

StudyAdelaide response to the Draft International Education and Skills Strategic Framework

StudyAdelaide is pleased to provide this submission to the consultation process on the Draft International Education and Skills Strategic Framework.

StudyAdelaide is a statutory authority responsible for raising awareness of and preference for Adelaide as an international education destination. StudyAdelaide also supports international students studying in Adelaide through the provision of a yearlong calendar of events and initiatives. StudyAdelaide supports the growth of the international education sector in South Australia by fostering partnerships with businesses and industry and growing awareness of the holistic contribution of the sector to South Australia.

StudyAdelaide is funded by State and Local Government and CRICOS registered education institutions with a campus located in South Australia. These education institutions include universities, higher education providers, pathway colleges, VET providers, schools and English language colleges spanning public and private providers.

Established in 1998, StudyAdelaide has a long history of supporting and observing the transformative impact of international education at national, state and individual levels.

International education delivers enduring economic benefits and in 2023 was South Australia's largest export sector, valued at \$3.15 billion. This economic contribution, while significant to the state does not capture other equally important aspects of international education, such as attracting highly talented students to our classrooms, strengthening global linkages at the academic and personal levels, creating a graduate workforce for businesses in Australia and alumni with a shared understanding of Australia's values and perspective.

For the year ending December 2023, there were over 54,000 international students, from over 130 nations, enrolled in South Australian education providers – 50% in Higher Education providers, 32% in Vocational Education and Training (VET) providers, 11% in English Language Intensive Courses for Overseas Students (ELICOS), 4% in schools and 3% in Non-Award courses (e.g., Exchange, Study Abroad and Foundation Studies programs).

StudyAdelaide offers the following comments in response to the questions provided for consultation on the Framework.

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

StudyAdelaide supports the focus throughout the Framework on ensuring the integrity of the sector. Upholding an education experience that delivers on the rightful expectation of high quality and builds Australia's reputation is in the best interest of students, the sector and Australia's domestic and international objectives and aspirations.

The legislative changes proposed to strengthen the integrity of the sector reflect many concepts that education providers in South Australia have long been calling for. This includes the requirement for providers to have delivered courses to domestic students before entering the international market, the cancellation of providers' registration if they have not delivered a course to international students for 12 months, the expansion of the definition of the fit and

proper provider test and the ability to suspend providers under serious regulatory investigation from enrolling new overseas students.

StudyAdelaide does not propose further reforms for governments to consider but would like to highlight the need for reforms to be supported with action by the regulators to ensure that unscrupulous actors within the sector are quickly identified and their ability to recruit and teach international students permanently stopped.

StudyAdelaide also supports the retrospective application of these amendments to disrupt any activity to try and circumnavigate these changes before they are implemented.

What more can providers do to improve the integrity of the international education sector?

Nil comment

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

Setting international student total enrolment limits should be considered with a focus on integrity of the provider and quality of the students' education experience.

In addition to this overarching focus there should be consideration given to the capacity and capability that locations within Australia have to sustainably grow international student enrolments. There is reference in the Framework to the concentration of international students to a small number of capital cities. The current concentration of international students in Sydney, Melbourne and Brisbane is reflective in part of the international brand recognition these cities enjoy as well as the education offering and often strong diaspora.

The growth in student enrolments has played out differently across sectors and within different locations across Australia. South Australia has not experienced the same level of growth in international enrolments as in other capital cities, particularly Sydney, Melbourne and Brisbane. This is a result of many factors, including the composition of the student cohort, rankings, destination awareness and impacts of Ministerial Direction 107. The impact of various policy changes enacted from December 2023 has seen a 10% year on year decline in international student commencements for higher education in South Australia as of March 2024.

The international education system is large, diverse and complex and consideration of allocating international student enrolments by any definition needs to ensure the current strengths of the sector are not traded away for a short term requirement to reduce the number of international students onshore due to an exceptional recovery from the COVID-19 pandemic. Setting levels for enrolments of overseas students needs to take into account the fact that international students are each individual consumers with many international options for where they choose to undertake their studies. Attracting international students is highly competitive with many other destinations also looking to benefit from the skills, economic and diplomatic advantages that a strong international education sector provides.

The inclusion of locations as a consideration for setting total enrolment limits by provider and course level may offer the ability to use this instrument to ensure a greater distribution of international students across Australia.

The Framework should provide the mechanism to help drive an increase in students to parts of Australia that may not have the same destination awareness but offer quality education, student experience and employment opportunities. Many parts of Australia, including Adelaide

and South Australia are pursuing population growth and Adelaide has the capacity and capability to increase international student numbers. All capital cities within Australia are not the same in their education provider composition, nor their skills and population needs.

Alignment to Australia's skills needs is one consideration as we look to build the talent that Australia requires to match our economic and societal aspirations. It should be one important factor inputting into enrolment numbers, however there should also be a focus on the areas of global skills needs that international students can use in their home country. Not all students wish to stay in Australia after they graduate, and the Temporary Graduate Visa settings do not allow it, so when considering any course level total enrolment figures, the settings should expand beyond solely Australia's skills needs.

An example is the Australia Awards program which is a driver of Australia's geo political influence, however the settings for this Award require that the recipient return to their home country upon graduation and that their course of study benefits their home country.

StudyAdelaide has concern with how total enrolment settings can be implemented across all VET and University providers in a way that considers the nuance of the provider and the location they are set within. An example is that all of our public and private universities are located in our metropolitan city. Definitions referenced in the Explanatory Memorandum to the Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024, such as the reference in clause 199 to 'higher education providers located in a metropolitan area' may fit larger capital cities and their geographical dispersal but if this categorisation was applied to South Australia it would result in the main teaching campuses of each university and higher education provider sitting outside the definition.

Setting enrolment levels will adversely affect Australia's reputation as an international study destination, particularly following other measures that have been announced as part of the Migration Strategy reforms. It is noted that since announcing caps in January 2024, Canada has gone from being the equal first ranked international education study destination to fourth, according to IDP Education's latest Emerging Futures survey of more than 11,500 international students from 117 countries.

What considerations for government should inform the overall level of international students in Australia?

Consideration should be given to both Australia's skills needs as well as the global reach that international education has, and the mobility of international students.

Setting an overall level is a blunt approach for a complex, large and important sector, comprised of so many students who chose Australia. Rather than an overall level, there is the opportunity to consider any enrolment limits that reflect the capacity of both the location and the provider.

StudyAdelaide has concerns around the how the enrolment limits will be defined and the reference to both Australia's skills needs regarding enrolment levels and public interest regarding course cancellations. The term 'public interest' has a very broad set of interpretations depending on the government of the day. Both of these measures could result in less stability and certainty for the sector. The alignment of courses to skills needs has to be matched with a migration system that enables students to transfer to suitable post study visas that enable graduates to gain the experience required to transition to the newly announced Skills in Demand visa. It should also be noted that some of Australia's skills needs, in areas such as nursing have constraints such as practical placements, which doesn't enable further enrolments despite the acute skills needs.

The annual review of enrolment numbers may result in less certainty and stability for an institution as they are not able to work to their own targets and growth plan but instead will need to be advised by the government on their enrolment limits. This may make it harder to plan resources and revenue and invest in facility upgrades or expansion. It may also make it harder for institutions to recruit, as the decision-making lead time can sit around 12-18 months given the investment a student is making when deciding on a study destination and provider.

How will this approach to managing the systems affect individual providers?

There are likely to be both intended and unintended impacts to individual providers through a change in reform this complex and comprehensive. The intention and approach should be to protect the operational sustainability to providers across all sectors that deliver an education and overarching student experience that is focused on quality and helping students to achieve their qualification.

Providers who are not acting with integrity should be negatively impacted by this approach and it should make their ongoing operation unviable in its current composition. To achieve this any changes to policy and legislation need to be matched with an ongoing investment in compliance.

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, ELICOS and non award providers should not be included in the approach to managing the system for sustainable growth. Consideration should be given to ensuring any new applications by providers in these sectors is not driven by unscrupulous providers wishing to shift their activity to areas of the sector that will have a different approach to managing growth. Any new applications by providers outside of higher education and VET should be thoroughly scrutinised before being granted, especially in the first 24 months following the introduction of the legislation and Framework.

Higher degree by research and Masters (research) students should also sit outside of the managed system, given their vital importance for the research capabilities of our institutions and the very specific focus areas of their study.

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

This should be determined through an evidence-based approach in consultation with Jobs and Skills Australia. There should also be a deliberate focus on the skills needs per jurisdiction given that the work experience, professional networks and other determinants of graduate employment will vary based on the location of education. While there are many skills that are in shortage across Australia, there needs to be a connected approach to reflecting the specific needs of a jurisdiction when setting any enrolment levels that align with national skills needs data. This approach should also take into account factors such as placement requirements which may limit opportunities for enrolment growth in areas of skills needs.

Consideration should also be given to the likely concentration of courses that will be offered by providers around these areas of skills needs and managing this against the aspiration of diversification in all its forms.

International education has played a consistent and impactful role in supporting Australia's strategic and foreign policy objectives. A national focus on fostering alumni networks and research partnerships can further enhance Australia's strategic and foreign policy objectives. This should not be lost as the alignment between Australia's skills needs and international education strengthens.

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

Housing supply should not be linked to international student enrolment settings. Housing supply should be addressed in terms of Australia's overall population growth aspirations and addressed through other mechanisms.

Linking purpose built student accommodation (PBSA) housing supply to international students may not create additional supply for the providers who can most readily increase their student numbers. It would be a stronger proposition for housing supply to continue to be addressed through a multi-pronged approach including PBSA, on campus accommodation, build to rent, boarding houses, homestay and private accommodation accredited by the National Property Accreditation Scheme (NPAS) which is administered by Student Accommodation Association. It should also be acknowledged that there will also be a role for the private rental market. All of these accommodation categories need to be considered, for the growth of the international student, and wider, population.

Over 23% of all international student enrolments in Australia in 2023 were at the Masters level or above. The living requirements for this cohort are often different from younger students and there needs to be an understanding that this group may not wish to live in PBSA.

While linking additional enrolments to an increased supply of housing may drive investment in student housing, there are so many dependencies outside of an education provider's control to determine if accommodation gets built. This may mean that accommodation does not get built in areas where there is high demand from students or conversely there may be a strong supply of housing that doesn't match future student demand for that location.

While the current housing crisis is affecting all of Australia, not all locations in Australia are experiencing the same issue with student accommodation. In South Australia, there was a greater number of purpose built student accommodation beds available following COVID-19 than before, due to new PBSA buildings that were constructed during the pandemic.

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

Consideration needs to be given to both the complexity of setting data led decisions on total enrolment levels at provider or course level and location. To assist in the transition, there needs to be notice given to providers to allow time for their adjustment as well as for students who are impacted to have the opportunity to consider alternatives.

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

Nil comment

Where can government direct effort to support transnational education?

Government should ensure that students who study with an Australian provider in a transnational setting are enabled to continue their education onshore with full recognition for the qualification and level of study obtained offshore.

An example is that students who have successfully graduated from the South Australian Certificate of Education (the school curriculum) currently have to sit for an IELTS test as part of their admissions process. SACE provides a direct, high quality Australian pathway for genuine undergraduate students to gain entry to universities in Australia through achievement of the qualification and an Australian Tertiary Admission Rank (ATAR). These students should not be required to sit an IELTS test because they have already successfully completed their secondary schooling in English. This is a recent occurrence that speaks to the mixed messages in policy intent and student experience.

Ensuring full recognition and a streamlined pathway to onshore learning will send a message of confidence in our transnational education offering and also allow further student mobility and the attraction of educated and committed students to Australia to further their studies and linkages between our countries.