Calls to ease tough visa processing

Joanna Mather

Education businesses have stepped up pressure on the federal government to sell Australia’s student visa reforms to families in Asia and clamp down on immigration officials accused of turning genuine students away.

Navitas chief executive Rod Jones said any real recovery in the international student market was six months away and revival was dependent on the government getting positive messages into the marketplace, particularly in China.

On the back of an ongoing enrolment downturn, Mr Jones has described the past 12 months as the toughest in the company’s history.

Navitas posted a net profit after tax of $73.1 million for the financial year to June 31, which was 5 per cent down on the previous year.

“We’re definitely in a better position than 12 months ago but we’re probably six months away from seeing any real serious and significant improvement,” Mr Jones said.

Another listed Australian education company, Redhill Education, released what chief executive Glenn Elith described as “poor” full-year results on Friday.

The business recorded a $8.38 million loss after tax and an earnings before interest, taxes, depreciation and amortisation loss of $1.37 million for the year to June 30. EBITDA is a financial measure adjusted for non-cash and other items to reflect core earnings.

Redhill’s performance was hurt by a decline in the number of overseas students studying in Australia and tighter entry requirements for visa applicants.

The company has also highlighted a “margin erosion arising from increased competition in a shrinking pool of students”. Along with these issues, the result was affected by accounting-related impairments and tax considerations.

The listed companies have been battling soft demand for some time.

In 2010, Labor moved to stamp out the use of lower-level courses as a fast track to permanent migration, a link the previous Howard government had encouraged.

The policy change came as the dollar appreciated and attacks on Indian students generated negative publicity overseas. The result was a severe downturn that the government is now trying to correct through streamlined visa processing. However, easier visa requirement only apply to university students and a select number of “trusted” partners, locking many providers out of the new arrangements.

In July, Navitas told shareholders it had “moderately improving new student enrolments” across its university programs division. Mr Jones said Navitas would benefit from streamlined visa processing, which came into force in March, because it had been named an official partner of several universities, but this would not help the company’s English language businesses.

The key problem was a lack of understanding of visa changes in key source markets such as China, he said. “There is clearly still confusion in the marketplace about what streamlined visa processing means,” he said.

“The government has an opportunity to get some good press out there around the process, but that is lacking at the moment… the confusion that exists is not being dealt with a the moment. We need to get more information out into the marketplace and really the only place it can come from is government.”

Meanwhile, a new problem has emerged as a result of what is called the “genuine temporary entrant” test being applied to student visa applicants from November 2011.

The peak body for private
Calls for visa easing

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education providers has accused immigration officials of applying the test too zealously, turning genuine students away and worsening the downturn.

The Australian Council for Private Education and Training claims to have more than 200 examples of “spurious” visa refusals. ACPET chief executive Claire Field said a common reason for students being refused was because there was an equivalent course offered in their home country. Such rejections completely ignored genuine reasons for overseas study, such as the quality of Australian offerings, a desire to be exposed to another culture and immersive language learning, she said.

Last Friday the Department of Immigration and Citizenship held an extraordinary meeting of the education visa consultative committee, which is made up of representatives of the state governments, course providers and unions.

A spokesman for the department said the meeting’s purpose was to “discuss the application of the genuine temporary entrant criteria with a view to exploring ways in which industry and government can work together to ensure better understanding of the requirement”.

Ms Field said she was satisfied the government was aware of, and prepared to tackle, the problem. “It was pleasing that they were receptive to finding ways to address where the criteria is being inappropriately applied and to improve the way in which their in-country officers are engaging with prospective students,” she said.

“One of the criticisms we and other education peak bodies have had is not only the way the criteria are being used and the number of refusals, but also the language that’s being used in correspondence to students is at times quite defamatory.

“There are other examples that were shared with DIAC where students were being told there are other comparable courses in their own country and questioning why on earth would you want to study in Australia.

“Officials have even made comments about the quality of Australia’s education providers. “They know it is completely inappropriate.”
I will boost school rankings – PM

Jacqueline Maley and Anna Patty

THE Prime Minister, Julia Gillard, will pledge today to elevate the international standing of Australian schools so they rank among the top five systems in the world by 2025. The plan is part of the new school funding system her government intends to make law before the next election.

In the government’s response to the Gonski review of school funding, Ms Gillard will announce a plan for an “Australian Education Act” to enshrine the new funding model, meaning an incoming Coalition government would have to repeal the law if it wanted to return to the present model, its preferred system.

“By 2025, Australia should be ranked as a top-five country in the world for the performance of our students in reading, science and mathematics and for providing our children with a high-quality and high-equity education system,” Ms Gillard is expected to say in a speech setting up school funding as a key platform for the next election.

Australian schools are ranked seventh on reading and science and 13th on maths.

Ms Gillard will outline what she says are the three main deficiencies: that although four of the top five schooling systems in the world are in our region, Australia is not among them; that poor Australian children have disproportionately low educational performances; and that as a country we are “failing” indigenous students.

The review called for $5 billion in extra funding but the government has so far refused to detail how much money it will tip into the new system. It and the Coalition have promised that no school will lose money.

But the government, unlike the Coalition, is committed to the funding principle Gonski recommends, where a base amount for each student is topped up if the student is disadvantaged or disabled.

While Ms Gillard will argue today that the new model “strips away all the old debates about private versus public”, in essence it means public schools will receive more funding because they educate more disadvantaged children than private schools do.

The present funding model, under which each school gets money based on the socioeconomic background of its students, will expire next year. The new model will begin in 2014. At present, funding is indexed at about 6 per cent a year.

The transition to the new system will not be complete until 2020 and will depend on the cooperation of the states. The government has not said what indexation the funding will attract.

The NSW Minister for Education, Adrian Piccoli, said yesterday the states had a limited ability to raise revenue and would not support a new system unless the Commonwealth provided most of the extra cash.

Mr Piccoli said, “That discussion hasn’t begun. We are in a pretty tight situation as it is.”

The Commonwealth now provides 30 per cent of schools funding and states give the rest.
UNIVERSITY bosses fear the Gillard government’s razor gang may have $320 million in research grants in its sights, potentially crippling innovation and devastating their balance sheets.

Fred Hilmer, chairman of the Group of Eight universities, said a freeze on grants to the end of the year, as reported in The Australian last Thursday, would put research investment on hold. And if the government were to cancel rather than just postpone, the spending bill would run to $1.3 billion.

The government is understood to have imposed a clampdown on $2bn in grants in its attempt to return a $1.5bn budget surplus. At a cabinet meeting last Monday ministers were told to control any spending on grants that had not already been contracted.

 Universities say the Australian Research Council and National Health and Medical Research Council are targets. Researchers would also be hit by a freeze on grants channelled through medical research institutes and various bureaucracies, including the Department of Agriculture, Fisheries and Forestry.

“Such cuts, if made, would be unprecedented and arbitrary and would completely undermine the government’s rhetoric on innovation as the key to Australia’s future,” said Professor Hilmer, who is also vice-chancellor of the University of NSW.

Co-operative Research Centres Association executive director Tony Peacock said the government’s announcement of successful applications for next year, worth $150m, was already overdue. “The rumour mill is going crazy and no one is rushing to deny it,” he said.

Early last month The Australian reported that a $236m program to rejuvenate manufacturing by teaming the private sector with university researchers had failed to meet its deadline to publish application guidelines. The program had been spruiked by Julia Gillard as helping “build the industries of the future” by funding more than 1000 engineering cadetships and 600 researchers a year. The guidelines are still not out.

But Conor King, executive director of the Innovative Research Universities group, was sceptical that the government would postpone major research funding. “There are various programs that might be scaled back, which would be unfortunate but not irreparable,” he said.

Vicki Thomson, executive director of the Australian Technology Network of universities, said: “Research planning and conduct is a long-term exercise and the sudden freezing of any step would be seriously disruptive.”

Professor Hilmer said freezing research grants would be like “cutting off your head to cure dandruff”.

A spokesman for Tertiary Education Minister Chris Evans said: “No decision has been made to freeze research and innovation funding. Analysing the levels of existing program expenditure is a normal part of the budget process.”
Students cry foul as some universities fail to share

Ruth Callaghan

Many universities have not yet signed deals with student unions to share funds from the new student services and amenities fee, according to the results of a survey due out this week.

The survey of student organisations by the National Union of Students shows that 11 universities have signed agreements with student representatives to share the proceeds of the levy, which came into force at the beginning of the year. Of these, just five deals will run for more than 12 months.

While no student organisation reports being worse off under the change, eight of the 20 student groups which responded said they were no better off either.

The Higher Education Support Amendment (Student Services and Amenities) Act was passed last October, allowing universities to charge up to $263 a student in 2012 to be spent on activities that support on-campus services.

Political activities are excluded but provision of legal, health or welfare services, funding food or drink for students, supporting student media or providing non-academic libraries and reading rooms are eligible options.

Student unions had hoped the funds would help replace the $170 million estimated to have been stripped from student service budgets by the Howard government’s voluntary student unionism laws, but the NUS says not all universities appear willing to share. Under the legislation, universities are not compelled to provide funding to student groups, but they are required to consult with students.

NUS president Donherra Walmsley said a common complaint was that universities were using the fee to replace their previous support for student organisations rather than boosting payments to unions.

“The university isn’t expanding the range of services they are providing, they are just using a different pool of funding,” Ms Walmsley said.

“They had hoped to seriously expand their services under the SSAF but they are just not being given the additional money to expand.”

The NUS has identified the University of Wollongong as “one of the most hostile universities, and at this stage they are yet to finalise an agreement,” a claim that university management rejects.

“The university is not supportive of the Wollongong Undergraduate Students Association receiving funding to run student services and support,” Ms Walmsley said.

In contrast, some universities whose student unions had suffered under voluntary student unionism were redressing years of reduced funding, she said.

Six student organisations reported that circumstances had “drastically improved”, nine said funding had “somewhat improved”, one reported funding had remained the same.

Four were still in negotiations for additional funds.

No response was received from 18 of Australia’s 38 universities, which Ms Walmsley said reflected in part the number of student organisations that collapsed under voluntary student unionism. Some university managers are also still developing their plans.

“In some cases, like James Cook University and Flinders University, SSAF has provided a huge injection of much-needed funds and it has really revitalised services and the campus life in those places,” she said.

“At Swinburne as well, the student organisation hasn’t been funded for something like six years and they have just signed an agreement. It is only for a small amount now, but they are re-establishing a relationship

Continued page 24

Some universities are refusing to expand the range of student services, says Donherra Walmsley. Photo: SASHA WOOLLEY
Some unis fail to share

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with the university and rebuilding their capacity slowly.”

NUS also praised the University of Melbourne, which is sharing its $5.7 million in revenue between groups including the organisation that delivers student services, the Melbourne University Student Union Limited, as well as the student-led University of Melbourne Student Union and the Graduate Student Association.

James Cook University’s plans for allocating $2.5 million include $400,000 for reading rooms and study places, $125,000 for clubs and societies and $140,000 for sporting infrastructure.

Deputy vice-chancellor (university services) Stephen Weller said a significant proportion of the funds would be administered by the JCU Student Union, which was a decision made early on.

“There’s no requirement in the legislation that you give a certain amount to your student association or your student union,” he said.

“There’s a requirement to consult and there are ministerial guidelines in terms of advocacy, so I think any institute that seeks to give unions none will find themselves in a very difficult situation.

“When Senator [Chris] Evans introduced the bill, he indicated that it was his expectation that at least a third would find its way to student-run organisations.”

Responding to criticism, University of Wollongong academic registrar Megan Huisman said the university negotiated with student representatives on a committee that included the student association, 21 projects were identified and many had already been delivered. She said 1 per cent of the university’s $4 million in SSAF funds would go to the student association in additional funds.

Dr Weller said other universities did not necessarily agree with JCU’s approach. “Many of my management colleagues have said ‘why are you giving them so much? We can do those things. We can do them better,’” he said. “We have taken a very philosophical position that this is money paid for by students and at least a third of it being allocated and spent by an organisation run by students is the right thing to do.”

FBA 024
Forget the fees debate, now is the time to talk about productivity

Opinion
Vicki Thomson

Although contentious and rejected by many in higher education, the Grattan Institute report written by Andrew Norton has potentially done the higher education sector a service in one respect. It has opened up a full-blown debate on the role of universities in Australia including the long-overlooked question of their linkages to the biggest challenge facing the nation: re-igniting productivity growth.

Norton argues the federal government could save $3 billion a year by cutting tuition subsidies for students by 50 per cent in some disciplines. He believes universities will be able to raise fees to compensate for the revenue loss and students will not be put off by the higher costs because there will be no upfront tuition charge thanks to income-contingent loans.

In the context of productivity growth, a much more instructive document to read than Norton’s tendentious findings is a discussion paper issued by the federal government’s Australian Workforce and Productivity Agency (AWPA) released in July called: Australia’s skills and workforce development needs.

Under the sub-heading “Smart Recovery” the paper states: “Knowledge work, requiring increased investment in education and training is recognised as the most significant contributor to productivity gains and new job creation under this scenario.”

The report goes on to assert that “knowledge-based recovery” will have significant implications for the tertiary sector given its important role in innovation. And under the heading “Terms of ‘Trade Shock”, the report says: “Investment in education is critical as Australia tries to revive science, technology, engineering and mathematics education to aid the high-tech sector.

“Further, the tertiary sector will play a key role in contributing relevant profession skills to revive manufacturing at the high-tech end and foster innovation.”

AWPA also makes some salient points on the restructuring of the Australian economy now under way. “Flexibility and adaptability of providers will be critical as sectoral adjustment occurs in response to the downturn in the resources sector and demands for skills associated with manufacturing increases,” it says.

These insights come straight out of the university playbook. The message is loud and clear: universities need to be seen as an investment, not a cost.

Indeed the AWPA’s observations were only reinforced recently by warnings from Workplace Relations Minister Bill Shorten that Australia will need to find 800,000 new workers in the next five years to ensure economic growth. The findings commissioned by Shorten note that there will be a future surge in services industries that will eclipse the resources boom. This is core business for our universities.

Most of those jobs will need to come out of universities and given the conclusion that the services sector is the hope of the side many will come out of the ATN[Australian Technology Network of Universities] system. But this will require sustained investment.

The only available destination point is this: in order to successfully face those imperatives, universities need to lift their gaze and engage with the productivity debate in the so-called Asian Century, rather than become bogged down in a dead end debate about fees.

Vicki Thomson is executive director of the ATN.

The message is loud and clear: universities need to be seen as an investment, not a cost.
Knowledge-based recovery will have significant implications.   

Photo: GABRIELLE CHAROTTE
Qld TAFE headed for a new chapter

**Joanna Mather**

Queensland TAFE might become a stand-alone statutory authority, in line with counterparts in other states and allowing colleges to respond to local market forces.

An interim report by the Queensland Skills and Training Taskforce recommends the change as part of an overhaul of vocational education and training (VET).

The taskforce, headed by Queensland Resources Council chief Michael Roche, examined whether TAFE should sit outside the education department as a single statutory entity or multiple statutory institutions.

Queensland Minister for Education, Training and Employment John-Paul Langbroek confirmed on Friday he had received an interim report recommending TAFE Queensland become a stand-alone statutory body. “We will consider this recommendation…and the government’s full response will be delivered after the final report is handed down in November,” he said.

TAFEs in Victoria became statutory entities with self-governing boards under the Kennett Liberal government in the 1990s. Similar reforms were introduced in Western Australia and Tasmania is following suit. There are rumblings of a change in NSW too, with a report by the state Commission of Audit on Government Expenditure released in August finding that TAFE directors will need greater autonomy to compete with private providers.

VET reform nationally revolves around the idea of a student entitlement, which can be “spent” with either a public or private provider. In theory, this will drive competition and improve quality, with industry often complaining that TAFEs are not responsive enough to local demands because they are part of larger education departments and associated bureaucracies.

TAFE Directors Australia (TDA) chief Martin Riordan welcomed the taskforce’s recommendation in Queensland. “[Governance reform] provides a huge opportunity to be set up differently financially and greater capacity to compete with private colleges for government money.” A TDA submission to the taskforce highlighted the efficiencies and strong financial performance of two of Queensland’s 13 TAFE institutions that already operate as statutory authorities.

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TDA chief Martin Riordan welcomes the recommendations. Photo: LOUISE KENNERLEY
Union push for indigenous jobs

Joanna Mather

The National Tertiary Education Union will push for greater indigenous employment quotas as new enterprise agreements are negotiated with universities.

Among the union’s key bargaining claims is that universities must each set targets for the precise number of indigenous people they will employ over the next four years.

Union president Jeannie Rea said percentage targets were imposed after the last bargaining round but they were proving to be too ambiguous in some cases.

“There were places where they had good employment strategies in place and a good reconciliation action plan but very little movement on it,” she said. “Where a numerical target didn’t exist, it was hard to push the issue.”

Enterprise bargaining is under way at Curtin University and the University of Sydney, with others to follow later this year and next year. Ms Rea said numerical targets would be decided on a university-by-university basis according to the percentage of indigenous people in local communities.

The union is stepping up efforts to provide more opportunities for Aboriginal and Torres Strait Islander people as the federal government prepares to release an independent report on higher education results for indigenous students. Some universities are ahead of the curve. CQUniversity is believed to be the fifth university to create an executive-level role to oversee indigenous affairs in recent years. Bronwyn Fredericks was appointed pro vice-chancellor (indigenous engagement) in March. She is also the BHP Billiton-Mitsubishi Alliance chairperson in indigenous engagement. The coal company provided $1.8 million to support her appointment and 15 scholarships. Professor Fredericks called on other universities to create similar roles. She will oversee the inclusion of indigenous content in all curricula and work to ensure indigenous enrolment rates match the proportion of Aboriginal and Torres Straight Islander people in surrounding areas.

“While CQU has twice the national average of indigenous students in terms of enrolments, we will struggle like other universities with retaining those students so that’s where some of my efforts will go to.” Professor Fredericks said.

Appointment pathfinder . . . Bronwyn Fredericks, pro vice-chancellor (indigenous engagement) at CQUniversity.
$30m skills training facility

THE new $30 million Tropical North Queensland TAFE Trades Training Precinct has been officially opened by the Assistant Minister for Technical and Further Education, Saxon Rice. Coinciding with National Skills Week and the 130th year anniversary of TAFE Queensland, the opening on August 28 marked an important milestone in the history of Tropical North Queensland TAFE (TNQT).

For 35 years, TNQT has been offering vocational education and training in Cairns. Formerly the trades offered at TNQT were housed in seven blocks across the campus.

The recent completion of the new $30 million Trades Training Precinct includes trades, horticulture, electrical and automotive training areas.

The construction of the new under-roof 8000 square metre facility brings together carpentry, brick and block laying, plumbing, civil construction, refrigeration, fitting and turning, boiler-making, metal fabrication and diesel fitting.

TNQT Institute director Joann Pyne said the building was state-of-the-art and would make a major impact on TNQT’s ability to supply skilled workers to local industries.

“This year more than 1100 apprentices are already benefiting from the prototype equipment and modern technology that has been installed in our $30 million Trades Training Precinct,” Ms Pyne said.

The trade courses at TNQT now offer training in 42 welding bays, 28 gas cutting bays, heavy diesel areas with a heavy truck hoist, air conditioning and refrigeration workshops, all weather brick/block laying workspace, sandpit draining area, a plumbing tower complete with simulated bathrooms and fire protection training room, retro-fitted electrical workshops and carpentry/furnishing machining room.
THE days of four-year electrical and engineering apprenticeships could be numbered.

The introduction of new fast-tracked training is set to deliver a trade-qualified worker in as little as three years.

The $9 million plan will do away with time-based apprenticeships, and instead encourage on-the-job learning as part of a national competency-based scheme.

Provided the apprentice is able to demonstrate their work-ready skills, apprenticeships could be completed in less than three years.

The Australian Industry Group will partner with the Gillard Government in the project, announced this week by Skills Minister Chris Evans.

The Government will provide $5.3 million in funding, with Al Group making up the balance.

Mr Evans said the reforms would bring benefits for apprentices, employers and the broader economy.

“In this modern economy, the concept of a four-year apprenticeship is outdated,” he said.

“It is part of the reason that completion rates are at an unacceptably low level of around 50 per cent, and also why we are struggling to attract people of all ages to undertake an apprenticeship.”

Innes Willox, the AI Group’s chief executive, said time-based apprenticeships were part of an outdated training model.

“The Commonwealth-funded project seeks to drive the reform through implementing genuine competency-based progression and completion arrangements for the engineering trades,” he said.

More than 3000 apprentices nationally will benefit from this rollout.

“In order to clearly demonstrate achievement of the requisite standards, external assessment validation utilising tools developed by the National Quality Council will occur across all trial sites.”

Mr Willox said.

“AI Group is creating a model whereby apprentices progress through all components of their apprenticeship, both on the job and off the job, by demonstrating competency and proficiency along the way.

“Despite years of reform in the training system, apprenticeship arrangements have continued to be bound by the time-based arrangements of yesteryear.

“Industry confidence in the quality of assessment outcomes will be critical to achieving success,” Mr Willox said.

“In order to clearly demonstrate achievement of the requisite standards, external assessment validation utilising tools developed by the National Quality Council will occur across all trial sites.”

“The model will deliver the work-ready apprentices that are fundamental to addressing Australia’s growing skills deficit.”
In the firing line

Quietly but methodically, Barry O’Farrell and his government are stripping back the services and rights of all working people in NSW.

This week, the O’Farrell government slashed TAFE funding by $29 million, vocational education and training by $40m and scrapped 120 rural fire service jobs. Last week, Lifeline funding was under threat and, the week before that, child protection workers in Wollongong were forced to strike due to their concerns over funding cuts.

But it's not just the public service in Mr O’Farrell’s sights. His Minister for Finance and the Illawarra, Greg Pearce, has now decided to attack injured workers as well. The uncertainty created by his draconian new Workers’ Compensation laws will hurt the most vulnerable.

O’Farrell and Pearce need to stop attacking ordinary workers and start delivering on the services they said they would at the last election.

James Dunn, Thirroul
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“The Commonwealth-funded project seeks to drive the reform through implementing genuine competency-based progression and completion arrangements for the engineering trades,” he said.

More than 3000 apprentices nationally will benefit from this rollout.

“For too long there has been much talk about improving Australia’s apprenticeship system but little more has been achieved than tinkering at the edges,” Mr Willox said.

“AI Group is creating a model whereby apprentices progress through all components of their apprenticeship, both on the job and off the job, by demonstrating competency and proficiency along the way.

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