

Inquiry into the post COVID-19 recovery of Australia's international education sector

Introduction

UNSW Sydney welcomes the opportunity to contribute to the Joint Standing Committee on Foreign Affairs, Defence and Trade's inquiry into the post COVID-19 recovery of Australia's tourism and education sector.

International education makes an important contribution to Australian society. International students enrich Australian campuses by sharing their cultures and different world views, making for a more positive learning environment for domestic and international students alike. International education facilitates important people-to-people links and establishes social, cultural and business links between Australia and other countries. These ties benefit all of Australian society, not just those linked to the education sector, and contribute to advancing Australia's foreign policy objectives. International education also makes an important contribution to the Australian economy.

The COVID-19 pandemic had a huge impact on the sector causing a decline in international student numbers in 2020 and 2021. As a result, the wider benefits of international education were diminished as campuses were shut down and Australia's borders were closed. The pandemic also had a significant impact on universities' overall financial position.

The impact of the decrease in international student numbers has not been uniform across the sector. However, overall the sector is proving resilient. Enrolments for 2022 are promising and there is optimism for further moderate recovery in 2023. This can be attributed to the quality of education provided by Australian universities, the rapid switch to online course delivery, and institutional support provided to international students during the pandemic. The Government has taken some useful steps to support the sector during this time, but more could be done to further support the sector as it continues to recover.

Key Messages

The COVID-19 pandemic had a major impact on Australia's international education sector.

Due to closed borders and a resulting decrease in international student enrolments, UNSW, like other universities, took steps to manage expenditure and introduced a wide range of measures to support international students. This included moving all classes online and introducing programs to support the welfare of international students (both those in Australia and those stranded overseas) educationally and socially.

As a result of these measures and the opening of international borders, international student enrolments have proved resilient and are slowly increasing after two years of decline. However, there is still much the Government can do to ensure the higher education sector remains attractive and competitive in order to restore international student numbers to pre-pandemic levels.

This includes:

- maintaining increased approved international student work hours
- improving Australia's post-study work rights regime
- ensuring Australia's visa settings are competitive with comparable markets overseas. This includes introducing innovative new visa classes that allow for a combination of off-shore and on-shore study; cheaper visas; and allocating more resources to speed up visa processing times

- assisting with the diversification of the international student market, through marketing and promotional tours to potential new markets and by continuing to develop high-level partnership opportunities in key markets such as ASEAN and South Asia, and
- rebuilding 'Brand Australia' to support increased international student enrolments, for example through a message from the Prime Minister broadcast on social media welcoming international students back to Australia and valuing the contribution they make to Australia.

About UNSW

UNSW is one of the world's leading research and teaching-intensive universities, known for innovative, pioneering research and high-quality education with a global impact. Since our foundation in 1949, our aim has been to improve and transform lives through excellence in research, outstanding learning and teaching and a commitment to advancing a just society.

UNSW is ranked in the top 50 universities globally with more than 65,000 students and a 7000 plus research community.

UNSW has 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. Today UNSW has more than 22,000 international students from over 120 countries studying with us.

The benefits of the international education sector

Enriching Australian society and supporting business and cultural links

University campuses are enhanced and enriched by international students. International students make a valuable contribution to the learning environment by sharing their different backgrounds and perspectives. They also enliven the university by sharing their culture, traditions and festivals with their fellow students and staff. The benefits of international education are not confined within university campuses. The social, cultural and business links established through international students benefit Australian society as a whole. Australia is culturally richer, more diverse and has a more textured world view due to the contribution of international students.

Supporting Australia's international objectives

International education has helped develop long lasting cultural, business and international ties. It plays an important role in advancing Australia's foreign policy objectives and promoting Australia and our values to the world. The positive relationship students returning to their home country have with Australia has led to enormous benefits when those returning students have subsequently reached leadership positions in government and business in their home countries. Interactions with international students have also ensured that graduating domestic students have developed more sophisticated international perspectives which not only assist them as individuals but also support Australia's international trading activities.

Contributing to Australia's economy

In 2019, before the COVID-19 pandemic hit, international education was Australia's largest services export and third largest overall export industry, generating export revenue of \$41 billion and supporting almost 250,000 jobs.

The contribution to the Australian economy from international students comes not just from international student fees. In 2020 more than half of the export income generated from international students came from their spending on goods and services from Australian business with only 45 per cent attributable to international student fees. 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.¹ The impact of the pandemic was profound causing job losses across the sector and a decline in the number of international student enrolments due

¹ Jordan Baker, Nigel Gladstone, Natassia Chrysanthos, 'It's not just a university problem': The drop in international students being felt across Sydney's suburbs', *Sydney Morning Herald*, 14 June 2020, <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> accessed on 6 December 2022

primarily to border closures. In 2021, international education export income had decreased by 44 per cent to \$22.5 billion. ²

There remains a fair way to go to return to pre-pandemic levels, but the sector is slowly beginning to recover. Recent figures released by the Department of Education show that commencements for international students increased in August 2022 compared to the same period in 2021.³ While the post graduate enrolment numbers are starting to recover, this is in large part due to pre-existing demand that was not able to be met during the pandemic. It is expected that any future growth of the sector will be moderate.

Challenges associated with the loss of international student numbers as a result of the significant disruption caused by the COVID-19 pandemic and effective measures to attract and retain students to Australia

UNSW, like most other Australian universities, saw a reduction in the overall number of international students enrolled in 2021 and 2020 compared to 2019. At one stage new commencements had dropped by 25% from 2019 levels.

As a result of the economic impact of COVID-19 and this reduction in international students UNSW, again like many other institutions, undertook institutional restructuring and offered staff redundancies. It was a difficult time for the higher education sector, as it was for many businesses and organisations across Australia and around the world. However, Australia's public universities did not have the crutch of the Australian Government's JobKeeper payments that supported other industries.

International students also did not receive direct financial support from the Australian government. Australia's reputation as an attractive destination for international students cultivated over many years was undermined by calls from the government of the day for international students to return home.

Notwithstanding these challenges UNSW responded with a raft of measures that both enabled domestic and international students to continue their studies, and provided practical, pastoral and financial support to students. This included:

- In 2020 UNSW transitioned rapidly to online education and working from home, achieving in 10 days what may have otherwise taken years to do incrementally. UNSW continued to provide online options for all courses throughout 2020 and 2021.
- In 2020 we raised \$1.85 million in philanthropic support for COVID-19 related relief programs. We provided \$5.9 million in funding relief and grants to around 11,000 students; and our student association, ARC, distributed more than 9000 food hampers and 2500 pre-made meal packs to students through its Food Hub initiative.
- Introducing the International Student Award which provides 15 per cent toward tuition for students from eligible countries commencing studies in 2022 and 2023.

Given the majority of international students who were unable to travel to Australia at the height of the pandemic were based in China, UNSW established in-country learning centres in Jiangsu Province and Shanghai. The China Learning Centres (CLCs) assist students to take online courses in a supported environment with peers, attend networking events, develop thesis projects and source work integrated learning placements. The CLCs have been successful in ensuring students still abroad have been able to connect in person and maintain a connection to UNSW notwithstanding they are living outside of Australia.

² Universities Australia, 2022 Higher Education Facts and Figures June 2022 (as of 6 May 2022) accessed at https://www.universitiesaustralia.edu.au/wp-content/uploads/2022/09/220207-HE-Facts-and-Figures-2022_2.0.pdf on 6 December 2022

³ Sarah Ison, 'Chinese university student numbers slow to rebound', *The Australian* 14 November 2022, accessed at <https://www.theaustralian.com.au/higher-education/chinese-university-student-numbers-slow-to-rebound/news-story/5a2780faf737aa4ff7523aedb001e2e9> on 6 December 2022

As a result of these measures, enrolments are starting to improve. China was our most resilient market through COVID on the back of postgraduate programs that provide a quality online educational offering. ASEAN and South Asia markets have bounced back strongly and are driving the post-COVID recovery.

Online innovations in education delivery and potential opportunities to strengthen the sector's resilience

As discussed above, UNSW switched rapidly to full online delivery at the outset of the pandemic.

To accommodate practical research, which is fundamental to university study and research, UNSW introduced a number of innovative approaches. One example is the Advanced Design Lab within UNSW's School of Electrical Engineering. It was set up to create a remote lab solution that allows students to access physical laboratories online. The Advanced Design Lab allows students to operate equipment remotely, using their computer keyboards at home. The Advanced Design Lab demonstrates that in the right circumstances, lab based 'practical' work can be done effectively remotely – an innovation not contemplated prior to the pandemic.

We also extended our virtual offerings into co-curricula activities, which, for example, saw a 700% increase in the uptake of virtual global programs with international students comprising 50% of those undertaking these opportunities.

We were pleased to see that the delivery of courses online did not impact the quality of a student's education experience. In 2021, 85-90 per cent of local and international student cohorts surveyed rated teaching at the University positively with the UNSW achieving its highest ever student satisfaction rating.

The move to online study was not all smooth sailing as there was hesitation from some markets regarding recognition of online education credentials. There was also hesitancy around enrolments in some fields such as engineering and arts, design and architecture, where practical elements are an important part of the educational experience, notwithstanding the innovations introduced detailed above. These areas of study have been slower to rebuild following the pandemic. There is an opportunity to understand this further as part of our post-covid strategy and to promote the quality of Australia's online education in international markets. Australian Government support to influence source country government recognition of online degrees and teaching is also important.

Initiatives to ensure positive international student experience and support pathways to build their skills and contribute to Australia's prosperity

In addition to moving classes online, UNSW also introduced initiatives aimed at supporting our international students during COVID, to ensure their sense of belonging, assist with their wellbeing and building resilience, and provide direction for their career aspirations. We also introduced these initiatives to ensure the positive contribution of international students to university life, such as sharing of culture and experiences, was not lost during the pandemic.

These initiatives include:

Social and wellbeing support

- Online social activities were created to assist our offshore cohort in connecting with other students and making friends. These included 'Student Life Sessions' and 'Virtual Houses'.
- A program called Let's CommUNicate was developed to provide free, weekly English conversation workshops to all international students (online and now also face to face).

Education and study support

- Establishing a virtual community online for international students who are in Australia and overseas. Students can ask questions, find study partners and connect with others from their faculty or with others in the same country as them (for students overseas).
- The Cultural Mentor Program, which pivoted online in 2021, enables new students to ask questions, be directed to support services, learn more about what's available at UNSW and make friends and connect. It also provides new students with insight into Australian cultures and customs.

Professional development

- The *Professional Development Program* is specifically designed for international students and covers workplace communication skills, recruitment tips, employer expectations, and provides international students the opportunity to participate in group consulting projects hosted by various units across UNSW.
- *Launch Your Career* provides international students with support in accessing global employment opportunities and links them with local firms interested in hiring international students.
- UNSW's career coaches offer online 1 to 1 coaching for international students covering career planning, building a resume, interview preparation and job search advice.

Opportunities for international education to support strategic and foreign policy objectives.

In addition to contributing significantly to Australia's economy, international education also plays an important role in supporting Australia's broader strategic and foreign policy objectives.

Supporting free trade agreements

The importance of education to broader foreign policy objectives is evident through key trade agreements currently being pursued. For example, education is an important component of the Australia- India Economic and Trade Agreement. Closer ties with India, and assisting India to educate its burgeoning youthful population, both fall squarely within Australia's national interest.

Diversifying the international student market

The diversification of the international student market will support sector recovery by helping to manage any risks associated with source market concentration. It will also help to solidify relationships with a wider range of emerging strategic and economic partners. The Australian Government should continue to assist the sector with diversification by hosting trade missions and supporting marketing and promotion of Australian education to develop new markets of international students.

Contributing to Australia's workforce and professional development

Linking international education to Australia's workforce needs has been recognised as one of the key objectives of Australia's international education system. 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.

Improving post-study work rights is also critical to the attractiveness of Australia as a preferred higher education destination to assist post-COVID recovery for the sector.

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 study program. Improving post-study work rights so they match competing markets and attract students who can contribute to growing Australia's economy

is critical to ensure we are supporting domestic policy priorities and enabling the sector to further support post-covid recovery.

Australia should also look at introducing a new innovative class of visas that allow hybrid offshore and onshore study with visa advantages. Hybrid learning, which enables a more flexible approach to study, has increased in popularity during the pandemic. A visa category that reflects this flexibility and that recognises that there is no longer a one size fits all model of study and work would help to attract more of the best and brightest minds globally to study and work in Australia.

The amendment of international student work hour allowance during the COVID-19 pandemic not only provided much needed financial support to international students but also kept several domestic businesses afloat. We encourage the Australian government to keep this increase of work hours in place permanently given it is mutually beneficial for Australian businesses and international students. As work placements undertaken by students within non-professionally accredited degrees are counted towards a student's work hour allowance, a permanent increase in these hours will also facilitate enhanced work integrated learning opportunities thus enhancing student's employability within Australia upon graduation.

Improving visa processing systems and time frames

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. Currently, visa processing delays are having a devastating impact on the sector. The Australian Government has recognised the issue of the massive visa backlog and has appointed dedicated staff to address it, but more needs to be done to ensure the issue is permanently resolved.

Another issue which needs resolution is the denial of visas for students who have commenced their studies overseas, enabled by TEQSA's flexibility with online study during the pandemic and who now want to come to Australia to complete their studies. Without these students being able to travel to Australia, the full benefits of international education to Australia are not being realised. Universities would appreciate further explanation and further assistance in resolving this emerging issue.

Rebuilding 'Brand Australia'

The overall reputation of the Australian student market, which had been steadily building over many years, was tarnished during COVID. There is much work to be done to rebuild 'Brand Australia' and promote Australia as a welcoming destination for international students. Our competitors such as the US and UK have long-standing reputations for delivering quality, world-class education. Australia is a relatively new market without the long-term brand prestige of these other markets. Messaging to international students has been inconsistent and piecemeal (largely state or institution driven).

To address this, the Australian Government should undertake a major marketing campaign to promote Australian education to existing and emerging international student markets. To support this campaign, we encourage the Prime Minister to use social media channels to broadcast a direct message to international students welcoming them to Australia and valuing their contribution to our country.

Conclusion

UNSW has a long and proud history of pioneering, and supporting the growth of, Australia's international education sector. We are pleased to see the slow recovery of the sector following the difficult last few years during the height of the pandemic. There is still much to do to return the sector to pre-pandemic levels. We welcome the opportunity to contribute to this inquiry.

If you would like any further information, please do not hesitate to contact Head of Government Relations, Mr Robin Schuck, on r.schuck@unsw.edu.au.