

Australian Strategy for International Education consultation: UNSW Sydney submission

Overview

UNSW Sydney welcomes the opportunity to contribute to the Council for International Education's consultation for the development of a new Australian Strategy for International Education 2021-2030.

UNSW is proud to be Australia's global university. We have a long history of providing education to international students, stretching back to the original Colombo Plan in 1952 when UNSW was the first Australian university to welcome international students. We are also proud to have supported Australia's broader foreign policy objectives, contributing to DFAT's Global Alumni Engagement Strategy, and accompanying federal ministers to countries across the world to advance Australia's trade and foreign policy agenda through the promotion of education opportunities in Australia.

In developing the next Australian Strategy for International Education, UNSW would like the Council for International education to consider the following recommendations:

1. The strategy needs to deal with the immediate impacts of COVID-19 on the sector, including the safe return of international students, and set out long-term goals for the sector up until 2030.
2. The quality of a student's education and experience, whether domestic or international, in-country or off-shore, should be at the heart of the tertiary education system and should be reflected in the strategy.
3. UNSW recognises the need to diversify the source markets for international students and, alongside the Australian Government, has been undertaking a number of actions to do so. However, demographic and economic fundamentals mean that China will remain the leading source country for international students for the foreseeable future.
4. Imposing caps on student numbers generally, or from particular source countries, would be discriminatory and distort the market-based approach to international education to the detriment of Australia's economy. It would also reduce the resources available to tertiary institutions to invest in domestic students and fund important research.
5. Recognising that the potential to diversify online offerings needs to be an additional offering to students, not a replacement for the existing model which requires students to study in Australia (at least partially and where possible) to graduate with a recognised degree.
6. Legislative reform in some areas and greater recognition by foreign governments of online degree courses are needed before greater diversification of course offerings can be realised.
7. Australia needs to improve its post study work rights regime to improve the attractiveness of Australia as a higher education destination and to assist with workforce shortages in crucial sectors.
8. A central tenet of a new international education strategy should be ensuring that the benefits of international education and international students are promoted widely within Australia, through a media/marketing campaign or through other avenues.

The impact of COVID-19 on the sector

International students are an important part of UNSW and Australia's tertiary education sector generally. In 2020, we had more than 23,000 international students studying at UNSW from 138 countries. UNSW, like other Australian universities, has been impacted by the COVID-19 pandemic and our international student numbers in 2020 were less than they were in 2019.

Overall, the number of new international students enrolling at Australian universities has almost halved when compared to pre-pandemic numbers – there are now 43,000 fewer international students at Australian universities than there were last year.¹

Prior to the pandemic Australia's international education sector had been growing steadily. Minister Tehan noted in 2018 that the 'growth in international education, particularly in the last five years, has been outstanding'.² The international education sector contributed \$37.5 billion to Australia's economy last year making it Australia's fourth largest export industry.³ Its economic contribution extends beyond just student fees, which account for only 40 per cent of the economic contribution from international students, and includes income from housing, food, transport and tourism.⁴ Indeed, a study by the Mitchell Institute estimated that spending by international students from UNSW in 2019 was worth \$335 million to local businesses in Kingsford alone.⁵

The COVID-19 pandemic has undoubtedly had an impact on the sector in terms of student numbers, economic returns, course offerings for students and the need for pastoral and financial support for international students.

When updating Australia's international education strategy, consideration needs to extend beyond helping the sector to recover from the impact of COVID-19. It must also focus on the safe return of international students, providing support for students offshore, and it must also recognise and build upon the foundations of what has been a very successful sector. To be an effective long-term strategy it must reflect both the immediate needs relating to the context of the pandemic and set out long-term goals to set the sector up for growth and success until 2030, when hopefully, the immediate impact of the pandemic will have subsided.

Objectives of international education

While the economic impact of the international education sector is often the focus for commentary, the value of international education to Australia stretches far beyond the economic impact. Minister Tudge has noted that the objectives of international education are:

1. To provide revenue for institutions and the economy
2. Enhancing the learning experience of Australian students
3. To ensure Australia has the supply of workforce skills that it requires for continued economic growth
4. To strengthen 'people to people' links with other countries to support their development.⁶

Whilst these are all relevant objectives, it is important that the first objective does not overshadow the latter objectives, and that all are given due consideration in any new international education strategy.

Moreover, these objectives do not include the fundamental objective of ensuring that Australia's tertiary institutions are providing a quality education and positive education experience for the student. Concerns relating to students and the quality of each student's education and experience, whether domestic or international, in-country or off-shore, should be at the heart of the tertiary education system. It is important that this is reflected in the next international education strategy.

¹ Naaman Zhou, 'Pandemic halves new international student university enrolments in Australia', The Guardian, 6 May 2021, accessed on 6 May at <https://www.theguardian.com/australia-news/2021/may/06/pandemic-halves-new-international-student-university-enrolments-in-australia>

² The Hon Dan Tehan MP, Minister for Education, Speech, Date:10 October 2018, Australian International Education Conference 2018, <https://ministers.dese.gov.au/tehan/australian-international-education-conference-2018>

³ The Hon Alan Tudge MP, Minister for Education and Youth, 'Challenges and opportunities in international education', 31 March 2021, accessed on 11 May 2021 at <https://ministers.dese.gov.au/tudge/challenges-and-opportunities-international-education>

⁴ The Hon Alan Tudge MP, Minister for Education and Youth, 31 March 2021

⁵ <https://www.smh.com.au/national/it-s-not-just-a-university-problem-the-drop-in-international-students-being-felt-across-sydney-s-suburbs-20200612-p551yu.html>

⁶ The Hon Alan Tudge MP, Minister for Education and Youth, 31 March 2021



We would also like to see greater emphasis on the benefits of international education on international cooperation and collaboration and mutually beneficial exchange.

Diversification of source countries

The Discussion Paper raises the issue of diversification of international education, both in terms of source countries for international students and of course offerings.

In terms of source countries for students, UNSW and other institutions have long recognised the need to source international students from as wide a range of countries as possible. This approach helps to manage risks, build new markets and contribute to the quality of students' education by exposing them to as diverse a group of classmates as possible. Across Australia, international students already come from 140 different countries.

Despite the efforts of the universities and the Australian Government, through agencies like Austrade, to build broader relationships and markets for Australian education, China, given its population and socio-economic profile will continue to be the largest source country for Australia for the next decade or two at least.

The economic reality of the Indo-Pacific is a stark reminder of this predicament. Given the relative GDP of China compared to Indonesia and India, and the relative cost of tuition fees in Australia, China is and will remain the main source country for Australia and other international study destinations. Universities Australia's submission quotes UNESCO data which shows that the proportion of students studying from China in Australia is similar to those in the UK, the US, Canada and New Zealand. In a recent report, the Asia Society noted that this issue needs to be a conversation about of "China AND" instead of "China OR" in terms of broadening the base of countries from which international students are sourced.

While the impact of the current COVID-19 travel ban on India is not yet known, the number of Indian students enrolling at Australian universities has declined as a result of COVID. The absence of regulatory accreditation in India for online study undertaken during the pandemic has seen a sluggish acceptance of online learning by Indian students. In contrast, the UK's new post-study work rights regime, coupled with their approach to international borders has seen Australia cede market share to the UK. The Biden Administration's recent announcement that the US will be open from July will also see Australia lose further market share.

While acknowledging that the size of the population in Indonesia may make it an attractive market, we would promote recognition of ASEAN as a distinct market with growth potential. This also dovetails with the Australian Government's foreign policy emphasis on engaging with ASEAN regional architecture. ASEAN is home to a diverse range of economies including emerging economies such as Vietnam and Indonesia, as well as more developed economies such as Singapore and Malaysia.

Despite recognising the importance of ASEAN as an emerging source market, alongside other growing markets in the Middle East and Africa, China is expected to remain the single largest source country for international students to Australia for the foreseeable future, and any international student strategy should acknowledge this. It should also acknowledge the important role the Australian Government has to play in helping to develop new markets for international students coming to Australia.

Some academics and commentators have proposed the introduction of caps on the number of international students overall, or the number of students from a particular country. UNSW is not supportive of caps as they would be discriminatory and distort the current free market operations of the international education sector. The overall effect of a cap would be to reduce the resources available to universities to invest in domestic education and cutting-edge research which would impact on smaller universities predominantly.

Diversification of course offerings

The Discussion Paper and Minister Tudge's speech raise the issue of greater use of online or hybrid courses for international students. Over the last year, universities across Australia scrambled to ensure many classes were available online in order to accommodate health requirements associated with the pandemic. The extent to which this delivery modality was embraced by universities and accepted by students was remarkable.

Hybrid or blended models have some benefits in terms of the flexibility they offer to both students and institutions, and the economies of scale achieved through online education delivery models which could result in lower fees for students. However, they should not replace traditional in-Australia learning when that is possible. The traditional objectives of Australia's international education sector (outlined above) are all best met by in-Australia



study. The in-Australia experience is also critical for Australia's soft diplomacy efforts and cannot be replicated by an online only learning experience. Additionally, some courses, such as STEM courses where practical components are required, are not well-suited to the online format.

There is however a market for professionals looking to upgrade their qualifications with formal degrees or short courses online, but this will require a major investment in recruitment and marketing capability in a market segment that Australia has not historically promoted to international students.

Prior to COVID-19 online courses were not marketed to international students predominantly because of the regulatory obstacles to recognition of online degrees, particularly in Australia's largest student markets of China and India. While China has agreed to temporarily recognise accreditation from students studying online due to the pandemic, there is no guarantee that this will continue to apply when COVID restrictions ease. India has not taken these steps and as a result, commencements from Indian students have decreased notably. If the Australian Government seeks to offer more courses online to international students, increased diplomatic engagement will be required to ensure that our major source countries recognise online qualifications from Australian tertiary institutions.

In UNSW's view, online courses need to be an additional offering to students, not a replacement for the existing model which requires students to study in Australia (at least partially) to graduate with a recognised degree (when COVID restrictions permit). In-Australia study offers a range of benefits to the student but also to Australian domestic students and the Australian community. The international education strategy needs to recognise the importance of in-Australia study for full degree courses.

Legislative reform

While full degree courses should, where possible, promote in-Australia study, other courses such as university pathway programs and diploma programs are better suited to online delivery. Since the onset of COVID-19, the industry has made substantial investment in online delivery that is constantly improving education delivery methodologies.

However, providing flexibility in delivery models will require legislative reform. For example, the removal of current constraints in the *Education Services for Overseas Students Act 2000* framework, including the [National Code of Practice for Providers of Education and Training to Overseas Students 2018](#). We particularly seek this flexibility for university preparatory programs (including ELICOS, Foundation Programs and pre-masters) and Diploma programs.

Reform of the *Higher Education Support Act 2003* is also required to better support online and transnational delivery of Diploma programs. Diploma programs are regulated as an Australian higher education award/qualification, however we consider that it is still suitable for full online delivery, particularly in certain fields such as business or cyber security.

Building a workforce for the future

Linking international education to Australia's workforce needs has been recognised as one of the key objectives of Australia's international education system, but this issue has become more pressing given workforce shortages in Australia as a result of border closures during the pandemic.

Australia needs to continue to look for more ways to attract international students to areas where Australia has critical workforce shortages (such as IT, engineers, hydrogen, medicine) and ensure these students transition into the workforce. Currently an obstacle to work force participation is difficulty in finding work placements for international students in areas such as engineering, which requires industrial training as part of the degree. The strategy should address this when considering the issue of how international students can help to address workforce shortages in Australia.

Improving post-study work rights is also critical to the attractiveness of Australia as a preferred higher education destination and will assist with workforce issues. Australia should look at replicating the post-study work rights of countries such as Canada and the UK, which have stopped linking post study work rights to the total duration of a program. Improving post-study work rights so they match competing markets and attract students who can contribute to growing Australia's economy should be included in the next higher education strategy.



Further simplification of the student visa process to improve the speed of the service will also improve students' experiences and consequently the attractiveness of Australia as a destination for higher education.

Promoting the benefits of international education

UNSW strongly believes in promoting the benefits of international education that apply to both the international and domestic student cohorts, and for the benefits it brings to the broader Australian community. These benefits have not been well-communicated to the broader Australian community. On the contrary, international students have been demonised in the Australian press on occasion. A central tenet of a new international education strategy should be ensuring that the benefits of international education and international students are promoted widely within Australia, through a media/marketing campaign or through other avenues. Telling stories not only of the impact of Australian education on the international students, but of the friendships built between students from diverse backgrounds, or the impact on small businesses who rely on international students for their staff and customers, would be an effective method to spread these messages. For example, consideration could be given to a documentary series which tracks a series of people touched upon by international students.

In continuing to build goodwill for international education and promoting the people-to-people links which are a fundamental aspect of the sector, the Australian Government should make the New Colombo Program reciprocal. They could do this by investing in a place at an Australian university (exchange or short course practicum) for every funded NCP program. The original Colombo Plan was fundamental in developing capacity of regional economies and higher education systems. Australia could make this flagship people-to-people program reciprocal and build extraordinary brand equity and affinity for Australia in our neighbourhood.

Conclusion

UNSW has a long and proud history of pioneering, and supporting the growth of, the international education sector. We welcome the opportunity to continue to contribute to the development of Australia's next international education strategy. Please contact Mr Laurie Pearcey, Pro Vice-Chancellor (International) at l.pearcey@unsw.edu.au if you would like any further information.

