

# Flinders University

## Objective 1

### **1. Are there further reforms governments should consider that will improve the quality and integrity of the sector?**

Flinders University welcomes the Government's focus on maintaining integrity in the international education sector in Australia. As an overarching principle, action should be explicitly addressed and specifically targeted where the Government knows integrity issues exist.

International education is not an end unto its own and is subject to market forces, as opposed to international students branded as merely commodities to fill workforce skill gaps. While some international students aim for post-study work rights and migration, the majority return to their home countries, contributing to Australia's economy whilst here through spending, taxation, and tourism during their studies, but ultimately to the skills need of the home country (or third country).

There should be greater transparency between the government and sector providers regarding risk behaviours and trends. Currently, the government sets the rules, with providers applying them at the frontline without clear understanding or visibility of the complete picture from the Department of Home Affairs.

Active enforcement and prosecution of student visa condition breaches are also essential. Despite clear visa conditions, there are minimal consequences for students who violate these conditions or for those exploiting students through organised schemes. Currently, the system emphasizes rigor at the visa application stage but lacks adequate follow-up after a student visa is approved.

### **2. What more can providers do to improve the integrity of the international education sector?**

The government should explicitly identify where integrity issues exist and clarify the expected outcomes of their initiatives. In turn, these providers can clearly communicate and adhere to these expectations. Vague language creates unnecessary fear and tarnishes the sector's international reputation.

It's important to note that quality education providers operate within the regulations set by the Australian Government, meaning the government's policies and regulations largely dictate how institutions function, limiting their capacity to act independently.

## Objective 2

### **1. What factors should inform government's approach to allocating international student enrolments across sectors, providers, and locations in Australia?**

Most international students are concentrated on the eastern seaboard in Sydney, Melbourne, and Brisbane. The government should genuinely consider how smaller metropolitan and regional areas can be successful in attracting and retaining international students, recognising that incentives, provisions, and promotional campaigns through Austrade may be necessary to encourage students to study outside these major metropolitan cities.

Secondly, consideration should be given to the alignment between the diversity of course choice and its alignment to Australia's skills needs. The Framework report refers to a high concentration of international students in Business and Management (approximately 35%) at the national level. At Flinders University, the

distribution across our disciplines is very different, with only 10% in Business and Management, some 40% in Health-related disciplines, around 20% in Education and Social Work, and 25% in Engineering and IT – fields that are all well placed to support Australia’s current and future skills needs.

Other factors to consider is the supply of a well-developed and mature student support program, consistent with the size of the international student cohort of the institution and embedded Work Integrated Learning opportunities to connect international students with industry.

## **2. What considerations for government should inform the overall level of international students in Australia?**

Flinders University recognises that the Australian Government already exerts significant control over the international education sector through visa processing. We caution against additional government interference, particularly at course level, which would limit agility and innovation in curricula. Excessive constraints would hinder universities’ ability to develop new programs and respond to market needs promptly. Universities need the flexibility to operate in an agile manner to maintain their competitiveness and relevance in a rapidly evolving global education landscape.

A rational approach to distributing international student places should be fair, equitable, and tailored to the specific needs of jurisdictions, institutions, and individual students. It is essential to recognise that a one-size-fits-all approach is insufficient to address the diverse requirements of Australia’s educational landscape.

Furthermore, the critical correlation between the international student sector and research and development within Australia is often overlooked. The international student sector substantially funds research activities, especially as government investment in domestic student funding and research has steadily decreased. Without international students, innovation will suffer unless there is a commensurate increase in domestic student funding and/or substantial investment in fully funded research.

In addition, Flinders University does not believe that reducing international student numbers due to domestic issues like cost of living and housing shortages should overshadow the need to address Australia’s skills shortages and workforce gaps in the short, medium, and long term. It is now well established that international students are not significantly impacting accommodation capacity in Australia, with less than 4% of the rental market absorbed by them, according to The Property Council of Australia. This is a significant point to note when the government has been actively moving towards limiting the largest services export sector in the country, which is contributing 50% of GDP growth in the Australian economy.

Establishing a set quota of international student visas within net overseas migration will severely impact providers and cause detrimental effects to Australia’s reputation as a study destination.

## **3. How will this approach to managing the system affect individual providers?**

In developing Australia’s International Education and Skills Strategic Framework, it is vital that institutions disproportionately affected by Ministerial Direction 107 have the opportunity to recover their positions. This directive has allowed some universities to thrive while others have suffered, creating an imbalance that needs to be addressed.

The impact on individual providers will ultimately depend on the government’s process for setting institutional student caps, and where the cap level lands, and managed growth trajectory from there. It is understood from discussions so far that the government will be managing the growth agenda of each university provider. Through this process, Flinders University is looking forward to working with the government to outline its unique profile, ambition, and operating context.

Flinders University cautions against restrictive capping, which has the risk of negatively impacting course development, teaching locations, service provision, and infrastructure development. Restricting institutions' ability to pursue strong growth agendas, unless they meet specific exemption criteria, reduces equity among providers and limits market opportunities, particularly in exploring new markets. It is anticipated that such an approach would reduce diversity within international student cohorts based on nationality and study areas.

#### **4. Should sectors other than higher education and vocational education and training, such as schools, ELICOS and non-award be included in approaches to manage the system for sustainable growth?**

Schools and ELICOS providers play a crucial role in preparing international students for higher education and vocational education and training. These preparatory courses help students integrate into Australian society, improve their English skills, and g

#### **5. How should government determine which courses are best aligned to Australia's skills needs?**

The Federal Government should collaborate with state and territory governments to better understand skills shortages and future growth ambitions. Currently, there is a disconnect between the Federal Government Skilled Occupation List and state-based needs.

Jurisdictions have varying population growth rates and smaller states rely more heavily on overseas migration to meet their skills needs.

Tertiary and vocational institutions provide the courses required to train skilled workers and ensure graduates are job-ready to fill existing skills gaps. It is also worth noting that training international students in the Australian system to meet local skills needs, as such as in nursing, paramedicine, and medical fields, is far more effective than importing workers who require additional training.

#### **6. How should government implement a link between the number of international students and an increased supply of student housing?**

The relationship between student caps and housing supply is a 'chicken and egg' scenario. Capping student numbers will reduce revenue, putting downward pressure on the entire sector and deterring investors from committing to housing projects, despite promises of higher caps in the future.

It's important to recognise that not all cities face the same accommodation issues. For instance, Adelaide has surplus capacity within its current purpose-built student accommodation offerings. This makes it challenging for universities to form partnerships with commercial investors or utilise their financial resources effectively.

Therefore, universities in South Australia could reasonably be allocated higher student caps, given the existing capacity within the student accommodation sector.

Clear policies and stability are essential for encouraging any form of investment. It would be difficult for accommodation providers to have the confidence to invest building new stock in the absence of government commitment to create this stability.

#### **7. What transition arrangements would support the implementation of a new approach?**

It is not reasonable to contemplate the implementation of new caps within just a few months given that universities have already been making offers to students for next year. The potential impact of the proposed changes needs to be the subject of meaningful consultation with the sector and that any

subsequent changes be introduced in a timeframe that allows their impacts to be assessed and understood in time to properly adjust for the next recruitment cycle. The alternative will be a chaotic recruitment cycle that will negatively impact on Australia's reputation as a study destination, with the potential to do long-term damage to one of the nation's most successful export industries.

Additionally, the University advocates for any institution, including Flinders, which has been disproportionately affected by the blunt instrument of Ministerial Direction 107 should have the opportunity to recover their positions. A small number of universities have borne the brunt of a sector-wide approach that has, in fact, favoured the very institutions the direction was purported to address.

### **Objective 3**

#### **1. What are the barriers to growth in offshore and transnational delivery of Australian education and training?**

Australian TNE partnerships and delivery models are constantly evolving, making it difficult for peak bodies and governments to track and measure them accurately over time. Additionally, challenges to growth are often context-dependent in the country of operation. However, several general barriers apply to many countries where Australian TNE providers operate.

Competition from other countries: Australian TNE providers face new and diverse risks from competitors in the US, UK, Canada, China, and India.

- For example, the Australian Qualifications Framework and the general requirement for bachelor students from disparate disciplines to undertake a two-year master's program place Australian providers at a disadvantage. Competitors from the US and UK, offering one-year master's programs, often ranked as high as or higher than Australian institutions, making it difficult to justify choosing an Australian 2-year qualification offered through TNE.
- China's Xiamen University has successfully established itself in Malaysia, attracting both local Malaysian students and expat international Chinese students.
- Indian Edtech companies offer high-quality programs from the US and UK within India and in many markets where Australian institutions operate.
- Traditional importers of educational services, such as Singapore and Malaysia, are rapidly building their capacity to compete as education exporters and are asking TNE providers to quantify student outcomes related to employment and local skills needs.

Access to quality teaching staff: Ensuring adequate qualifications and experience, particularly in modern pedagogical practices, at the host teaching location in developing TNE countries can be a significant challenge.

Role of the host country's government:

- Internet firewalls, legal and regulatory requirements for program approval, and ongoing auditing and assessment by the host government.
- Expectations associated with course delivery, content, and academic integrity.
- Impositions on visiting Australian academic staff, such as unsympathetic visa and taxation policies and invasive personal detail requirements that do not comply with Australian privacy laws.
- Formal recognition of qualifications by the government at the delivery location:

- o 'Offshore transnational education,' where students study Australian education programs within a campus-based setting, is generally more acceptable and recognised by governments at the delivery location.
- o 'Online transnational education,' where courses are explicitly designed for students in a specific country (often with local partner support), is less likely to be accepted by governments at the delivery location.

## **2. Where can government direct effort to support transnational education?**

Building up sustainable and financially viable TNE operations for Australian Universities is complex, time consuming, has relatively long investment periods and lower yield before break-even point and recuperation of investment is reached. It is therefore common that TNE models are designed to have a proportion of expected student transfers to Australia, paying Australian level tuition fees, and driving enhanced financial viability of the TNE operation. Examples of this include:

- a) Chinese Ministry of Education approved joint education programs where a proportion of students in the allocated annual commencing student quota chose to transfer to study and complete their award in Australia (so called 2+2 programs), and
- b) Delivery of both a diploma and years 2 and 3 of an undergraduate qualification in TNE format, with most students completing all 3 years in TNE format at offshore tuition fee levels, but with a proportion transferring to Australia for years 2 and 3, completing the qualification at Australian tuition fee levels.

In the context of the government's introduction of a managed growth scenario for the international education sector, Flinders proposes that the government stimulate university investment in TNE operations by allowing the transfer of students back to Australia outside of the proposed managed growth scenario.

Flinders University is of the view that such an exclusion (similar to the proposed ELICOS, higher degree research students, and non-award student exclusion) should be carefully managed, and only be afforded to well defined and identified TNE courses, based on Australian qualification delivery, and demonstrated through sizeable investment in TNE by the institution. It should not be applied broadly to any articulation or pathway transfer arrangements.

Furthermore, the government can support TNE by focusing on establishing more nuanced peak bodies for government-to-government formal agreements and encouraging innovative models of education delivery.

Firstly, establishing nuanced peak bodies for formal agreements between governments is crucial. Good relationships with local authorities and government bodies responsible for quality assurance are already evident in mature TNE markets like Singapore, Malaysia, and Hong Kong.

Numerous examples of good practice, such as TEQSA working closely with country-specific regulators like CPE in Singapore, MQA in Malaysia, and HKCAAVQ in Hong Kong, highlight the benefits of such collaborations. On the other hand, countries like India, Indonesia, and Sri Lanka are only now developing more sophisticated frameworks for entry, approvals, and assessments. The Australian Government should work closely with these foreign governments and Australian TNE providers to highlight customised TNE programs for training academic staff in host countries, leveraging the strengths of Australian education providers.

Secondly, the government should encourage and support innovative TNE models like Flinders University's 'micro-campus' development. Our 'micro campus' model is designed to deliver a select suite of discipline-themed academic programs in the host country, which are closely connected to and supported by related industry sectors and government. This approach aims to create a sustainable education ecosystem,

providing students and local staff with access to quality higher education and skills training, meeting local demand. Additionally, this model offers opportunities for risk-managed student mobility from Flinders, and student transfer to Flinders (or elsewhere) for further study, enhancing the overall educational experience and fostering stronger international academic ties.