

Submission into consultation to develop Australia's International Education and Skills Strategic Framework

Introduction

The University of Canberra has delivered quality education to international students for nearly 55 years with our very first international students from Vietnam commencing in 1975. Similarly, the University has a long history of over 20 years in providing transnational or offshore delivery in a broad range of countries. Transnational education allows us to deliver our courses where students reside, increasing our reach and impact.

We currently host international students from more than 129 countries. A significant number of Canberra's diplomatic community also form part of our student base. International education also remains one of the ACT's largest exports, despite the value of education-related travel in Canberra reducing from \$1.019 billion in 2019 to \$576 million in 2021.

More than just an economic contribution

Many will recognise that international education makes key economic contributions to the University and the broader Canberra community. The importance of international students in our community is, however, much broader than the economic contributions they bring. International students bring new ideas and experiences, build our cross-cultural awareness, and add richness and new understandings to the learning experiences at the university. They also allow our community and individual students to build global alumni networks and in an increasingly globalised world, it is important that our graduates are culturally intelligent as well as highly skilled and employable.

Our excellence in research and research output is also enhanced by our international collaborations and the many international students undertaking research related courses at our institution. International research collaborations also lift our potential to gain access to international research funding and new ideas and more diverse applications of our research across locations and cultures.

With a long history of international engagement, we recognise international students as an integral part of our university. They are important for both the cultural vibrancy of our campus and in developing the international competence of our university and its graduates.

Outbound experiences building connections and networks

We also recognise the importance of our Australian students undertaking overseas experiences, building global relationships, both individually and for our university and city. That is why we have partnered with over 35 institutions overseas to offer our student exchange program. In 2023, we also have students who have been awarded New Colombo Plan (NPC) scholarships to travel to Hong Kong, Japan, South Korea, and Malaysia, giving them the opportunity to engage meaningfully in the Indo-Pacific region.

Enhancing people-to-people links through international education mobility is also important for our graduates. All our graduates (whether Australian or international) make an important skills contribution to both the Australian economy and more broadly to the economies of their home countries overseas. Both Australian and international students are ambassadors for our university and city, whether they choose to

pursue an opportunity to remain here, or leave to pursue careers offshore, they become ambassadors for our nation.

With the above in mind, we thank the Government for the opportunity to contribute to the conversation about Australia's International Education and Skills Strategic Framework and have framed our responses against the discussion questions asked in the Government's discussion paper below.

Objective 1: A Sector Built on Quality and Integrity

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

More visa related information

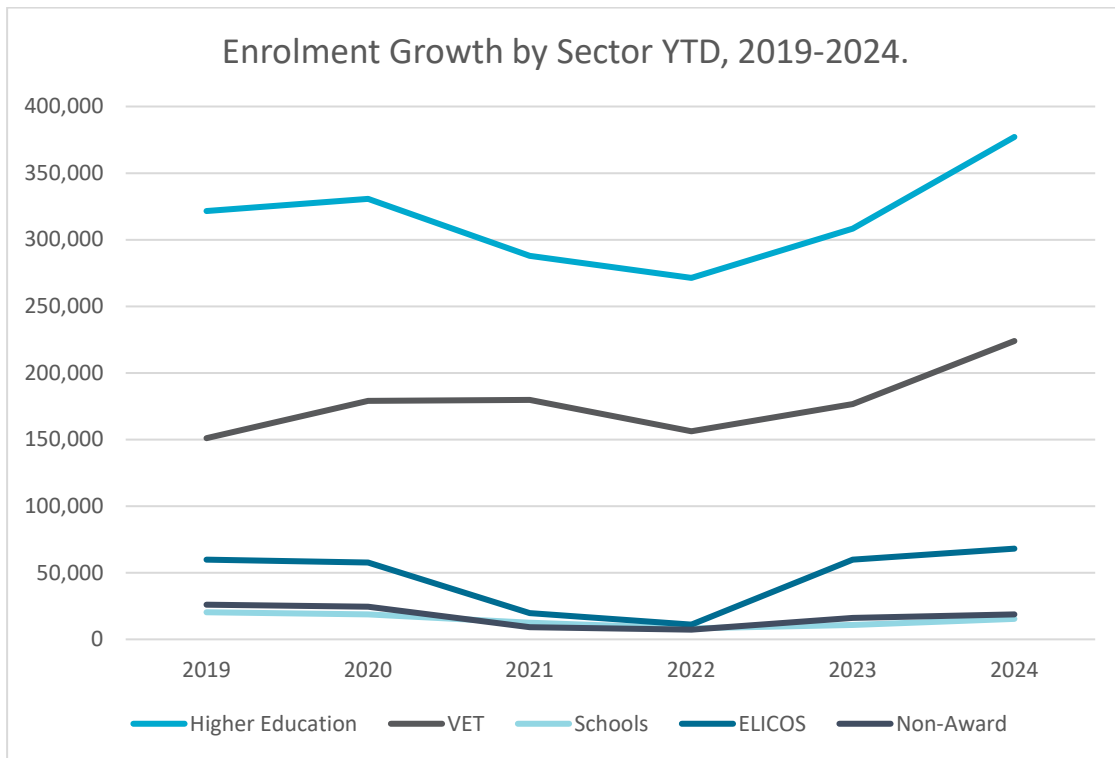
- Further access to high level visa destination data for our students. Providers do not have access to longitudinal visa data for our students however we are required to closely assess students at admission. We would like the Government to consider broader access to institutional level data (by country) about visa destinations (e.g. do students go home after they graduate, do they apply for another temporary visa, protection visa, abscond or other). Not only would it assist to inform whether we are correctly targeting genuine students, but it would also assist us to identify priority markets and identify market risks.

Consistent ESOS training materials for providers and education agents

- The Government could consider developing electronic educative training modules that both providers and their education agents could use to introduce the ESOS framework and its requirements. This would ensure a more consistent approach to training staff and agents about ESOS requirements.

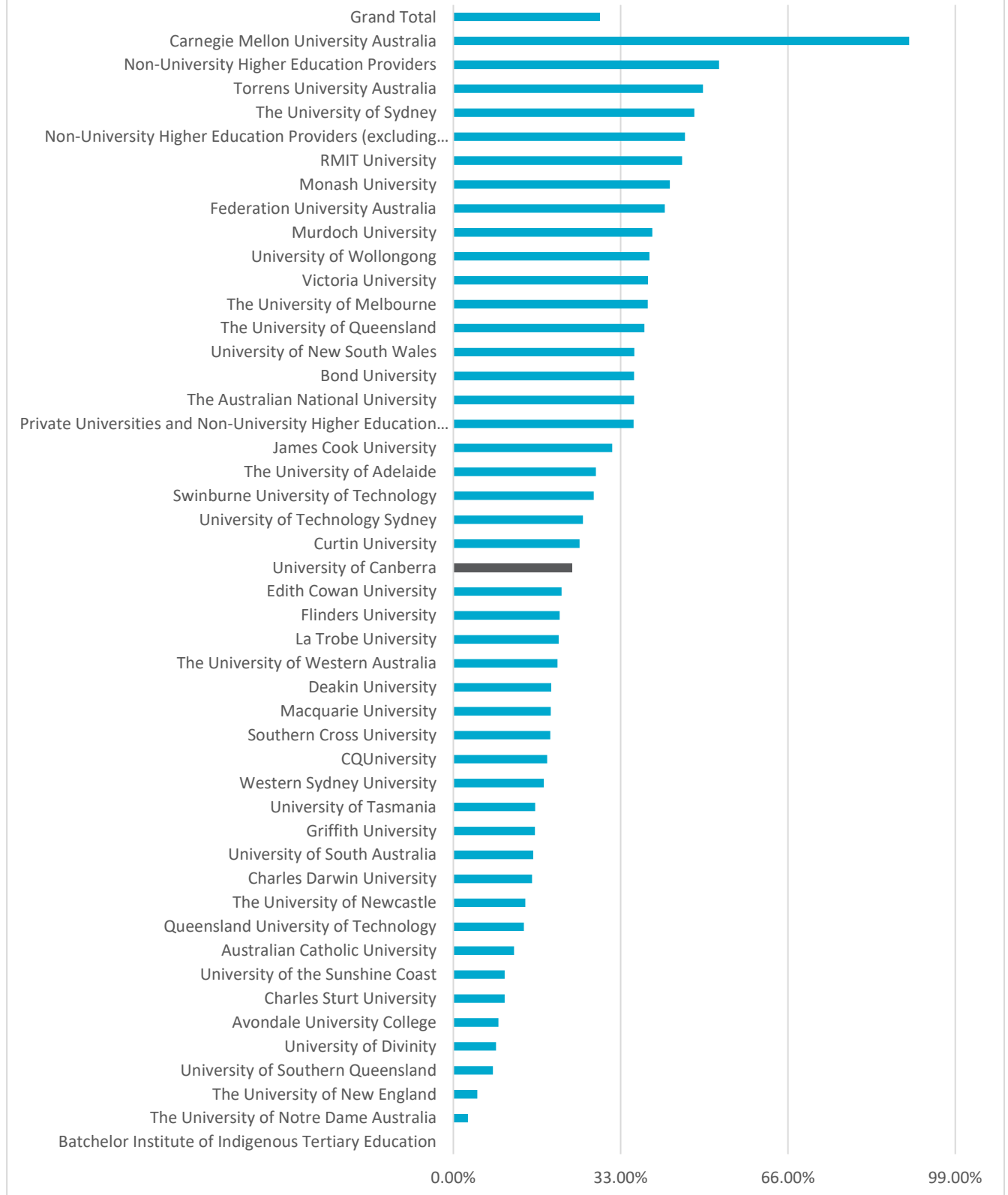
More information about factors where growth is concentrated

- To better understand the factors affecting international student growth in Australia it would be useful to have access to a more granular level of data about where growth is concentrated. For example, The University notes the Department of Education data relating to international student growth shows similar growth patterns in both the Higher Education and the VET sectors (although a slightly larger dip is associated with higher education providers during the Covid pandemic), however it is unclear what the split is between public and private providers and whether there are other factors such as the total number of CRICOS approved providers in each sector by year which affects growth.
- The table over the page is generated using annual overseas student growth data available publicly on the [Department of Education's website](#). The data is based on PRISMS data and is a running total of student enrolments by section (noting one student can record more than one enrolment).



- It would be beneficial to understand the split to further understand whether growth is linked to any provider type (public or private) or to the total number of providers in the sector.
- It would also be beneficial to understand the overseas student to domestic student ratio of individual providers and whether there are some providers taking on a larger ratio of overseas students compared to others.
- Our analysis of publicly available information on the ratio of international students against domestic students shows that the University is relatively modest in its ratio of international students compared to other Universities. See chart 'Percentage of International students by University in 2022'. Chart data obtained from *Student Enrolments Pivot table 2022, Selected Higher Education Statistics – 2022 Student data*, available on the Department of Education website <https://www.education.gov.au/higher-education-statistics/resources/student-enrolments-pivot-table-2022>.

Percentage of International students by University in 2022



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

- The University of Canberra has worked very hard to implement our high-level admission standards to ensure that our students are both genuine and prepared to study. As such, we have taken rigorous Genuine Temporary Entrant (GTE) requirements and have now updated our process in line with the

Government's new Genuine Student (GS) requirements. Our strong processes and procedures have allowed the University to maintain an EL1 level risk rating with the Department of Home Affairs.

- The University would like to note however that there are some risks that are difficult for a provider to identify at the time of admission for example fraudulent financial documents or loaned money. At the same time, it is often difficult to identify why a visa was refused due to refusal documentation not being available due to applicant privacy issues. This lack of visibility stifles our ability to continuously improve our processes.
- We ask that the Government provide stronger visibility around visa refusal reasons and review its visa refusal risk rating for factors/matters that are difficult for providers to determine at application. Considerable time and resources are spent on rigorous admission assessments and these processes have expanded over the last decade. More transparent visa refusal information would assist provider to improve the integrity of the international education sector.

Objective 2: A Managed System to Deliver Sustainable Growth Over Time

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

Different settings for Table A providers and Table B providers under the HESA (i.e. Australian public and major private universities – as well as TAFEs and other publicly-owned RTOs approved under Schedule 1A to the HESA.

The University acknowledges that the recent changes announced are a direct result of both housing supply and demand in Australia and the concerns around international education integrity that was brought to the forefront through the Department of Home Affairs commissioned review and report on the Migration System announced by Minister Clare O'Neil. The University welcomes the new integrity measures introduced in parliament to protect students from unscrupulous providers seeking to exploit them for personal gain.

The University also highlights that many of the issues highlighted in the Migration review appear to relate to private sector providers, particularly in the VET Sector. The University would like to advocate for different policy settings for public Higher Education providers and TAFEs. There is already a precedence with the other Government policies for example in 2017 when most providers were asked to reapply for access to the new VET Student Loans program, existing providers that were Table A providers and Table B providers as defined in the HESA, TAFEs; and other publicly owned RTOs were automatically approved and were not required to reapply. They were also given less ongoing regulatory burden in recognition of their quality.

If Government is to pursue caps - these should consider housing supply and demand at specific locations

The University understands the Government's commitment to the Australian public to lower the cost of living and put downward pressure on housing availability and affordability.

It should be recognised however that not all cities are the same in terms of housing supply and demand. For example, the ACT Government released budget papers in 2023-24 noting that of the 185,000 homes in the ACT, approximately 55,000 are currently rented to tenants. As such, the ACT vacancy rate was the highest of all capital cities. On this basis, if the Government is looking at creating a strong link between housing policy and international student numbers the University would advocate for a location-based assessment when calculating any proposed caps on international students as housing pressure is not the same in every location. The University believes however that linking housing policy to overseas student numbers is unnecessarily complex adding immense regulatory burden to both Government and providers.

If the Government pursues the direction of the proposed ESOS amendments that allow for location and provider-based considerations, this is acceptable to the University of Canberra. It should be noted however,

there is the risk with location-based capacity that existing and new providers may look to move location or expand their footprint into locations with a more generous capacity allocation. This would likely result in an unsustainable distribution of available student market in those locations. This is particularly important for the ongoing financial viability of publicly funded institutions such as TAFEs and Universities. Any establishment of caps by Government should keep this potential adverse effect in mind.

Recognition that international students bring economic and social benefits to Australian society

Whilst we recognise a stepped increase in affordable long-term rental supply is essential, we also want to emphasise the economic and social benefits that international students bring to the community in Australia.

Onshore international students spend money in the economy buying food, essentials and other goods which in turn creates jobs and contributes economically to the economy. As we saw during the Covid pandemic, international students also fill both skilled and low skilled jobs. We saw a marked increase in businesses expressing concerns with being able to hire staff in industries such as hospitality, retail and aged care when there was a marked decrease in international students during the pandemic.

Policy makers should take a balanced approach to the economic benefits of international students versus the problem of housing affordability when developing policy relating to international student caps.

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

There should be broad economic analysis of both the benefits of international students in terms of filling labour shortages and the economic benefits that they and their families bring to Australia. It is unclear at this point whether the negative impact on housing outweighs the benefits.

There should also be some analysis of where the most growth is concentrated as outlined under point 1 above.

Whole of government consultations

We note that the Government is considering individual discussions to form institution 'mission specific' arrangements. As an institution we have had individual conversations with Government departments such as the Department of Home Affairs in the past on our specific circumstances. It would however be useful to have a whole of government approach to these conversations. For example, Austrade, Home Affairs, DFAT, Education (both Higher Education and International Divisions) and Employment (in relation to skills) being in the same room and conversations with providers about their circumstances.

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

It is no secret that Universities derive much of their income from international student enrolments with international student fees effectively cross subsidising the education of domestic students and supporting university research activities.

The capping of international students on public providers risks the financial sustainability of these institutions which bring large scale public benefits in terms of our connections and collaborations with the community, the jobs we provide to the public, the benefits of our research and the reputation of Australia's education system internationally.

At the same time the increased regulatory burden of assessing students beyond their academic admission, leading into financials and other considerations which were historically assessed by the Department of Home Affairs increases costs for 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?

Not at first. However, if the Government, after an initial pilot phase see unsustainable growth in the schools and ELICOS sector it may need to reconsider its stance.

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

Not all students stay after they graduate

A course list linked to the Student Visa Program assumes that students will stay after completing their course. Whilst the University of Canberra acknowledges that migration is a driver for some international students it is not the case for all students. Equally, there is also no guarantee that Australia's Skills needs will match the skills needs of foreign countries for students return home. Therefore, closely aligning the student visa program to skills needs may be viewed as one sided by our foreign counterparts affecting international relationships and collaboration.

We have many examples of UC International Alumni students who have returned home and forged strong careers (and beneficial connections with Australia) for example:

- [Mr Lotay Tshering](#), Former Prime Minister of Bhutan studied an MBA at UC.
- Dr Nguyen Xuan Vang, Former Vice-President of Hanoi University and Former Director-General of International Education Development, Ministry of Education & Training, Vietnam (See: [Alumni Profiles - University of Canberra](#)) completed a Master of Arts in Teaching English to Speakers of Other Languages at UC.
- Dr Sahattaya Rattanajarana is a current Assistant Professor in Nursing Administration at Burapha University in Thailand (see: [Faculty of Nursing delegation from Thai university visits UC to discuss ideas, opportunities for collaboration - University of Canberra](#)). She completed a PhD with UC.

Not only do these students bring home skills they also create strong relationships with Australia, building cross boarder connections and soft diplomacy opportunities.

For students who want to stay

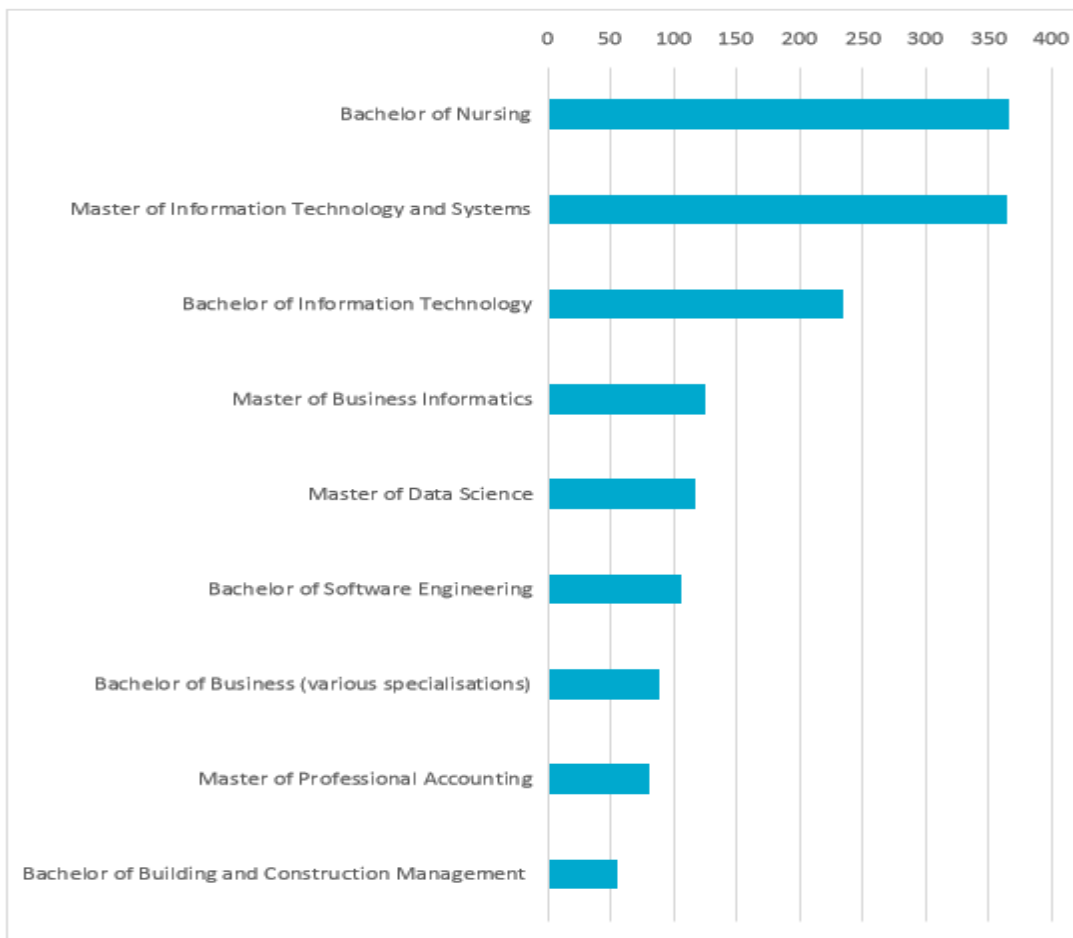
We also acknowledge, there are some students who have planned their studies around the possibility to work and stay in Australia after graduation.

The University of Canberra would like to bring to the Government's attention a series of recent complaints it has received from current students about changes to the changes to the Temporary Graduate Visa Program announced as commencing from 1 July 2024. There are high quality students who are in their mid-thirties and have meticulously planned their studies and travel to Australia with a particular future envisioned. They have approached the University highly distressed and would like to advocate for the grandfathering or a transition period for students who are already in Australia studying.

Skills shortage alignment

At the University of Canberra, the most popular courses for international students are already closely aligned with skills shortages, although there are some outliers such as the Bachelor of Business. See graph below:

Courses of top 10 enrolments for international students on a student visa (as at 1 March 2023)



Although we recognise the incentivising enrolments in particular courses limits consumer choice and affects the financial viability of courses not supported. This may have the unintended consequence of providers underinvesting in courses not on the list causing an oversupply over time. This under investment means the breadth and choice in courses may be limited for future domestic and international students.

The Government could consider different course settings for Table A providers and Table B providers under the HESA (i.e. Australian public and major private universities – as well as TAFEs and other publicly-owned RTOs). These settings could include no course alignment requirements for these providers.

Alignment of courses to skills needs is an important data source

Although the University believes the Government should not link skills shortages to the Student Visa program it does recognise the importance of such data for the purposes of future planning for both providers and the business community.

Introducing a course/skills list does not automatically lift graduate numbers.

It should also be noted that many courses in skills demand areas are already capped by licencing bodies or limited by the availability of clinical placements and therefore the funnelling of students into those courses does not necessarily increase the number of graduates from those courses.

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

There are multiple student accommodation options at the University of Canberra, both on and off campus. Student accommodation is currently at an adequate capacity and can fluctuate. Demand varies across different student cohorts for sites and room options, ranging from single rooms to dormitory style accommodation. Accommodation scheduling must account for the University's 'accommodation guarantee' that all international students as well as first-year domestic students at the main Canberra campus are guaranteed a place in one of the on-campus student accommodation venues. The University also has arrangements with other education providers to best utilise (and flexibly manage) accommodation capacity through extending university accommodation to students from other local institutions.

A direct link between international student numbers and the supply of housing has many complexities and possible unintended consequences (some of which are listed below). The Government could instead link student housing to the percentage of annual international student growth. This policy setting enables the Government to manage unsustainable overseas student growth with student housing.

As mentioned, there are several risks associated with a direct link between overseas students and student housing. For example, there is a risk that some providers may buy or lease existing accommodation blocks and rent these to overseas students at an exorbitant rate, leading to both the exploitation of the student and the reallocation of housing currently available to the broader population to student housing.

Similarly, if the Government were to mandate the building of new student housing accommodation with growth there are issues in terms of council approvals with long planning and building timeframes leading to unnecessary barriers to trade/business. This policy would also benefit large profitable providers over small business stifling their ability to grow.

A direct link between overseas students and student housing may not consider the current cross provider collaboration that goes on. For example, at the University of Canberra, we currently lease some of our surplus student accommodation to students studying at other Canberra providers. There are several reasons for this; we are not located in the inner Canberra city and therefore our accommodation is lower cost and lower density and therefore more attractive to some students. Other Universities also lease their surplus accommodation to visiting delegations or the general public when there is a shortage of accommodation available. For example, when the 2023 World Athletics Cross Country Championships took place on 18 February 2023 in Bathurst, we understand the local University allowed members of the public to lease their accommodation short term as much of the publicly available accommodation was full. Heavy government regulation of student accommodation could lead to less flexibility in the management of these arrangements.

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

A pilot or 'soft cap' phase

A pilot with soft caps for at least a year to track the effects on consumer and agent behaviour. Having current capacity caps as at least the baseline for negotiations.

A 2026 implementation timeframe

It should also be noted that the University is well into its recruitment of students for 2025 and many offers have already been sent to prospective students. Any cap commencing on 1 January 2025 would have a detrimental impact on the University. If course caps are to be applied sufficient notice and a phased timeframe would be required given the lifecycle of applications and enrolments. Any policy settings that cap courses also need adequate lead time in recognition of the impact this might have on the ability of international students to move between degree programs.

We note the current ESOS reforms before the parliament have a commencement date of 1 January 2025 (pending the passage of that legislation) but recognise that these simply give the Minister the power to apply caps. We advocate for any legislative instrument attached to these powers to have a much later commencement.

Objective 3: Taking Australian Education and Training to the World

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

The University of Canberra is an experienced provider of offshore and transnational delivery offering these programs for more than 20 years. In those years we have developed strong partnerships in Bhutan, China, Vietnam. We also deliver domestically with partners in Sydney, Queensland and online.

We recognise as we enter new markets and onboard new partners there is the potential to increase the risk of quality delivery, a quality student experience, and ultimately the integrity of our awards. Therefore, there is a high level of administrative oversight, partner management and academic integrity activities that are needed to maintain high standards. Strong financial management and viability is required to enable us to continually service these partners. Therefore, any policy that has a detrimental effect on the University's ability to maintain financial viability and growth also delivers a risk to our offshore and transnational delivery functions.

The University acknowledges the benefits of Department of Education and Austrade staff at posts overseas and has regularly used the knowledge of these services to navigate the policies and procedures in jurisdictions outside Australia. The bolstering of these activities to further support our transnational efforts would be beneficial.

9. Where can government direct effort to support transnational education?

It would be useful to have dedicated policy setting carving out an exemption or other visa related benefits for students who come to Australia as part of a hybrid higher education transnational education program (for example a one year overseas, one year in Australia program). A cap affecting these students creates a risk that we will not be able to deliver an arrangement as promised. This is not only detrimental to the reputation of Australian institutions but the Australian education more broadly. It also creates a situation which is counterproductive to the Government's diplomatic agenda for example for relationships with China and Vietnam.