

A New International Education Strategy for Australia
Submission to DESE by Dr. DG Blight AO
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Universities, colleges and allied industries should work together to deliver a new student-centered international education strategy for Australia. The government's consultation paper¹ directed at this purpose is to be welcomed.

Background

Three issues arising from the consultation paper stand out:

- The need for agreement amongst universities, colleges, governments, allied industries and others on the overall **objectives** of international education in Australia.
- The balance between long-term and short-term objectives and priorities that deal with the immediate crisis stemming from the Covid-19 pandemic and Australia's response to it as well as a longer-term vision of what place Australia sees for international education in 2030; and
- The suggested *equal* emphasis on 'all modes of delivery'. Changes in regulation are hinted at but no detail provided.

Objectives

Based on ideas in the consultation paper, objectives should include:

- To deliver through various modes high quality education and training options for *both* Australian and international students, that satisfy their personal circumstances, their career and life ambitions and for which they, their governments or sponsors are prepared to pay. A welcome, underlying and novel perspective, brought out more clearly in the

¹ Connected, Creative Caring: An Australian Strategy for International Education, Department of Education, Skills and Employment, March 2021.

consultation paper, is the integration of objectives for both international and Australian students.

- To retain Australia's a top-three leadership position (after the United States and the United Kingdom) in international education in an English language medium with total international student numbers, over time, approaching an agreed 'natural' limit of about 25 per cent;
- To increase Australia's foreign exchange earnings from the export of educational services; and to increase the revenues of Australian universities and colleges and allied industries; surpluses would be available to be reinvested in the quality and range of their teaching, research and community services – for Australian *and* international students and communities.
- To encourage reinvestment that creates high quality employment opportunities for new and existing employees of Australian universities and colleges and in allied industries, generates knowledge to aid policy formulation and intellectual property of value (including through commercialisation) to Australia and globally.
- To sustain through public education Australian community support for the international education program.

Urgent Priorities

The Covid-19 disruption to international education threatens to plunge Australian universities, colleges and allied industries into crisis.

The most urgent priority is to determine when and how we can safely open our borders. A delay into 2022 could damage the fabric of Australia's capacity to deliver on its objectives.

Longer Term Strategic Choices

In the longer term, **key priorities will be determined by the relative weight placed upon each of the agreed objectives.**

Students at the Centre

(Discussion Question 2)

Providing the best possible student experience now and in the future for both Australian and international students should be at the centre of any new strategy – for sound business, educational and cultural reasons. The consultation paper embraces a range of priority tasks which this submission endorses: stronger collaboration across the sector, making deeper connections with industry, provide caring welfare and educational support, and expand beyond traditional courses and source countries.

Support for all students should feature in every step of the student cycle from pre-departure English language testing and teaching², targeted course, training and research information, design and delivery of courses in areas of known demand through to post study work experience. If an international student is on a legitimate immigration pathway, access to longer-term employment advice will be a vital part of any strategy.

Under Australia's 'one stop shop' concept in the early days of the full fee overseas student program, prospective international students could obtain information counselling and enrolment and visa application assistance for all universities in Australia. The One Stop Shop approach has been mimicked digitally: global competitors or aggregators now provide similar digital information, counselling and enrolment services.

² Persistent anecdotes (mainly from domestic students) about the inability of some foreign students to keep up in lectures and seminars suggests that this weakness has been accentuated by the online experience. That has proved much harder and more isolating for non-native speakers.

Responsibility for each of the steps in the cycle rests variably with institutions, their agencies and their industry partners, sponsors, and with governments.

Policy and Regulatory Flexibility

(Discussion Question 3)

Australia's international education program grew from significant government policy changes introduced in the mid-1980s. As a result, Australia had three categories of international students:

- The long-standing Colombo Plan students, mainly from South East Asia; some were sponsored by other donors;
- The quota-controlled, partially subsidised overseas student program; and
- A third category of so-called full fee paying overseas students which had bipartisan support. The third category eventually replaced the subsidised overseas student program (with an intended focus of gender equity).

A new set of scholarships or fourth category funded by savings gained from the winding down of the subsidised numbers, was initially described as equity and merit scholarships, was introduced but have since been absorbed into the first category now titled Australia Awards.

The full fee program, which was mostly welcomed by universities and colleges, was initially lightly regulated: students had to have appropriate academic qualifications, an assessed ability to study in an English language medium, were able to meet the full cost of their studies including fees and living expenses, and had the intention of returning home on completion of their studies. They were then allowed entry to Australia. Numbers of such international students grew only slowly but with strong government support,

including through export market development grants, and active marketing by universities and colleges reached substantial numbers.

Institutional interest grew steadily: a wider range of colleges from the private sector and some schools joined the recruitment push. A rush of enrolments after the year 2000 in courses which appeared to offer a pathway to immigration followed. Pressures for a measure of increased regulation emerged. The collapse of a number of providers – especially amongst the English language teaching and private vocational providers – due to a range of factors, led over time to the introduction of a series of regulatory controls. As more departures from the intended purposes of the new policy became apparent further regulatory controls were applied.

There are some 20,000 international student recruitment agencies worldwide³. These enterprises have become a key conduit of the ‘ever more commercialised journey’ that thousands of international students make each year to enroll in universities and colleges abroad. These intermediaries between universities and colleges, which are said to be ‘increasingly desperate’ for international tuition fee revenues, and students searching for their perfect international study destination, have become a staple of the international student recruitment industry. Few governance mechanisms exist to protect students from unscrupulous agents. Agents recruiting for Australian universities and colleges are, however, ‘regulated’ through the agency of the institutions, not directly by government. No doubt, done properly, such monitoring, which constitutes an administrative burden on the institutions, adds to the cost of recruitment.

³ <https://www.internationalhighereducation.net/api-v1/article/1/action/getPdfOfArticle/articleID/3163/productID/29/fileName/article-id-3163.pdf>

One means of reducing the costs of monitoring private agent behavior, and the effectiveness of their work, has been established by the American International Recruitment Council (AIRC). The AIRC has a sophisticated means for accreditation of private educational agents which might be worth further exploration.

If the pathway to settlement in Australia is opened up again, as suggested below, such accreditation will become vitally important to provide an authentic filter of applications against agreed criteria.

Modes of Delivery
(Discussion question 4)

The biggest single change mooted in the discussion paper is the equal emphasis it places on all modes of delivery; it calls for innovation in online and offshore delivery of international education. Three considerations arise from this change: it would position Australia in the midst of tough global competition especially from leading universities in the United States and the United Kingdom; it would require substantial investment; and it could potentially impact on the age-old community of inquiry, whereby students and their professors come together to discuss content. This unique pattern of discourse, which enables learning by osmosis, would face difficulties in being reinvented for the digital campus.

Online delivery is nevertheless a legitimate short-term response to Covid-19. However, many international students have fundamental concerns about online, or completely online learning: many international students go abroad not merely for an academic outcome but for social, cultural, personal and professional growth. Studying abroad can be a transformative experience, one that is not likely to be replicable in a digital environment for some time yet.

The pandemic has seen the evolution of hybrid approaches: students can undertake some studies in their home country (especially whilst borders remain closed) and the balance abroad. These are sometimes abbreviated numerically, such as one plus two (or three), to indicate the split between study at home and study abroad. The model usually provides for online or offshore delivery with some support from study centres established in the source country by the university or college and/or by partner institutions in that country. The University of Western Australia has, for example, established five study centres in China which offer coffee, comfort and limited tutorial support for Chinese scholars. The Australian National University has a similar set up in China. Vietnam has embarked on a pilot project⁴ with five Australian universities to offer online and blended degree courses in partnership with Vietnamese universities, under a new Vietnamese Government directive allowing foreign providers to offer online courses. This could, 'open a new chapter for blended learning in transnational education where foreign universities offer their own degrees or joint degrees with local universities,' experts say. Vietnam is one of the first countries in Asia to officially allow online delivery of foreign degrees to students within the country, also known as transnational education or TNE, with other countries hesitant to change their regulations, fearing a Pandora's box of unrestricted and unmonitored 'entry' of foreign providers using the online space. It also points to newly emerging forms of cross-border education since the global pandemic wreaked havoc with normal teaching.

The Australian universities involved in the pilot are Monash University, Deakin University, Swinburne University of Technology, Griffith University and the University of Southern Queensland. An overview of blended courses has been provided in a recent article in Pie News⁵.

⁴ University World News, April 2021

⁵<https://thepiereview.mydigitalpublication.com/publication/?i=703063&view=contentsBrowser>

There has been a tendency amongst some universities and colleges to keep oversight and planning of the differing modes of delivery separate. The aim is to keep offshore delivery or TNE and their international student on-campus delivery separate. This could be because of a fear that the offshore option 'might cannibalise on the revenue from the inbound student market.' Casual observation suggests that the two forms of delivery are handled quite separately in many Australian universities sometimes by bureaucratic boundaries within organisational structures.

Governments might be attracted to the hybrid option. Properly handled and priced it should more than accommodate any losses from inbound enrolments.

It might also be appropriate to consider the introduction of a new visa category for international student: one that allows for them to work for say 30 hours a week and to enrol as part time students under the same conditions as apply to domestic student. Such an arrangement, which goes somewhat beyond the Government's announced intention to lift the hours of work allowed, might also be shaped to address labour market constraints in areas of employment beyond those identified in tourism and hospitality. Obviously, while international students will derive financial and social benefits from a more liberal work allowance care will have to be taken to avoid unintended consequences. The closer the work experience is to the discipline of study, the better.

Diversification: Products, Services and Source Countries

(Discussion questions 4, 5 and 6)

Diversification applies to source countries, products, services and study disciplines. It is key to sustainability of Australia's international education sector: to expand beyond traditional geographic markets and away from concentration on narrow sets of products or services.

Source Countries

From an initial focus on just Indonesia, Hong Kong, Singapore, Malaysia and Thailand, Australia became dependent on just four or five source countries - predominantly China and India - for sixty per cent of its international student enrolments. Demographic changes in China and a projected significant fall in population [growth] and a drop of 30 million in the number of people in the aged 18 to 21 may perforce reduce the demand from China. India, due to the impact of Covid-19 may be similarly affected, although Covid will set back its ambitious plans to expand its own capacities. Australia should look to expand beyond these markets to diversify away from this overdependence.

Based on a presentation I made to an IDP Conference in 1995 (*International Education: Australia's Potential Demand and Supply*), the Centre for International Economics (The CIE) built a multilayered model that predicts higher education demand on a country-by-country basis and then on demand for international education for each country. These were each a function of economic and demographic factors. At a second level, the model predicted destination country shares. The 1995 forecast of a potential enrolment approaching one million was seen as fanciful. In 2019, it seemed to be within Australia's grasp⁶.

Preferred Areas of Study: Employability and Other Motivations

With students at the centre of planning, their motivations must be better understood. In large measure, it appears that the extent to which disciplines enhance employability – at home, internationally or in the host country - is crucial in student thinking⁷.

⁶ Global Student Mobility: An Australian Perspective Five Years, on 2007, was described as a contribution to the body of research which underpinned the development of international education in Australia. It built on previous studies by IDP including the 1995 study International Education: Australia's Potential Demand and Supply, and the 2002 study Global Student Mobility 2025, which were both recognized as landmark pieces of research and were widely used by institutions and international education practitioners to plan their business strategies.

⁷ Louise Nicol, Founder Asian Careers Group SDN BHD, in University World News, LinkedIn 5 March 2021

Greater attention should be given even at the point of student recruitment to the students' successful exit from universities and colleges, as well as through provision of post study work rights. An IDP promotional recruitment⁸ effort has suggested, for example, that good prospects of employment and permanent residence were high in baking and pastry cooking.

There are other motivations for study abroad: adventure, curiosity and permanent residency. The prospect of permanent residence might also be a key Australian strength in certain markets if we are prepared to be transparent about it.

A better guide on preferred areas of study might be provided by a deeper dive into potential demand for disciplines of study. Part of the answer here is available through services offered by IDP Connect and other information services which trace areas of study that are explored by prospective international students. Data based on search records is harvested from online course databases.

There is also room for seasoned subjective judgment. **In terms of Australia's competitive edge⁹ emphasis could be placed on:**

- **Foreign relations and trade with Asia** (of relevance to the region's major trading partners), perhaps more sharply with South East Asia, or even more tightly focused on dealings with Indonesia, the fourth most populous nation on the planet;
- **Tropical and semi-arid agriculture** (where ACIAR's research and training experience and reputation might be particularly relevant);

⁸ <https://www.idp.com/australia/study-to-migrate/study-bakery-courses-in-australia-pathway-to-pr/>

⁹ International university rankings are one of the factors that students take into account when deciding on a study destination. These rankings are of uneven quality and some question their methodologies. The Times Higher Education's criteria emphasize impact on achievement of the United Nations sustainable development goals; it suggests that 'Australian and New Zealand universities Australian and New Zealand universities can also claim to be making an outsized positive impact beyond their walls, taking five of the top 10 places'.

- **Public health** (where Australia's performance in controlling the spread of Covid-19 has enhanced its standing).
- **Space, astronomy and cybernetics** (skills for the future as identified in discussion question 6).

Austrade has identified three major Australian export industries: **energy and resources** (where 'Australia is one of the world's top three exporters of energy and resources'); **food and agriculture**¹⁰ ('Australia's farmers are world leaders in the production of clean, green premium produce'); and **the finance sector** ('Australia's highly dynamic financial services have amassed the world's eighth largest pool of investment fund assets'). It is these three industries, as the Austrade promo says, 'while education and tourism have taken a Covid-related hit in 2020', are powering exports and competitive advantage. They underpin Australian prosperity in challenging times - and they are also evolving.

*Alliances - Stronger collaboration across the sector
(Discussion Question 4)*

Collaboration amongst universities and with other components of the education and commercial sectors are essential. IDP's success in the development and operation of the International English Language Testing System through a partnership with Australian universities and colleges, the British Council and Cambridge University is an exemplar. Navitas has sponsored commercial linkages. **Partnerships with successful exporters of minerals and energy might be possible. Another example of collaboration as universities seek to digitise their content for Internet delivery is that they may be able to outsource this task to specialist online publishers.**

A uniquely Australian education experience

¹⁰ The work of the Australian Centre for International Agricultural Research, where I served for 2 years as foundation Centre Secretary, has also enhanced understanding of Australia's expertise in research and training in the sector.

(Discussion Question 6)

A combination of an in-demand product and services focus, generous post-study work rights, integrated and hybrid offshore/onshore teaching, and the prospect of permanent residence in a healthy, liberal democratic country are arguably all important components of a uniquely Australian education experience. The opportunity to learn more about Australian society and expertise, perhaps in a more organised way than is currently the practice, and through study and work could provide a pleasant intellectual framework for this learning process.

The prospect of permanent residence in Australia would add, by definition, a uniquely Australian flavour to the country's offering.

Community Support
(Discussion question 7)

Community support for the enrolment of large numbers of international students in Australian universities and colleges has always been fragile. Efforts have been made in the past to demonstrate through careful analysis and reporting the foreign exchange, educational and cultural benefits to Australia, to its national and especially its regional communities, and to Australian students. These have been largely successful so that outright opposition has been nullified. However, the onset of Covid-19 has made many communities nervous at the prospect of virus incursions. Even a small number of outbreaks feasibly linked to international student arrivals could quick escalate these concerns.

One feature of the early years of the Colombo Plan was the practice of appointing informal Australian 'foster parents' for foreign scholars especially for young people studying and travelling abroad for the first time. This gave

the scholars a contact point in the Australian community. It also built amongst this small segment of the community an appreciation of the Plan and its scholars.

Australian governments clearly share concern over the risks of popular disaffection with the whole concept of international education both in terms of the infection risk to the Australian community and the damage it could do to Australia's attractiveness as a study destination. It has, through its protocols¹¹ for foreign student entry, imposed rigorous requirements upon students, institutions and its own regulatory agencies. It has in effect rejected or discouraged the one or two well-formed proposals for trial projects in the face of intense lobbying. It may have been wise to have done so especially until most Australians have been vaccinated. Some limited progress might be possible but no significant opening appears likely until 2022. Bridging finance to preserve the fabric of Australia's capacity to deliver appears essential.

Other areas in developing a new strategy
(Discussion question 8)

The Coronavirus presents Australian policy makers with a wicked problem, including whether, and if so when and how, to open the borders to international student arrivals. Australia plainly needs to restore or replace foreign exchange earnings gained from international students. It has been amongst its top earners for nearly a decade now. But it must do this without putting at risk the health and wellbeing of its citizens.

¹¹ <https://www.dese.gov.au/download/10332/protocols-and-precondition-international-student-arrivals/20008/document/docx>

Universities and colleges face comparable dilemmas. They urgently need to invest in change and innovation; to retain teaching and administrative capacities of well qualified staff; but the effective closure of the international revenue stream due to the virus has starved them of investment capacity.

Universities face another dilemma: how to continue to deliver their public good, social purpose but at the same time generate additional revenues through profitable enterprise to enable them to sustain even current levels of research, training and community services. Revenues from international students have been crucial in balancing this duality.

Commercialisation of university research outputs may be a supplementary source of income for universities to that lost from the international education program, especially if new resources can be found for scaleable funding for fundamental/discovery research outside of the ARC/NHMRC paradigm. But commercialisation is a long, time consuming and expensive process. It should, no doubt, be pursued – it is a potentially profitable enterprise that would help universities balance their social and entrepreneurial purposes.

Conclusions and Recommendations

I have consulted widely with colleagues, international students and education industry representatives. Dr. Donald Greenlees of AsiaLink has provided helpful editorial commentary. The views expressed herein are, however, my own. They are based on my 15 year experience as an Australian diplomat and aid administrator, my work at IDP over a period of 14 Years (as deputy and CEO), my six year service as CEO of CAB International in the UK, and my reading of the literature and the draft submission of the International Education Association of Australia the sentiments of which I broadly endorse. I recommend that:

- 1. Governments should provide some measure of targeted financial support to educational institutions to enable them to bridge to such time as student flows are restored and increase to enable institutions*

- to retain core capacities, to invest in pedagogy, technologies and the various strategies proposed below. Targeted extensions in the short and medium term could, for example, include adjustments to existing support mechanisms such as Export Market Development Grants (to favour new markets and new product development), a special Australian Research Council Linked program (to fund R&D on online course design and delivery), a Cooperative Research Centre (to encourage university-industry cooperation in commercialisation of relevant pedagogy and supporting information technologies for online delivery).*
- 2. Top priority should be accorded to strategies that deliver returns in the immediate and near term. Some form of direct subsidy enabling universities and colleges to keep essential staff on their books might be the most straightforward option if it were consistent with broader fiscal settings.*
 - 3. For the moment governments might reconsider international student 'bubble' plans submitted by State and Territories for students from New Zealand, the South Pacific, Singapore and Taiwan. A combination of pre-departure vaccination and specialised quarantine facilities might aid the gradual extension of this strategy to more countries.*
 - 4. As an element of a longer-term strategy, governments should seek to expand quarantine facilities throughout Australia, including for international students possibly on a cost recovery basis.*
 - 5. Universities, colleges and governments could invest more in pre-departure and bridging arrangements for non-native speakers; and set standards of language proficiency according to necessity.*
 - 6. A new strategy should explore the scope for a self-financing Australian, non-government entity to undertake accreditation of private education agencies modelled on the American International Recruitment Council.*
 - 7. Education, research and training services underpinning successful Australian export industries that might attract international students should be identified. Such a product or service focus should also aid education sector-industry cooperation.*

8. ***Governments and institutions should take a deeper dive into potential demand for disciplines of study including through analysis of search records of online databases explored by prospective international students.***
9. ***A new strategy should further explore and develop in-demand products and services (including hybrid and blended offshore/online and onshore/on-campus delivery modes), post studies work rights and a transparent and dedicated international student pathway to permanent residence.***
10. ***A return to self-regulation retaining flexibility in regulatory controls, lessening the burden and of associated costs to institutions, the students and government. Careful consideration might be given to the introduction of a part time student visa category that allows international students to work for up to, say, 30 hours a week, in identified areas of high labour market demand and especially in areas related to their studies.***
11. ***A quantum shift to hybrid offshore/online delivery should be done earnestly and in depth drawing on world's best practice. And it should be accorded top priority.***
12. ***It is essential governments seek to sustain through public education Australian community support for the international education program. Universities and colleges will also need to contribute, through their community service responsibilities, to public education programs to explain the basis of the international education strategies and the financial, educational and cultural benefits – to Australian and international students and to Australia. Government should explore the scope for the reintroduction of community sponsorship or Australian foster parents for foreign scholar.***