

# Ly Tran and George Tan

## Objective 1

- 1. Are there further reforms governments should consider that will improve the quality and integrity of the sector?**
- 2. What more can providers do to improve the integrity of the international education sector?**

## Objective 2

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

We appreciate the opportunity to write a submission for consultation on the Draft International Education and Skills Strategic Framework.

We support the government's position to ensure quality and integrity of the international education sector stated in the draft Framework. In particular, we strongly welcome the government's measures to crack down unscrupulous education agents and education providers to protect "vulnerable international students from exploitation and coercion".

Issues with capping international students by campus locations:

One of the proposed priorities in the Framework is to address skills demands in regional Australia by attracting international students to study at regional universities. While this proposed policy is well-intentioned, there are a few issues we would like to raise:

International students face increased difficulty in finding a job in regional Australia.

Our joint Deakin University and University of Adelaide research shows misunderstandings in the community about international graduates' work rights, skill level, English language proficiency and other prejudices, thus making it harder for these job seekers to find work than their Australian counterparts.

Many employers in regional Australia tend to be less exposed to diversity, compared to those in major cities, and thus more hesitant to recruit international graduates from diverse backgrounds. Any initiative to funnel international students to Australia's regions, must therefore, address xenophobia, discrimination and include educating employers about international students and temporary graduate visas as a critical step.

There is a gap between skills shortages and the realities of employer practices and employment outcomes.

Census data shows regional defined parts of Australia, such as the Northern Territory and Tasmania (both jurisdictions with only one university – Charles Darwin University and The University of Tasmania), had a lower proportion of international graduates being employed in a Skill Level 1 job, compared with other States/Territories. This is a skill level commensurate with a bachelor's degree or higher tertiary qualification. International graduates in these locations were more likely to be employed in low-skilled jobs.

Census data also shows us that among all of Australia's states and territories, the Northern Territory had the lowest proportion of international graduate visa holders earning \$1000 or more per week in 2021.

Skilled international graduates who cannot find jobs matched to their qualifications or effectively integrate will often leave the regions to relocate back to Australian cities.

Any caps to be placed on regional universities seem superfluous, alongside proposals to remove regional bonus points as well as the increase to financial capacity requirements that will have an impact on efforts to channel more international students to regional universities.

Capping international students by courses and international students' interests:

It's not just a matter of wages or career ambitions that will drive this. International graduates' visa conditions stipulate they must find skilled work in an area of skills demand to secure permanent residency in Australia.

But the proposed policy dictates what international students should study to meet the skills demands in Australia, which is the most feasible pathway to migration in the current context. Students who intend to migrate permanently will naturally gravitate towards courses listed on the skills shortage list regardless of their interest in working in that field of study after graduation.

Capping international students by courses is not reasonable because most international students pay sky-high tuitions fees for their Australian education and they should have the freedom to choose a course that aligns with their capabilities and aspirations – just like Australian students. Their course choices and career pathways should not be informed or shaped by the skills demands of their host country, Australia. Otherwise, many students may be enrolled in courses of skills demands for the purpose of securing permanent residency but are not genuinely interested in learning, resulting in disengagement, or graduate from fields that they may not wish to pursue or struggle to find skilled jobs.

The proposed policy where enrolments are capped to benefit Australia's interest also tends to disregard the skills demands of their own home countries, where around 80% of our international students will one day return to work.

In addition, capping international students by courses will likely put some disciplines and courses at risk because of the combined fall in international student numbers and current declining demand for undergraduate study among domestic students.

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

Consistent evidence suggests that blaming international students for a complex and longstanding problem of accommodation shortages in Australia is unjust given that international students only make up 6.8% to 7.2% according to the Guadian analysis of census data. Moreover, the housing crisis intensified during the pandemic despite the fact that international borders were closed with negative Net Overseas Migration figures in 2020 and 2021.

International students contributed to more than half of Australia's 1.5 per cent annual GDP rate and economic growth in 2023, according to NAB analysis. Latest data from the ABS shows that Australia's GDP growth slumped to 0.1 in March 2024 quarter. A decline in international students will further damage our economic growth.

Universities and related stakeholders have been working very hard to restore and sustain international education after the devastating impacts of COVID-19 on student mobility.

The approach to managing current rates of overseas migration by scapegoating international education will cause long-term damage. Although the rebound in student numbers and recovery of the sector contributed to high Net Overseas Migration (NOM), efforts to bring down NOM through the proposed policy approach risks unintended consequences for the international education sector with ramifications across the wider economy.

Despite the government's efforts to decouple the education-migration nexus, it is evident that the international students represent an important workforce in several key sectors, such as the aged care and disability support sector. The occupation which has the largest number of international students and graduates is 'carer and aides'. Hence, there is a risk that any caps placed will lead to more acute labour shortages. A blunt approach will lead to unintended consequences that will impact on labour supply for local businesses and some sectors.

Recent contradictory changes and lack of uncertainty jeopardise not only international students' study needs and choices but also its competitiveness as a destination for international students in the long term. International students have increased options not only through study abroad with major traditional study destinations but 'study nearby' with emerging destinations such as Hong Kong, Singapore, Japan, Korea and China and 'international education at home' through an unprecedented growing number of transnational programs in their home countries.

Recommendations:

International students and graduates are major contributors to our economy, society and international relationships. Therefore, having certainty in policy and reciprocity towards international students and their home countries is both good education policy and a sensible long-term economic strategy.

Any policy changes to manage growth in the international education sector must use an evidence-based and granular approach, taking into consideration the needs of international students and be closely consulted with education providers and related stakeholders, with a view towards a long-term sustainable growth and ensuring quality in student experiences. Improving international student experiences and being responsive to their aspirations should be at the centre of any policy reform in international education.

Practical strategies to enhance Australian local community's understandings of and connections with international students are urgently needed. It is important to develop mechanisms to counter the myths and misinformation about international students such as international students taking away jobs, university places and accommodation from local students and local communities.

Showcasing the benefits and contributions of international students to the Australian communities in a way that can easily get into the mind of the Australian public to foster a more inclusive society through informed public dialogue is critical.

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

**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?**

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

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

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

### **Objective 3**

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

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

