

Response to an
Australian Strategy
for International
Education 2021-2030

Submission – IDP Education



About IDP

Founded in 1969, IDP evolved from a government agency overseeing the original Colombo Plan, into a recognised global leader in international student recruitment. Through our network of more than 1,300 expert education councillors across 120 offices based in over 30 countries we have helped more than half a million students study in quality courses around the world.

IDP is a co-owner of the International English Language Testing System (IELTS), an English test that is trusted by more governments, universities, and organisations than any other. We also operate English language teaching schools in South East Asia.

Through our IDP Connect division, the B2B arm of IDP, we work with institutions as true partners, understanding their needs and enhancing their capabilities with the transformative power of data, insights and engaged student communities.

IDP is currently listed on the ASX100 and is the largest education organisation on the Australian stock exchange.

IDP commends the Council for International Education for its work in leading the new international education strategy development process.

1 What are the key priorities for a new Australian Strategy for International Education?

Students at the centre

From the perspective of IDP, international students must sit at the heart of a new national strategy for international education. It is through listening to the student voice and placing the student experience at the core of our approach that we can start to repair the reputational damage to Australian international education suffered during the pandemic. With our international students guiding our approach, we can begin to rebuild the pipeline of international enrolments and regain our position as one of the main destinations of choice for international students.

For IDP, placing students at the centre of the new strategy requires acknowledgement that international students are a heterogeneous and diverse population and a “one size fits all” approach should be avoided when developing a new strategy. The strategy should accommodate the drivers and behaviours of different cohorts of international students and different source markets.

IDP also believes that it is important that a student centric strategy encourages consistent measurement of student satisfaction versus student expectation for both domestic and international students. Through measuring and publishing these data the international education sector can strengthen its accountability to all stakeholders in the Australian international education ecosystem. Equally importantly, these data are key to identifying gaps and encouraging improvements in the Australian student experience. IDP uses Net Promoter Scores to continually refine and develop our service offerings. Use of Net Promoter Scores has helped IDP to systematically identify, implement and evaluate customer service improvements.

Since April 2020, IDP Connect has regularly given students the opportunity to be heard through its International Student Crossroads Survey series. In total we received 16,000 student responses over four surveys. Students’ responses will be referenced throughout this IDP submission.

Avoid false dichotomies

The pandemic has accelerated providers' capabilities for online delivery. This has correctly been identified as a potential area for Australian education providers to seize new opportunities. IDP recognises the potential for Australian institutions to develop world leading capabilities in this area and deliver an outstanding academic experience online. However, the future is not exclusively online. In person connections and the Australian experience remain key drivers and a key point of differentiation for a significant proportion of current and prospective students. The onshore and online cohorts must be considered as distinct target markets and the new strategy should address each and avoid creating opposition between them.

Building on what came before

While the new strategy must guide post-Covid recovery and respond to ongoing geopolitical and economic developments, the three pillars of the previous National Strategy for International Education remain vitally important. Continuous quality improvement and strengthening the fundamentals will remain essential to Australia's competitiveness as both an education provider and destination. The strategy must pay particular attention to how the rigor of quality control and continuous improvement that has characterised our onshore delivery can be applied in a virtual environment.

Similarly, the role of transformative partnerships has never been more critical. The pandemic has dramatically illustrated the levels of interconnection between people, communities, businesses, industry and government. As members of the sector and as a sector overall we cannot recover and rebuild alone. Traditional and non-traditional partnerships will be critical to the development and evolution of Australian international education over the coming decade.

A decade is a long time

The life of the new strategy provides an opportunity for long-term thinking about the nature and focus of Australian international education. IDP welcomes the proposal in the strategy consultation paper to build appropriate and timely review periods into the lifecycle of the new strategy.

2 Students should be at the centre of the new Strategy. How can Australian education providers deliver the best possible student experience both now and in the future?

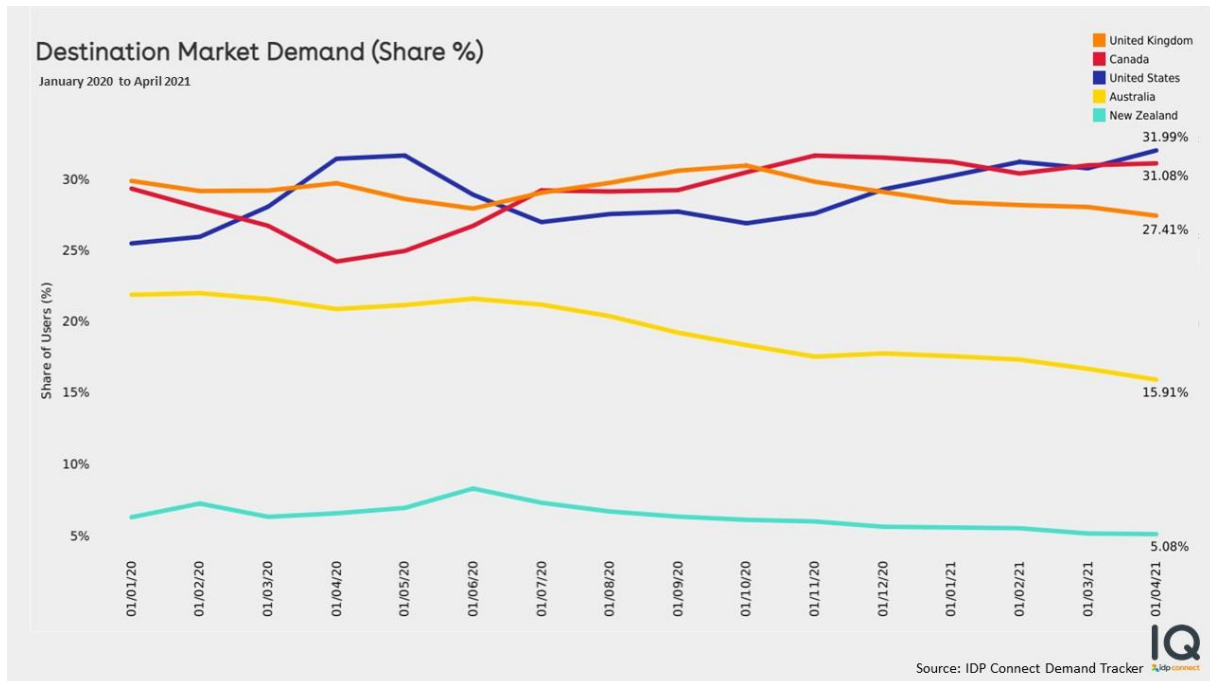
Innovation is key

IDP recognises the critical role that innovation will play in the success of the sector over the next decade. The imperative to innovate to deliver the best possible student experience applies to all actors in the international education ecosystem. New cohorts of international students will bring with them new expectations which the sector must identify and meet with new innovations. While this may be particularly relevant to providers wishing to rapidly expand online delivery it is also a shared challenge across our sector in the years ahead.

Staying one step ahead

A student-centred strategy must encourage innovations rooted in the student voice. This will involve investment in capturing and using data and insights from existing and prospective students and their influencers as a basis for innovation. Providers will need to develop the capacity to identify unmet student needs before they become apparent and deliver appropriate solutions.

Similarly, the use of robust data gathering and monitoring systems to track developments in competitor markets will remain key to our efforts to rebuild Australia-bound student pipelines. This is of immediate concern. As illustrated below, Demand Tracker data from IDP Connect IQ shows Australia’s share of searches on our websites is currently experiencing a steady decline while competition among open destinations (Canada, USA) has become tighter.



Healthy competition healthy cooperation

A data driven student centred program of innovation will encourage competition among providers which in turn will accelerate the recovery and development of the Australian international education sector. At a national level Australia must acknowledge the increased competitiveness of the global international education market and push to succeed within this context. Robust monitoring of competitor destinations and providers should form a core capacity of our sector to inform our innovation agenda. The new strategy should aim to encourage providers and other stakeholders to develop partnerships for the sharing of best practice, competitor monitoring and emerging innovation.

The Student experience goes beyond the classroom

A strategic approach to maximising the student experience must take into account the needs of students beyond the classroom. The need to build closer links between providers and industry has long been acknowledged. The new strategy must provide a path for this collaboration to develop through encouraging internships, work experience and workplace-based learning for international students. Employability will remain a cornerstone of international student expectation and the role of the new strategy in supporting providers in finding new ways to prepare students for success in this regard is important.

Finally, the strategy must recognise that for onshore international students the student experience occurs within the broader Australian community. The need for better communication of the benefits of international education to the Australian community is imperative to maximise public support for

the sector. This would directly enhance the student experience through fostering strong person to person links. Shifting the prevailing narrative of a “\$37.5 billion dollar industry” to perceiving international students as valued colleagues classmates, neighbours friends or co-workers will be challenging yet critical. For this reason, it must comprise a part of the new strategy.

3 What changes are needed to make Australia more globally competitive over the next decade?

Maintain and expand the focus on quality

Australian international education providers have built a global reputation for the quality of their education and this is a valuable competitive asset in the future global international education market. A key challenge that the new strategy should address is how best to embed quality assurance processes into online delivery models. If Australian providers are to successfully compete for online market share, they must have confidence in the quality of the offering. Conversely if students are to choose an Australian online provider over a British or American provider, they also need reassurance of robust consumer protections around the quality of their courses.

Revisit the post study context

Most international students do not wish to migrate to Australia. However, for those who do, simplifying the temporary visa processes for international graduates from Australian institutions who have completed studies in fields where future skills shortages have been identified would bolster the competitiveness of Australia as a preferred study destination and counter competition from the UK and Canada.

The development of a new strategy provides a timely opportunity to consider the role of post study work rights as a potential competitive advantage. While most international students plan to return to their countries of origin or migrate to a third country, many wish to gain work experience in Australia to further their post-Australian careers. Extending the duration of post study work rights and broadening the qualifications list on which post study work rights are granted would be consistent with the sector-wide focus on graduate employability. Extended post study work rights would create a value offering that would allow the Australian international education sector to match or exceed that on offer from competitor destinations such as Canada and the USA.

A key challenge for the strategy to address is how post study work rights can be equitably and practically extended to online students. Further research on this cohort of students and their perceptions of the value add of post study work right will be necessary to better inform future directions for this cohort.

3.1 Policy and regulatory flexibility are important in enabling providers to innovate. How can we utilise these settings to pursue opportunities, and in what other ways can we work together to ensure Australia remains globally competitive?

Ensure policy development reflects market dynamics

For IDP, the ESOS act will continue to be the framework for Australian international education policy. The role of policy and regulation within international education delivery in Australia has contributed

to the global impression of a high-quality education system that is transparent and equitable. With a focus on student voice and a commitment to innovation the new strategy should highlight emerging developments such as online delivery, micro-credentialling, course stacking, hybrid delivery and articulation pathways. IDP acknowledges the necessity for periodic revisions or expansions to the act to ensure that these developments are explicitly addressed by consumer protections and quality assurance mechanisms.

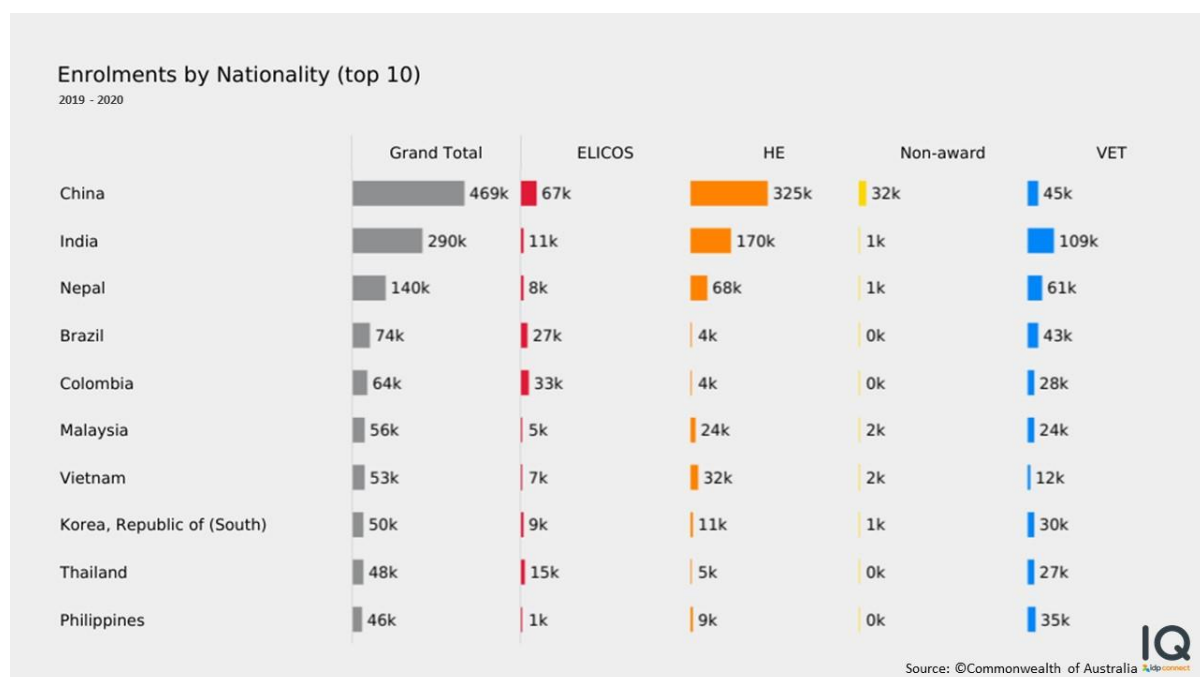
Support innovation and collaboration

The previous National Strategy for International Education was supported by the Enabling Growth and Innovation Program. IDP believes that the new strategy may benefit from adopting a similar model. Given the considerable challenges and the range of opportunities facing the Australian international education sector over the coming decade, increased funding would allow providers to accelerate innovation and share knowledge while managing risk. The fund could seek to support collaborations between industry and education providers as well as other non-traditional partnerships. Similarly, the fund could seek to support incubator programs for emerging start-ups in international education. Communities of innovation and best practice could also be supported to document and disseminate learnings from these initiatives.

4 How can providers, governments and stakeholders work together to achieve diversification opportunities (for example of disciplines, source countries, study destinations and delivery models)?

Diversity already exists

It is important to note that Australia already draws on a very diverse range of source countries for its international student cohort. Data from AEI show that in 2019/20 students of over 200 nationalities were studying in Australia. One challenge the new strategy could address is how to bring diversity to scale among our onshore student cohort in order to reduce unreasonable reliance on key source markets.



The new strategy must also recognise that India and China are the two largest global exporters of international students. No current economic or demographic indicators suggest that this will change in the foreseeable future. International students from these countries are actively targeted by competitor destinations such as Canada and the UK. Therefore, it is essential that Australia continues to focus on India and China while also developing increasingly substantial student cohorts from other source markets, such as Southeast Asia, Latin America and Africa.

Collaborate or compete?

IDP believes that diversification in the above areas is critical to build the resilience of the Australian international education sector. However, diversification in each of these areas is a point of competition for many providers and stakeholders in the Australian international education ecosystem. In this context, the role of government is important to institute and incentivise a virtuous cycle of research-based innovation, incubation, piloting and bringing to scale through intra-sector partnerships in transnational education, online delivery and emergent fields such as micro-credentials. This could be achieved through provision of funding opportunities as well as in-market technical support throughout the product lifecycle from government agencies. Government would also be well placed to celebrate successful examples of diversification through sector awards. The new strategy should be cognisant of the challenges of a collaborative approach to diversification while displaying a commitment to supporting partnerships and initiatives that achieve notable diversification outcomes.

Student drivers of diversification

IDP also recognises that the final arbiters of successful diversification in all these areas will be international students and their decision makers. To drive demand for diversified courses and delivery models, education products will need to be designed with an equally keen focus on the normative as well as the individual needs of potential international student cohorts. In this regard providers will need to enhance their understanding of broad sociological, demographic and economic realities within emerging market segments prior to developing diversified offerings. Strategic level support for evidence-based demand generation initiatives and targeted marketing focused on specific cohorts of prospective international students for bespoke study disciplines, destinations and delivery models could be considered as enablers for this.

5 What are the necessary skills for the future that students should be prepared for?

English language is foundational

English language proficiency is a prerequisite for success for international students at Australian institutions. Without the requisite level of English, international students struggle to succeed academically and may experience difficulty integrating into life in Australia. The importance of English language proficiency does not end upon graduation. To compete for employment on a global level the capability to communicate in English both in writing and orally is essential. IDP strongly supports the use of high stakes English tests such as IELTS which is linked to objective language benchmarks such as the Common European Framework of Reference for Languages to assess the English language proficiency of international students prior to admission and upon graduation.

Specialist skills required for employment in Australia

The work of the National Skills Commission is key to guide international graduates intending to move into the Australian labour market once their studies have concluded. It is important that the

Australian Qualifications Framework is updated regularly and is easily accessible and understandable to employers as well as education providers, enabling greater transparency between the skills employers require and what course offerings education providers choose to offer. Enabling this transparency will empower education providers to use the Framework to design courses and qualifications. This will in turn enable their students to have the right specialist skills necessary for future employment in Australia and thereby addressing Australia's national skills shortage.

Incorporating a global viewpoint

It must also be recognised that most international students do not want to stay in Australia following graduation. Instead, most choose to return to their home countries or to migrate to another country. As different countries have different skills needs and key specialist employment requirements, the strategy should also support international students to develop the technical skills that facilitate global mobility. International graduates from Australian institutions with globally recognised skills and experiences, built upon a high-quality Australian qualification will satisfy international student expectation and meet the requirements of global employers.

Strengthening core competencies

As noted, educating students who upon graduation will disperse globally, entering the workforce in their chosen country is challenging due to the fact that specialist and technical skills demanded varies from country to country and by professional field. However, as identified by IEAA research in 2017, core competencies that employers require, such as communication skills, cultural agility, resilience, teamwork, problem solving, digital literacy, professionalism and work ethic are commonly sought after by employers both in Australia and abroad. While for domestic students these core competencies are developed throughout the education system the same cannot be assumed for many international students. The strategy could focus on the need to help our international students further develop these core competencies which are key to both academic accomplishment and professional success.

5.1 How can Australia improve employability outcomes for international students, ensuring they have the necessary skills to compete in a globally competitive labour market?

IDP believes the strategy could support a two-pronged approach to improve employability outcomes for international students. The strategy could aim to create a more collaborative environment through facilitating dialogue between international students and industry while also providing practical support to both employers and international students.

Setting the groundwork

Developing the skills necessary to maximise employability should be embedded from the beginning of the international student journey. The strategy could support providers to embed training for international students on how best to improve their employability outside of their discipline specific technical skills.

Additionally, research has shown that the level of extra-curricular community engagement by international students is related to how employable they may be on graduation. While this lies largely outside providers control, institutional support can be given to international students to empower them to actively engage in extra-curricular activities in the community.

Encouraging Australian employers to hire international students

A pivotal piece to encourage Australian employers to take on more international student graduates, is to review the current visa processing requirements for employers to sponsor international students. Streamlining the visa application and approval process for international graduates of Australian institutions who have completed their studies in a discipline designated on the national skills shortage lists would encourage more employers to sponsor international students, and thereby improve employability outcomes.

According to 2016 research conducted by Hobsons some employers often see employing international graduates as too difficult. Also, the two-year maximum duration of post study visas is often viewed unfavourably by potential employers as it provides a very limited time period in which to recoup their investment in onboarding, training and development. The new strategy might consider how to incentivise this cohort of employers to recruit from the pool of suitably qualified international graduates onshore.

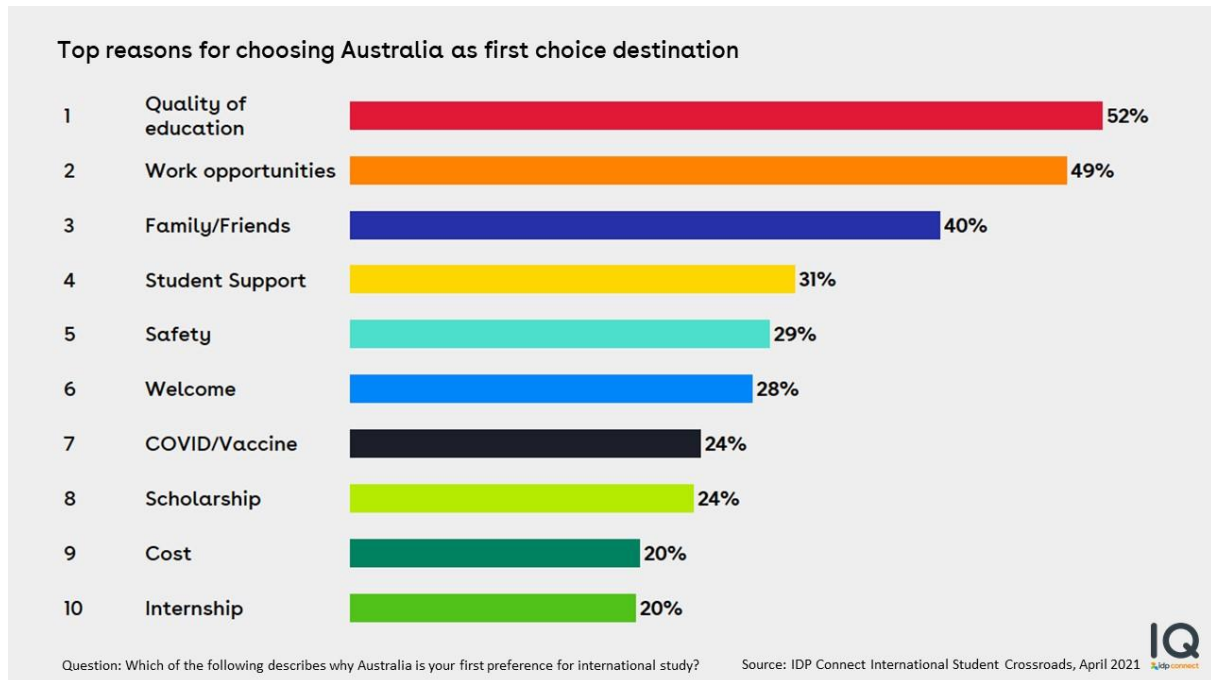
Supporting international students to develop core competencies is key to assuring employers that our international graduates are worthy hires and will lead to better employability outcomes for our international students, regardless of where they decide to seek employment upon graduation.

Strong language skills boost success

As mentioned IDP strongly supports the use of high stakes English tests such as IELTS to ensure international students graduating from Australian institutions have the language skills they will need to communicate effectively in a globalised workplace. The new strategy could encourage providers to increase the level of English language support offered to their international students over the life of their studies to ensure that their proficiency has increased over the duration of their studies and measure this increase by the use of trusted English language tests such as IELTS.

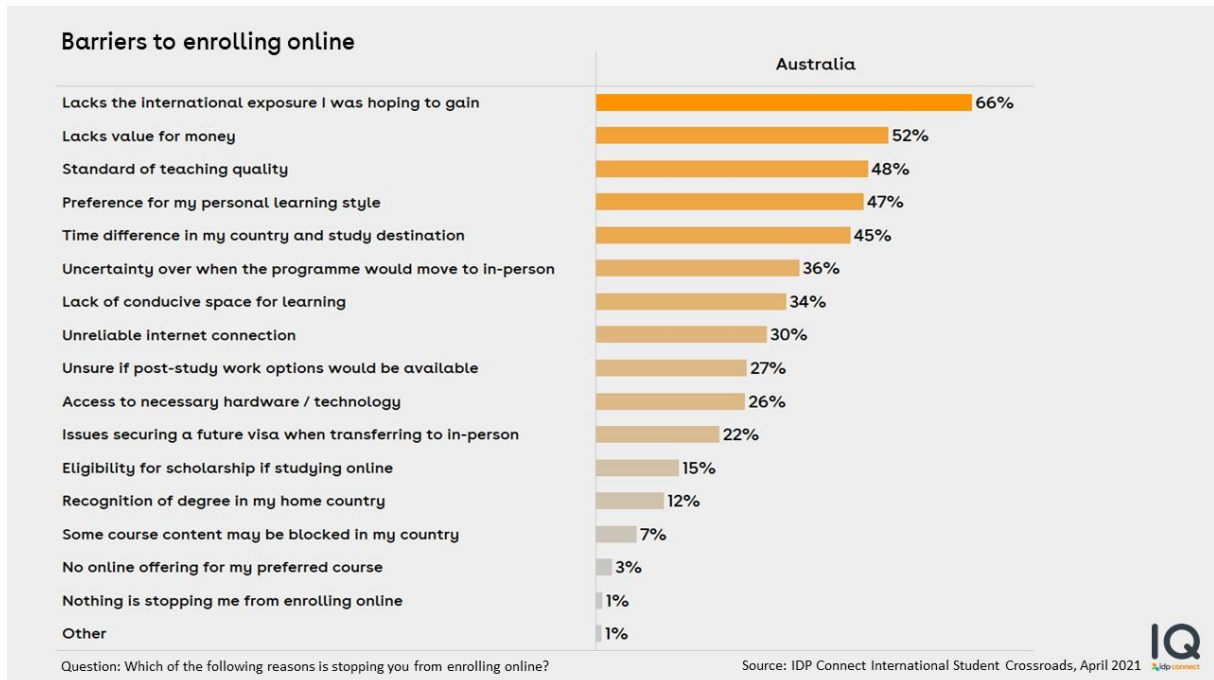
6 How do we create a uniquely Australian education experience?

IDP, as a global leader in student recruitment, understands Australia's position and reputation as a trusted world leader in international education, research, and training. Relative to other study destinations the Australian study experience is known for its focus on collaboration, teamwork critical thinking and impact. IDP Connect data shows that the quality of Australian education is highly regarded among international students. IDP Connect data from April 2021 identify quality of education as the single biggest factor in choice of study destination.

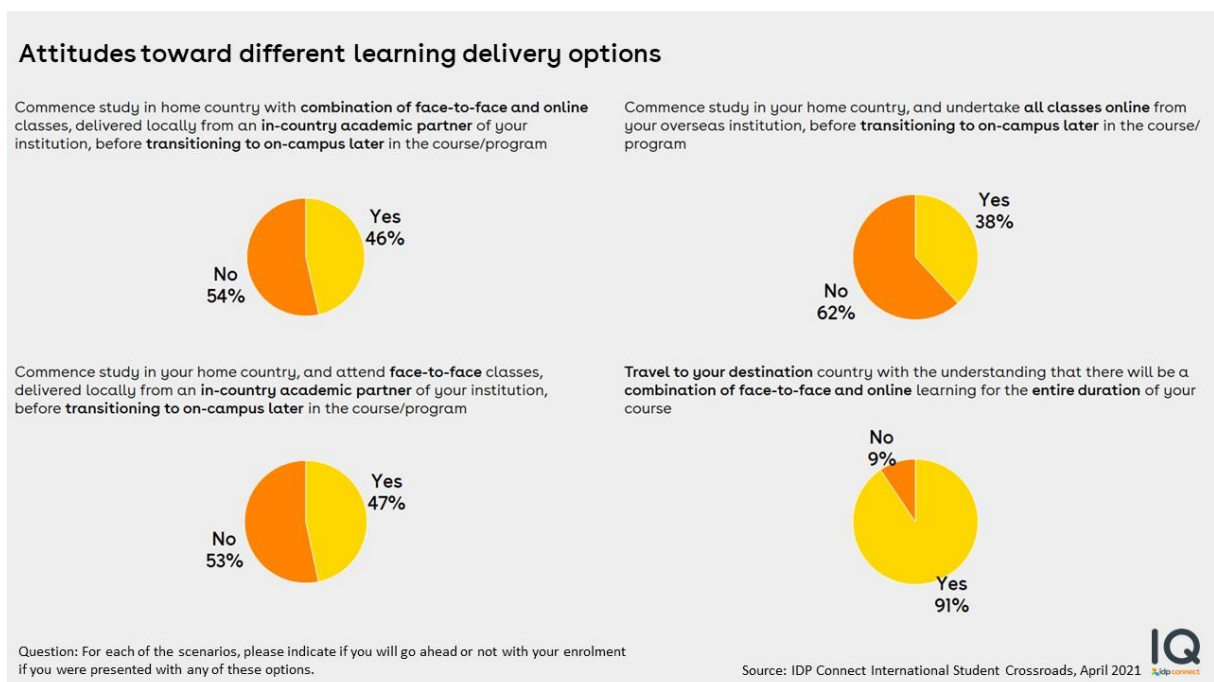


Onshore vs online

Although the pedagogical approaches and curricula designs of Australian courses are to some extent transferable from an in person to an online model, IDP recognises that there are aspects of the Australian education experience that are not replicable through virtual delivery. For many international students the development of core competencies such as critical thinking and problem solving may be more challenging to acquire and develop in an exclusively online environment. The same applies to gains in English language proficiency that online only students are unlikely to develop if studying exclusively from their home countries. Furthermore, the benefits of internships and work experience in the Australian education experience are not easily available to those offshore. In this respect IDP believes that international students undertaking courses delivered exclusively online receive an Australian *academic* experience. Our data, however, shows that our students seek more than an academic experience. We have asked our students about this issue from varied perspectives. In April 2020, prospective Australia-bound students indicated that online only delivery fell short of their expectations of the international exposure they had expected on commencement. Value for money and inconvenient lecture times were also identified as limitations to the offshore online model.



IDP Connect data released in April 2021 illustrate the limited appetite among prospective international students for a purely online offshore course delivery model as illustrated below.



For onshore international students the situation is markedly different. In addition to being well positioned to seek internships and work experience in their chosen field of study, the onshore experience is considerably more immersive. International student visas allow onshore international students to work for 40 hours per fortnight and full-time during breaks. This allows onshore students a chance to learn how Australian people function in the workplace which can be a valuable way in which to develop core competencies as mentioned above. Finally, it would be remiss not to highlight that onshore students are better positioned for a uniquely Australian experience through their ability to connect with their local communities across Australia. Through participation in community

structures such as sports clubs, churches or volunteer organisations, onshore students are well positioned to develop greater intercultural competencies and benefit from the full unique experience of study and life in Australia and become enthusiastic ambassadors for Australia.

6.1 What is our value proposition for both international and domestic students?

As an international education leader, IDP cannot comment in detail on the domestic student experience. However, many of the contributing factors to Australia's value proposition for international students may also apply to a certain extent to domestic students. IDP believes that international students contribute greatly to the perspectives of domestic students through classroom interaction and interpersonal relationships.

Quality comes first

The foundation of Australia's value proposition to prospective international students must be the quality of our teaching and research. While the systems of quality assurance and regulation that underpin the quality of Australian education may not be visible to prospective international students, they play a critical role in safeguarding and strengthening the quality of Australian teaching and research. IDP understands the importance of the role of quality in education for prospective international students and the weight it carries in the decision-making processes. International students and their decision makers evaluate multiple options because the quality of the product they are investing in must be evident to them. Australia's education offering will need to be convincing to be successful.

Careers matter

While quality is a critical part of Australian education's value proposition, employment outcomes are also important to prospective international students. The perceived value of the qualifications international students receive is proportional to the professional or further study opportunities these qualifications unlock. Producing job ready graduates is a significant value proposition for families investing in international education. IEAA and AUIDF Data from 2017 indicate that graduate employment trends in Australia for international graduates from Australian universities are broadly comparable to domestic students. Investment in more detailed tracking of career outcomes of Australian international graduates outside of Australia would be useful to inform further discussion.

Destination is important

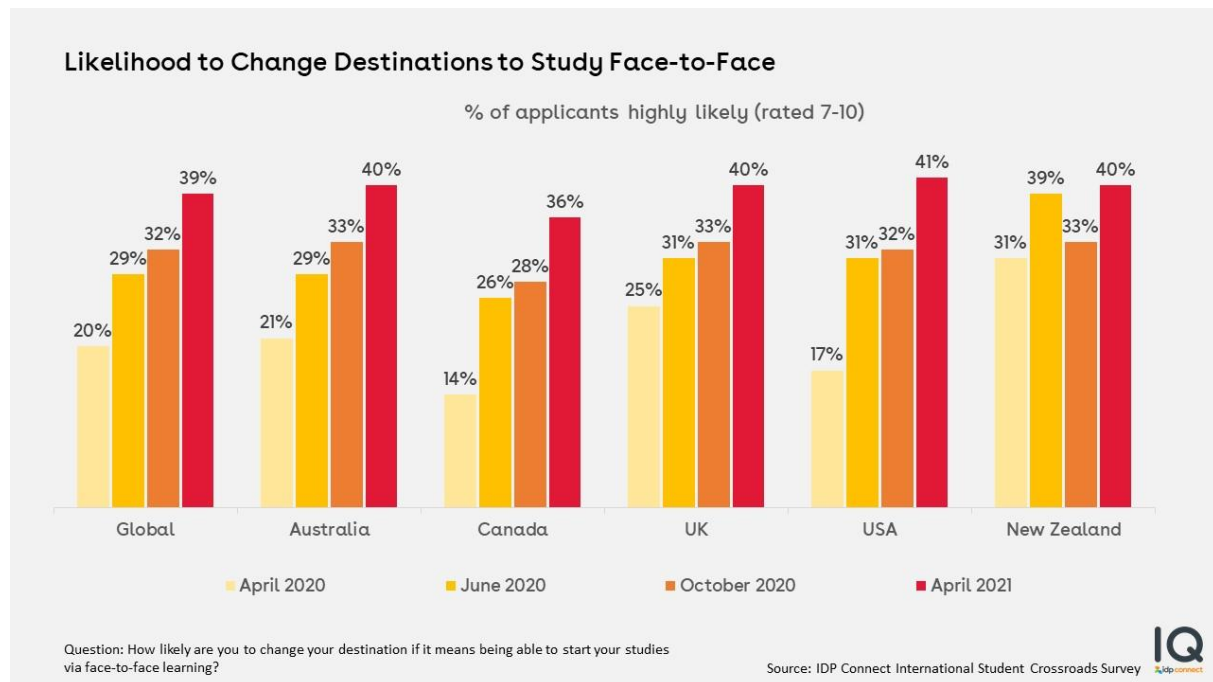
IDP students are very clear on where they see Australia's value proposition as an international study destination. Feedback gathered from across the IDP global network while preparing this submission indicates that in addition to the perception of high quality of education provision, Australia is considered to be a safe, diverse, multicultural and tolerant society. Geographic proximity to Asian source markets complements the value proposition of Australia as a study destination in the region.

6.2 How do we offer an Australian education experience while complementing the value of Australian offshore and online education?

Listen to the student voice

IDP believes that while exclusively offshore online education may provide an Australian academic experience and result in high quality qualifications, it does not provide international students with the full range of personal opportunities that may come with an onshore experience. This is supported by data reported by IDP Connect during the Covid pandemic where an overwhelming

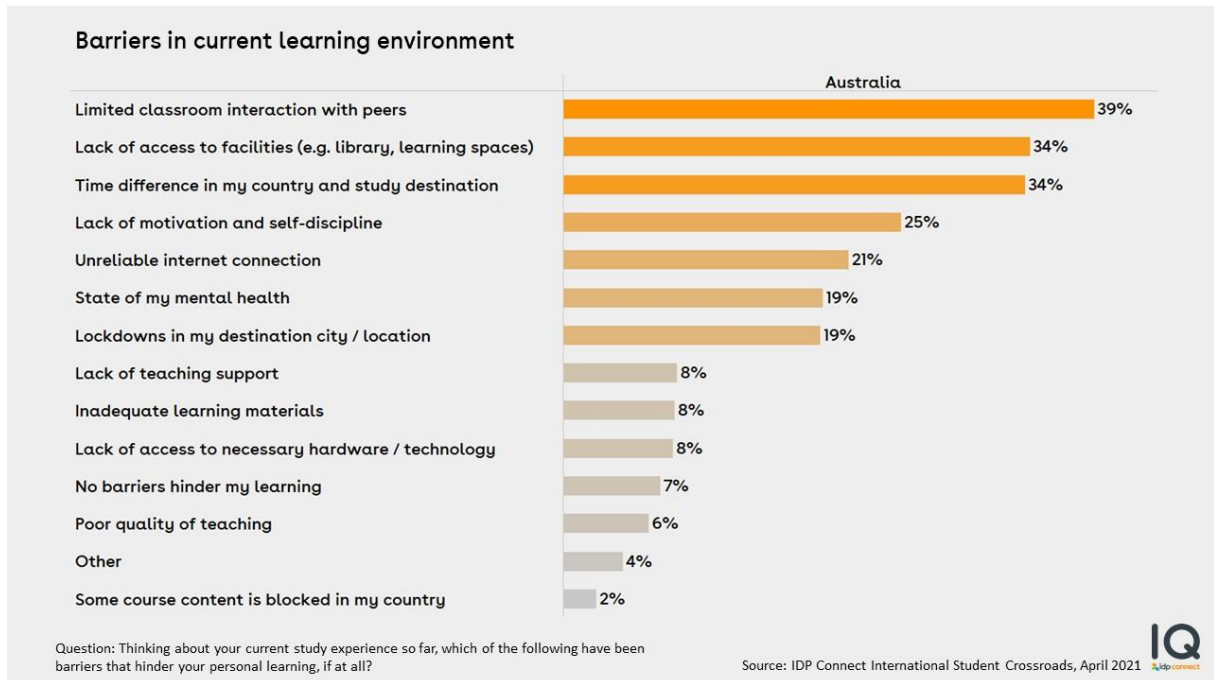
majority of students studying remotely indicated a strong preference for in person onshore tuition with only 7% indicating they would be willing to complete their studies online. As shown below a significant proportion of respondents indicated that they would change destination countries in order to access in-person tuition.



Access and equity

It is worth noting that several of Australia's key international source markets are developing countries, often with poor internet connectivity. In many of these markets smart phones are the predominant form of internet access. Smart phones are not suitable hardware to undertake studies upon.

Similarly, it is important to consider how students from lower income economies will undertake their studies from their family homes. Without a dedicated space in which to attend lectures, complete group assignments and fulfill coursework requirements, students in such circumstances are not being supported to succeed and as a result online learning will be less attractive or in many cases impossible for these students. It is worth noting that several critical markets for Australian international education in South Asia and other developing countries do not have the domestic infrastructure to support an online study model. IDP Connect data show that these are issues which already affect considerable proportions of international students currently studying offshore and online.



Dangers of a two-tier system

IDP believes that an over-reliance on online learning would reduce the attractiveness of Australia as a study destination compared to competitor countries. Lower cost online learning options may create a race to the bottom among providers. Alternatively, devaluation of online qualifications from Australian providers could pose reputational risk to Australian international education and in particular our reputation for quality. The strategy should aim to establish clarity around the extent to which online delivery requires targeting to various market segments and ensure that remote learning does not undermine the in-person alternative.

IDP believes that expanded online offerings can supplement the core onshore offering for international students and extend Australian institutions' reach through new opportunities.

Blended and hybrid models

Perhaps the most obvious reconciliation of the tensions between in person and online and offshore learning is the provision of blended or hybrid learning models. Numerous examples of best practice in these areas exist and the new strategy could encourage providers to innovate in the range of courses utilising the blended or hybrid approach as well as the customer segments and source countries targeted by them.