorium in Erindale.

The awards are held annually to recognise the outstanding achievements of individuals and organisations in vocational education and training.

The gala ceremony was attended by 480 of Canberra’s apprentices, trainees, students, schools and colleges, registered training organisations and business and industry. Many of the winners will go on to represent the ACT at the Australian Training Awards, a federal government ceremony that will be held in Melbourne on November 16. For more information about the awards, phone 13 38 73 or visit australiantrainingawards.com.au.

The evening was hosted by the Education and Training Directorate with presentations of awards by the ACT Minister for Education and Training, Dr Chris Bourke, and the Director-General of the Education and Training Directorate, Diane Joseph.

The ACT Training Excellence Awards offers its congratulations to all those honoured at the awards along with everyone – family, friends, teachers and employers – who have helped students achieve such excellence in their training.

The Directorate also thanks the generous support of the sponsors of the ACT Training Excellence Awards.
Potholes in the information superhighway

By ROBERT CRAWFORD

THE year is 2012 and we all expect to be able to get high-speed broadband or any internet for that matter.

Not if you live in parts of Bomaderry, as local resident and committed university student Irma Roberts has discovered.

At 73 years of age, Mrs Roberts is completing her second degree through the University of New England in Armidale, studying history.

She previously gained a Bachelor of Arts in Asian Studies in 2002, quite an achievement for someone who left school at age 15 and didn’t get her HSC (through TAFE) until she was 56.

“I use the operating system Linux on my computer and can’t get any internet at all, let alone broadband,” she said.

“No emails, no nothing.

“Apparently all because there are no portals left in our area for us to hook into.

“I’ve had my computer upgraded with the all the appropriate connection gear but just can’t get connected because of a lack of facilities.

“And wireless options don’t seem to be compatible with the Linux system.”

While Mrs Roberts struggles to complete her studies, which include online tutorials, she said younger students in her area were suffering the same fate.

Mrs Roberts lives in the heart of Bomaderry, just a few streets from Lyndhurst Drive.

“For me it’s a pain but I’m old, I don’t really matter. It’s the young children around here trying to study or the ones at uni who can’t get any internet access that I worry about,” she said.

“I’ve been given permission by the university to be a paper student, but I can’t watch or take part in any of the required tutorials.”

She has even tried using the computers at the Shoalhaven library, but they have time limits and “often drop out”, while a suggestion she try her nearest internet cafe, at the Bomaderry Bowling Club, meant she would have to acquire a laptop.

She even attended the National Broadband Network Information van when it visited the area and said she was insulted to be informed that maybe she should sell her home and buy one where she could get a connection.

Mrs Roberts confessed to not being a big letter writer but over the past few months has certainly put pen to paper as she has contacted the Minister for Broadband Communications and Digital Technology, Senator Stephen Conroy, Minister for Tertiary Education, Skills, Science and Research Senator Chris Evans and even the opposition’s Malcolm Turnbull, all of whom have no easy solution.

“I have spoken to our local politicians and people further up the chain and all I get told is that there are no local portals available but we are going to be part of the NBN rollout,” she said.

“We are going to be part of the rollout but work isn’t scheduled to start until December 2013 and even then it could still take another year to complete.

“I could be dead by then.”

Mrs Roberts said she has spent months trying various ways to gain a connection.

“I’ve contact both Telstra and Optus, have tried wireless, all with no success,” she said.

“Not having internet access is not only a problem for students; it is impacting on people’s everyday lives.

“As the way we do things changes, we can’t get access to the things that we are suppose to be able to do at the click of a button – pay bills, receive medical advice, order items, or even work online.

“We are supposed to be on a technology superhighway but it is full of potholes and craters that need to be addressed immediately.”

Telstra Country Wide Illawarra area general manager Michael Marom said parts of Bomaderry were covered very well by internet but unfortunately there were other areas that weren’t.

“Parts of Bomaderry do have problems as it is too far away from an exchange to get ADSL.

“Unfortunately we are restricted by distances from exchanges and that may be an issue here.”

“For areas of Bomaderry that aren’t covered we have suggested that customers use our wireless 3G system which provides excellent coverage for that area.

“But unfortunately it is not compatible with the Linux system.

“It’s not compatible with either Linux or Unix systems.

“It is compatible with any server with MS Windows, Mac OS but not those two other systems which would provide a problem.”

Mr Marom said the company would continue to roll out its new 4G system across the country.

“We will continue to improve and upgrade mobile services right through the Illawarra and South Coast as we have done in the past 18 months and there will be no slowdown in that program in the future,” he said.
**NO CONNECTION:** Bomaderry university student Irma Roberts is struggling to get an internet connection.