

Submission to Australian Strategy for International Education 2021-2030

Executive Summary

QUT supports the premise of this paper that it is time to set out a transformative agenda for the Australian international education sector. Given the scale of the disruption that COVID-19 has had and will continue to have on international education, we suggest that the opportunity for major reform should be seized. In the 28 years since the sector began receiving full fee-paying overseas students (FPOS), 2020 has presented the most significant challenge to the basic equation of international education. In many ways, the events of 2020 shone a light on the strategy (or lack thereof) that has characterised international education in Australia over the past three decades and raised a fundamental question: *why is Australia in this business?*

In answering this question faithfully, a more powerful and impactful strategy for international education may be defined.

2019 may well have been the “high-water mark” of FPOS enrolments in Australia. It is very likely that numbers will never return to this level and hence a restructuring of the sector, long overdue, will be required. It is also timely to consider whether Australia’s claims to be world’s best are any more than rhetoric and marketing.

The role of international education in nation-building

A starting point for a renewed International Education strategy is full recognition of the value of the sector – past and future – to the advancement of Australia’s national interests.

The 2030 strategy needs to provide clarity on the intended role and function of international education in Australia’s development. Should the sector be seen as a core component of the skilled migration program or only peripheral to that nation-building exercise? QUT would argue for the former *viz.* that a well-managed international education sector, positioned as core to the skilled migration program, can make direct and significant contributions to the achievement of Australia’s economic priorities. By actively targeting defined national development priorities, the sector may assist in building the capacity for success and attracting global talent.

We would argue that international education has a critical role in future-proofing Australia, through the provision of high-quality work-ready graduates. In a highly competitive global market for talent, our own international graduates represent an accessible and reliably credentialed workforce pre-qualified with skills applicable to Australia’s needs. An incentive program that draws these graduates to areas of need in the Australian economy would assist in bridging gaps in the national workforce. Practical steps towards this goal may include a deeper post-study work rights program, integration of a skilled migration program with specific disciplines and recognition of work integrated learning during study as a pathway to employment and permanent residency.

A sustainable Australian international education sector

As noted above, the events of 2020 have highlighted areas of weakness and risk in the Australian international education sector.

- Overreliance on FPOS revenue to cross-finance institutional budgets, when combined with the poor management of source country concentration and a lack of clear policy settings (other than to make as much income as possible) has exposed the sector to external shocks that many had not prepared for.
- Naivety around the presentational damage that rapacious models of high volume, low quality third party provision has had on some aspects of the Australian brand has led to denial of the quality and management issues that have characterised this element of the sector.
- The drivers of demand are now much more multi-dimensional and we are more likely to be challenged by multiple competitors.

Educational technology

The Consultation Paper suggests, correctly, that innovation and technology will present challenges and opportunities around the sustainability of the sector. We support this premise and would argue further that this why an objective evaluation of the **value proposition of Australia as a study destination and education provider** needs to be done.

The evaluation should also examine the potential demand for offshore and online provision in Australia's key source markets and whether this matches the known demand for the onshore in-Australia experience. The scale of Australia's success in international education has largely been because of market demand for an in-Australia experience. Success in one segment of the global HE sector does not guarantee success in another and a sustainable strategy should align with and meet global student demand as its first priority.

The notion that Australia is a world leader in **international online learning** (and blended models) needs to be challenged. Global competition from not just traditional Anglophone countries but also newly emerging powerful systems will compete very well with Australian offerings. Moreover, large scale transnational commercial players are both nimbler and more commercial in providing offerings that directly respond to demand.

The orthodoxy that Australia does offshore **transnational education** (TNE) very well also should be examined and debunked. Across a range of jurisdictions, complex legal, regulatory and business conditions introduce significant risk for novice Australian providers, which Free Trade Agreements (FTAs) developed over the past decade have done little to mitigate.

The largest provider of TNE globally, the United Kingdom, has a strong level of national government support in terms of subsidies and policies. Without such support systems, Australia is at risk of reputational damage from sub-standard outcomes arising from a lack of investment. Would the Australian government be willing to make a similar investment, to ensure our competitiveness? And would a genuine return on investment suggest that this would be in the national interest?

Regulatory systems

The strategy needs to consider the adequacy of Australia's **regulatory system**, and whether it has been used appropriately. For example, how have ESOS breaches been handled? When has AUQA or TEQSA used its powers to respond to identified risks to quality or other breaches of the Higher Education standards? Has the Streamlined Visa Framework ever responded to the range of breaches of the Framework?

QUT would argue that, in this space, there is sufficient regulation but a lack of compliance. More frequent and more serious application of the existing set of regulations should be called for in any new strategic statement.

Responses to specific consultation questions:

1. What are the key priorities for a new Australian Strategy for international education?
 - Genuine focus on quality student experience and outcome.
 - Objective analysis of the value proposition that Australia offers, what is our competitive advantage as technology and innovation changes the student's core demands?
 - A de-emphasis on FPOS as the primary revenue option to make up shortfalls in higher education funding in Australia.
 - Priority to build a sustainable national model.
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?
 - Utilising the existing regulations and laws, not any new ones.
 - Be guided by evidence e.g. International Student Barometer (ISB)
 - Provide real work integrated learning, internships etc. opportunities
3. What changes are needed to make Australia more globally competitive over the next decade?
 - Public and widespread recognition of the contribution that international education makes for the Australian community, economy and national good.
 - i. 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?*
 - Apply the existing regulatory and quality regulations.
 - Allow genuine students greater options for employment during and after study.
 - Actively encourage the retention of quality graduates in Australia, particularly regional Australia. Adjust the migration settings to encourage and support graduates to remain gainfully employed in Australia, not just a token encouragement to move to a finite set of regional settings.
 - Ongoing consultation around Australian qualification type descriptors (in the AQF) to meet student expectations and international industry requirements.
4. How can providers, governments and stakeholders work together to achieve diversification opportunities (for example of disciplines, source countries, study destinations and delivery models)?
 - Long term support for student outcomes; deeper graduate employment support; long term alumni engagement; greater recognition of the contribution of the sector.
 - Deeper connections with Australian businesses integrating their future needs with student profiles and outcomes.
 - Recognising that the global competition for talent makes discipline and retention a major opportunity for Australia's national good.
 - Long term strategic engagement with key regions of mutual benefit.

5. What are the necessary skills for the future that students should be prepared for?
 - i. *How can Australia improve employability outcomes for international students, ensuring they have the necessary skills to compete in a globally competitive labour market?*
 - Career mentoring, employment support, connections between work integrated learning and options for extended graduate visas, post study work rights
 - Better mutual recognition of Australian qualifications world wide
 - A genuine investment in a testamur or some form of additional certification/record of additional programs (co-curricular, extra-curricular, micro-credential) during their study

6. How do we create a uniquely Australian education experience?
 - i. *What is our value proposition for both international and domestic students?*
 - Student experience and graduate outcomes
 - Better community integration and involvement
 - Stronger business and government involvement with graduates

 - ii. *How do we offer an Australian education experience while complementing the value of Australian offshore and online education?*
 - Recognise these are very different propositions and work to understand just what the real equation is in the online space.

7. Community support for the international education sector is important for the sector's social licence. How can the benefits this sector provides to Australia be better understood by wider community?
 - Champions in community, business, government supporting the positive impact of international education. A narrative of the contribution to the Australian community, economic, financial, research and development, social that supports making Australia a more productive, competitive, sustainable economy and community. The multipliers that accrue from having an engaged and internationally connected alumni that have had positive experiences in Australia.

8. What else should the Council for International Education and the Australian Government consider in developing the new Strategy?
 - A genuine long term stable policy recognition of the value of international education. A move away from a single dimensional view of students as dollar generation and a much smarter sense of the massive contribution that has supported and grown the Australian system.
 - Integration of Commonwealth policy positions rather than contradictory signals.