RESPONSE TO THE DEPARTMENT OF EDUCATION, SKILLS AND EMPLOYMENT'S 'INTERNATIONAL STUDENT DIVERSITY AT AUSTRALIAN UNIVERSITIES' DISCUSSION PAPER

25 February 2022

Universities Australia is pleased to respond to the Department of Education, Skills and Employment's 'International Student Diversity at Australian Universities' Discussion Paper ('the Discussion Paper'). UA is the peak body for Australia's 39 comprehensive universities and has long advocated for policy settings that extend the transformative opportunity of an Australian university education to as many of our global neighbours as possible.

As the Discussion Paper points out, having a significant and diverse international student body brings many benefits to Australia, not only to higher education institutions but also to Australian society and the economy. Australia's universities currently attract students from more than 140 different countries, and the strength of our international education sector enhances the experiences of all Australian students, both international and domestic.

Research suggests that international students benefit from building strong relationships not only with their domestic fellows, but also with other international students, as well as other members of the diaspora from their own countries.[1] These ties give them greater confidence to engage with the broader Australian community. The Discussion Paper itself acknowledges that the majority of Australian students believe studying with students from many cultural backgrounds has a positive impact on their learning experiences. Given these benefits, Australian universities have long sought to provide a dynamic, internationalised environment for their students and workforce. Australia's success in international education is a product of more than six decades of investment and effort.

As the Discussion Paper highlights, Australian institutions do indeed enrol concentrated numbers of international students from our top five source markets. However, the drop in international student

---

[1] Deuchar, A. (2021). Indian student mobility to Australia: Developing the knowledge base for more effective engagement. Australia India Institute, Melbourne. https://www.aii.unimelb.edu.au/wp-content/uploads/2021/06/Indian-student-mobility-to-Australia.pdf.

Hendrickson, B. (2018). Intercultural connectors: Explaining the influence of extra-curricular activities and tutor programs on international student friendship network development. *International Journal of Intercultural Relations.* 63(1). https://doi.org/10.1016/j.ijintrel.2017.11.002.

Krämer, N. C., Sauer, V., & Ellison, N. (2021). The Strength of Weak Ties Revisited: Further Evidence of the Role of Strong Ties in the Provision of Online Social Support. *Social Media + Society.* 7(2) .https://doi.org/10.1177/20563051211024958

Montgomery, C. & McDowell, L. (2009). Social Networks and the International Student Experience: An International Community of Practice?. *Journal of Studies in International Education.* 13(4). https://doi.org/10.1177/1028315308321994.

enrolments and the ensuing decline in related export income since the start of 2020 were not a result of an overreliance on these source markets. In fact, China, our largest source market, remained one of the most resilient throughout the 2020-21 border closures, providing something of a buffer to Australian universities with large Chinese student populations.[2]

Ultimately, it will be important to keep in mind that Australian institutions are in recovery following a once-in-a-century global event. The sector has lost significant ground to our international competitors in international education over the last two years and will need to take a measured, strategic approach to regaining that ground and rebuilding resilience.

This response explores some of these considerations and explores the implications for Australia's public universities of the proposed initiatives. It is comprised of two parts:

- **Part 1** provides context pertinent to the Discussion Paper, addressing some of the questions raised in the first three chapters of the Paper.

- **Part 2** focuses specifically on the proposed policy measures and responds to Questions 7-11 for each of these.

We have also included an appendix (Appendix 1) outlining a small sample of the diversification measures Australia's public universities currently have in place.

SUMMARY OF RECOMMENDATIONS

- Ensure the proposed measures remain guidelines, not enforceable by Government, and that there will not be penalties to universities who do not increase diversification.

- Seek *sustainability* of international education recruitment, rather than sustainable *growth*, in line with pre-pandemic growth trends.

- Locate education counsellors in new and emerging target markets and task them with; 1) advocating for Australia as a study destination, including remaining up to date on current visa conditions, post-study work rights and the advantages of an Australian education; 2) helping to open the regulatory doors that will allow universities to effectively recruit.

- Create alignments between DESE, Home Affairs and DFAT to ensure diversification goals are a priority for all departments.

- Consult with state and territory bodies responsible for international business development/ education specialists to ensure alignment of goals.

- Empower and resource Austrade to take an approach more like that of the British Council or Campus France.

- Implement migration incentives and swifter visa approvals to remain competitive with other destinations of choice.

- Consider the implications for removing the Australian Study Requirement for offshore study, while continuing to allow international students from Australian universities to apply for post-study visas, irrespective of where and how they studied.

---

[2] Deloitte Access Economics. (2021). Understanding the impact of COVID-19 on International Education: Trends in International Education and Training - Selected source market factsheets. Department of Education, Skills and Employment. Australia. https://www.dese.gov.au/international-education/resources/understanding-impacts-covid19-selected-country-fact-sheets.

UNIVERSITIES AUSTRALIA | RESPONSE TO THE DEPARTMENT OF EDUCATION, SKILLS AND EMPLOYMENT'S 'INTERNATIONAL STUDENT DIVERSITY AT AUSTRALIAN UNIVERSITIES' DISCUSSION PAPER

2

- Extend existing scholarship opportunities, create new scholarships for students from new target markets, and increase Commonwealth Supported Places for refugees.

- Expand the New Colombo Plan and Australia Awards and reinstate the Endeavour Awards.

- Assess how the current TEQSA, ESOS, SSVF and GTE requirements may be hindering greater diversification goals.

- Maintain the Destination Australia scholarships.

- Provide clearer pathways to permanent residency.

- Educate and incentivise Australian employers to offer paid internships to international students and jobs to international graduates on 485 visas.

- Work with the sector and industries to address challenges for international students securing relevant work experience.

- Broaden the scope of the Diversification Index to incorporate a wider range of demographic and sociographic factors, enabling prospective students to interact with the data and find information relevant to their specific circumstances.

- Reconsider the need for Diversification Action Plan templates, given that universities already do this work.

- If the proposal for Diversification Action Plans goes forward:

  - Any proposed approach to encouraging diversity needs to be applied consistently to all CRICOS-registered providers and not just public universities.

  - Invest time and resources into a thorough consultation process, including with onshore university staff and offshore recruitment staff working in non-traditional markets.

  - Take market considerations into account when setting timelines.

UNIVERSITIES AUSTRALIA | RESPONSE TO THE DEPARTMENT OF EDUCATION, SKILLS AND EMPLOYMENT'S 'INTERNATIONAL STUDENT DIVERSITY AT AUSTRALIAN UNIVERSITIES' DISCUSSION PAPER

3

1 CONTEXT

1.1 GOVERNMENT POLICY AS AN EXTERNAL FORCE

For at least three decades, Australian Governments of both political persuasions have been encouraging Australian industry to focus their attentions on the Asian region.[3] Universities have successfully risen to the task, which is one key reason that international education had grown to be Australia's third largest export before the onset of COVID-19, contributing more than $40B to the Australian economy in 2019..

This focus on Asia, and particularly on the key source markets of China and India, has had a range of benefits for universities, domestic students, and at a broader level, Australian society and the economy. Like other sectors, the higher education sector has always been aware that an *over*-reliance on any given market carries a range of risks. As such, Australian universities have implemented a range of diversification strategies as part of normal business practice.

Developing new markets takes time, as was the case with the development of the Chinese and Indian international education markets throughout the 1990s and 2000s. This makes it critical that Governments develop and maintain consistent and stable policy settings that allow for long term planning and decision making to be undertaken with certainty. These include:

- Education export settings
- Cultural exchange
- Public diplomacy measures
- Migration and visa settings
- Regulatory and legislative frameworks (i.e. ESOS, TEQSA, SSVF and GTE requirements)

These conditions are not unique to the university sector; these are issues faced by all export industries.

1.2 DIVERSIFICATION WITHIN A FREE-MARKET ENVIRONMENT

The Discussion Paper asks, 'What are the drivers that influence an institution's international student cohort mix?' In response to this, Australian universities operate within a market environment. International students will ultimately choose to study the courses that meet their life goals and home country contexts, at the universities and countries that best suit their needs.

Students are influenced by a wide range of factors when choosing an international education destination. 'Push' factors play a role, such as the economic and social conditions both within students' home countries and at a global level,[4] as do 'pull' factors outside of a university's control, such as:

- the proximity of a university's location to the student's home country
- the rhetoric in their home country around the perceived safety of a destination country
- the in-country diaspora, family connections and community group support services
- the expected cost of living for students, and
- the potential for employability and/or migration pathways at that destination.[5]

---

[3] For example, see: Garnaut, R. (1989). Australia and the Northeast Asian ascendancy: Report to the Prime Minister and the Minister for Foreign Affairs and Trade. Australia: Australian Government Publishing Service.

[4] Mazzarol, T., & Soutar, G. N. (2002). "Push-pull" factors influencing international student destination choice. *The International Journal of Educational Management*, 16(2), 82-90. doi:http://dx.doi.org.virtual.anu.edu.au/10.1108/09513540210418403.

[5] Shanka, T., Quintal, V. & Taylor, R. (2006). Factors Influencing International Students' Choice of an Education Destination–A Correspondence Analysis, *Journal of Marketing for Higher Education*, 15:2, 31-46, DOI: 10.1300/J050v15n02_02.

Australian universities experienced the effects of these external factors between 2009 and 2011 with Indian international students – Australia's second largest source population.

Following the spate of attacks on Indian international students in Melbourne and Sydney in 2009, the Indian Prime Minister and various of his cabinet ministers, as well as a number of Indian celebrities, made public statements condemning the attacks and expressing concern about Australia as a destination for Indian tourists, migrants and international students.[6]

These events, as well as changes to Australia's skilled migration pathways in early 2010, merged to deal Australia's reputation as a destination of choice for international students a considerable blow on a global scale. These combined external factors saw applications for offshore international student visas fall by a third,[7] and this had obvious flow-on effects for university enrolments. Countering these external forces was a challenge for Australian universities that lasted several years.

From a university's perspective, it is also difficult to avoid recruiting from some of the largest markets available. In terms of scale, both China and India have populations of around 1.4 billion people. These markets will continue to be key targets for Australian international education providers given their geographic proximity to Australia.

Thus, while the Discussion Paper's proposed guidelines may provide new tools and frameworks that suggest ways universities could access new international student markets, the global international education market will continue to be driven by market forces, and often such forces are outside of universities' control. Furthermore, given the heterogeneous nature of Australia's universities, those forces will affect each institution differently, dependent on context.

Because of these varied market conditions, not all Australian universities see increased diversification, offshore offerings, or online delivery as viable, feasible or desirable in their internationalisation strategy.

It will therefore be critical that any new measures are provided to assist universities in their diversification efforts, and that there will not be penalties for universities who choose not to, or are unable to, increase diversification.

RECOMMENDATION

- Ensure the proposed measures remain guidelines, not enforceable by Government, and that there will not be penalties to universities who do not increase diversification.

1.3 DIVERSIFICATION APPROPRIATE TO INSTITUTIONAL CONTEXT

Australia's universities are autonomous entities that internationalise in different ways and have appetites for risk that are appropriate to their specific contexts. As such, it is difficult to imagine how the concept of an 'optimal' student cohort could be applied across the sector.

The Discussion Paper points out that, 'each level of the international education sector has its own unique circumstances when it comes to the diversity of their student cohort. However, across the board there has been an increase in concentration of students from selective source countries. This frames concentration of students from selective source countries as inherently negative, when in fact, for many Australian universities, it is a deliberate and a logical business decision.

---

[6] Dunn K., Pelleri D., & Maeder-Han K. (2011). Attacks on Indian students: the commerce of denial in Australia. *Race & Class*. ;52(4):71-88. doi:10.1177/0306396810396603.

[7] Hawthorne, L., (2014). Indian Students and the Evolution of the Study-Migration Pathway in Australia. *International Migration,* 52: 3-19. https://doi-org.virtual.anu.edu.au/10.1111/imig.12110

UNIVERSITIES AUSTRALIA | RESPONSE TO THE DEPARTMENT OF EDUCATION, SKILLS AND EMPLOYMENT'S 'INTERNATIONAL STUDENT DIVERSITY AT AUSTRALIAN UNIVERSITIES' DISCUSSION PAPER

5

Although the Discussion Paper seems to assume a deficit model of diversification in university internationalisation strategies, Australian universities have a range of long-standing diversification strategies in place and are at, or are working towards, a level of diversification *appropriate to their institution-specific contexts* – as has been the case for several decades. This includes diversification of students' source countries, as well as measures to attract international students into non-traditional study areas. (For examples, please see Appendix 1).

However, the fact that international students seek courses that are relevant to their needs, and that these needs are often driven in part by their home country contexts, means that there is likely to be an ongoing concentration of students from specific countries choosing particular courses more often than others, as is the case with Chinese and Indian students often choosing to study management and commerce degrees.

Location also plays a role. In 2019 and 2020, overseas student enrolments in Australian higher education institutions were largely concentrated in NSW and Victoria.[8] The attractiveness of Sydney and Melbourne is an undeniable pull factor that universities outside of those centres have little control over.

International students interested in business or design are also more likely to wish to study in a centre of business or design – in a larger city environment, for example. This is especially common if they aspire to work in these disciplines following graduation. It makes sense for metropolitan universities to offer the kinds of courses most relevant to cities, and that the students who study those courses will be the kinds of students who wish to study in such locations.

Conversely, students wishing to study courses like agriculture, marine sciences or the environment may wish to study at a university that specialises in those areas, where that study is likely to be most hands-on. This is where regional universities can demonstrate a point of difference from their city counterparts that may make them more attractive to the international student market.

For both regional and metropolitan universities, there are risks and potential opportunity costs to pursuing and developing new markets. Concentrating limited resources on markets with greater likelihood of return on investment will often make better business sense, especially for smaller universities, while diversification may not provide significant return on investment. Australia's universities have high rates of student satisfaction despite having some degree of international student concentration – a fact which seems at odds with the Discussion Paper's implied suggestion that greater diversity correlates to greater international student satisfaction.

1.4 RISKS AND CHALLENGES OF FULLY ONLINE DELIVERY

Although both universities and students demonstrated considerable resilience in pivoting to online delivery arrangements when the pandemic was declared, these measures were largely intended to be temporary, and it was their very transience that allowed the possibility of success. These models helped universities to maintain, as TEQSA have described it, 'a pipeline of students who will be able to rapidly transition back to onshore Australian study, in theory meaning a faster return to previous international student enrolments'.[9]

There is no question that many students and university staff saw some advantage to online delivery during lockdowns, particularly when international borders were closed. As Australian universities open again in 2022, there are strong arguments to retain some of the gains made in the digital space, providing increased flexibility for both domestic and international students. However, the suggestion in the Discussion Paper that online delivery of courses should be expanded and diversified to create new opportunities for growth (p. 9) seems to ignore the risks posed by online delivery. Moreover, it appears to overlook the overwhelming desire of international students for an in-country, on-campus study experience.

---

[8] Parliament of Australia. (2021). Overseas students in Australian higher education: a quick guide. https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp2021/Quick_Guides/OverseasStudents.

[9] TEQSA & Wells Advisory. (2021). Forward impact of COVID-19 on Australian higher education: Report. Australia. https://www.teqsa.gov.au/latest-news/publications/forward-impact-covid-19-australian-higher-education-report. (p. 35).

UNIVERSITIES AUSTRALIA | RESPONSE TO THE DEPARTMENT OF EDUCATION, SKILLS AND EMPLOYMENT'S 'INTERNATIONAL STUDENT DIVERSITY AT AUSTRALIAN UNIVERSITIES' DISCUSSION PAPER

6

With the increase in universities such as Harvard, Cambridge and Oxford offering low-cost MOOCs (Massive Open Online Courses), Australian universities lacking global name recognition will likely have difficulty finding a broad market for online courses.

This will be particularly difficult if students are expected to pay full international student fees for wholly online courses, as has mostly been the case for online students during Australia's border closures. However, if full fees are *not* the expectation, it will be difficult for providers to justify the expense of establishing and running online courses.

This revenue stream is likely to require significant upfront capital for curriculum and infrastructure development, and would be quite resource intensive to run, given the expectations by providers, students and the ESOS framework that international students receive consistently excellent educational standards. Determining what excellence looks like in an online context will of course be an additional challenge.

Fully online course offerings have a higher dropout rate than other learning modes, despite the promised advantages of additional flexibility.[10] This is not only a financial risk but also a reputational risk at both the provider and national level, with the potential for one Australian TNE provider's poor reputation to negatively impact other Australian providers. Blended or hybrid learning models have had greater success but are also much more resource intensive, making them an even greater financial risk.

Finally, increased reliance on fully online degrees for international students would have implications for the attendant legislation. Prior to pandemic border closures, students were required to complete a minimum of 16 calendar months/two academic years of study onshore in Australia to be eligible to apply for a post-study visa. Although this requirement has been relaxed to allow for increased online study during COVID-19-related disruptions, this is only applicable to international students who hold an Australian student visa, and thus would not be applicable to new students applying to study their full degrees online.

1.5 RISKS AND CHALLENGES OF OFFSHORE OFFERINGS

Research shows that there are also risks to transnational education and offshore delivery. After nearly 40 years of global transnational education trends, many national markets are quite saturated with existing twinning and articulation programs as well as international branch campuses. Late entrants to these markets may therefore have difficulty attracting students, particularly if they struggle to acquire attractive assets and resources given the existing market players.[11]

TEQSA's 2021 report points out that the TNE value chain has been disrupted in recent years, with Asian universities increasingly positioning themselves as destinations of choice for international students, rather than always being the source countries.[12] Further, while continuing to seek TNE relationships such as twinning programs and joint degrees with the West, Asian universities are increasingly doing so on a more equal footing. This indicates that they are increasingly seeing the value in *equal* partnerships, rather than Western institutions providing pre-packaged offerings to be delivered by their offshore partners.

These disruptions to the value chain will require a significant rethinking of arrangements and relationships by Australian universities that engage in TNE models, and this will in turn require resources and time to be done well. It would therefore be a significant risk to rely on offshore models as either a quick fix for diversification or a revenue stream in the near future.

[10] de Freitas, S., Waring, P., Douglas, H. E., Curtis, G. J., & Ritchie, S. M. (2021). Delivering blended learning to transnational students: Students' perceptions and needs-satisfaction. *Studies in Higher Education*, 1-13. https://doi.org/10.1080/03075079.2021.1983533.

[11] Wilkins, S., & Huisman, J. (2021). Institution strategy in transnational higher education: Late entrants in mature markets - the case of international branch campuses in the United Arab Emirates. *Studies in Higher Education*, 46(4), 704-720. https://doi.org/10.1080/03075079.2019.1649386.

[12] (TEQSA & Wells Advisory 2021)

UNIVERSITIES AUSTRALIA | RESPONSE TO THE DEPARTMENT OF EDUCATION, SKILLS AND EMPLOYMENT'S 'INTERNATIONAL STUDENT DIVERSITY AT AUSTRALIAN UNIVERSITIES' DISCUSSION PAPER

7

Finally, migration pathways and the possibility of gaining international work experience in their area of study expertise are two major drawcards for international students when choosing a study destination. This is particularly true for students from countries like Vietnam, Malaysia and Indonesia, as well as our second top source country of India. If Australia wishes to increase its offshore international student population, whether through TNE offerings or fully online delivery, Government may wish to consider removing the Australian Study Requirement for onshore study, while continuing to allow international students who graduate from Australian universities to apply for post-study visas, irrespective of where and how they studied.
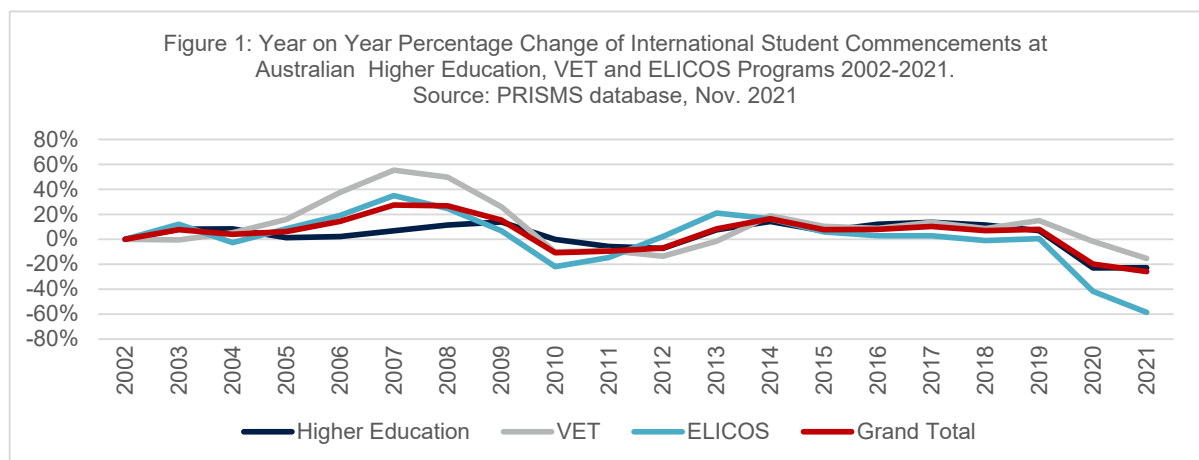
1.6 DIVERSIFICATION BEYOND NATIONALITY

This Discussion Paper concerns itself primarily with questions around diversity in terms of the nationalities of international students, but the notion of cultural backgrounds (as raised in the 'Influences on Undergraduate Student Experiences in Australia' chart on p.8) is in fact broader than just the nationality of students.

In Australia's top five source markets, there are many different regions, provinces and ethnic groups contained within each of these sovereign states. With countries as populous and geographically expansive as China and India, there are many opportunities to grow beyond the traditional markets of a select number of large cities, for example. This regional level of diversification would not only offer new markets for universities to target but having students from a wider in-country regional spread would also make for a more optimal student experience for on-campus students in Australian universities.

1.7 CAPACITY FOR SUSTAINABLE GROWTH

Another important point to note in response to the Paper is the emphasis on 'sustainable growth'. Although international student numbers were still growing prior to the pandemic, the *rate* of growth had already plateaued between 2014 and 2019, well before it steeply declined after the borders closed in 2020.

Figure 1 (overpage) illustrates the year-on-year percentage changes over the last 20 years (with 2002 as the baseline year), showing the decline in international student numbers during 2009-11 that can be largely attributed to the attacks on Indian international students and subsequent changes to migration pathways in 2009 and 2010, and then a recovery that peaked around 2014. However, it's clear that the growth rate of international student commencements has never again reached the highs of 2007-08.

Figure 1: Year on Year Percentage Change of International Student Commencements at Australian Higher Education, VET and ELICOS Programs 2002-2021.
Source: PRISMS database, Nov. 2021

Given these figures, as Australian universities manage and eventually begin to recover from the impacts of the pandemic in the years to come, it will be more realistic and appropriate that the sector and Government seek *sustainability* of international education, rather than sustainable *growth* at this point.

UNIVERSITIES AUSTRALIA | RESPONSE TO THE DEPARTMENT OF EDUCATION, SKILLS AND EMPLOYMENT'S 'INTERNATIONAL STUDENT DIVERSITY AT AUSTRALIAN UNIVERSITIES' DISCUSSION PAPER

8

> **RECOMMENDATION**
>
> - Seek *sustainability* of international education recruitment, rather than sustainable *growth*, in line with pre-pandemic growth trends.

1.8 INTERNATIONALISATION BEYOND DIVERSIFICATION

Given the ASIE 2021-2030's emphasis on diversification to support an optimal student experience, it is finally important to note that diversification of internationalisation in higher education goes far beyond the numbers and origins of the international students we educate.

Having an internationalised curriculum, providing exchange and study abroad opportunities to domestic students, fostering international research collaborations and having a culturally and an ethnically diverse academic workforce all play crucial roles in providing a well-rounded university experience to all students. It is often through measures such as these that Australian universities with low international student numbers still rank well for 'international outlook' in global university rankings such as the one run by Times Higher Education.

UNIVERSITIES AUSTRALIA | RESPONSE TO THE DEPARTMENT OF EDUCATION, SKILLS AND EMPLOYMENT'S 'INTERNATIONAL STUDENT DIVERSITY AT AUSTRALIAN UNIVERSITIES' DISCUSSION PAPER

9

2 RESPONSE TO PROPOSED POLICY MEASURES

2.1 GUIDELINES ON ACHIEVING AN OPTIMAL STUDENT MIX

While guidelines on best practice are always welcome, it is difficult to suggest guiding principles on an 'optimal' student mix when 'optimal' will look so different for each university. This measure seems to imply that universities are not currently seeking an optimal student mix, which of course would be counter to their current business practices.

This measure also seems to put the onus squarely on universities to meet these best practice guidelines, when in fact universities are subject to market forces, some of which are the product of a range of past and present government policy settings. UA would suggest a range of additional policy options that could be considered to encourage diversification, as outlined below.

1. Placement and activity of Education Counsellors

The location of Australia's Education Counsellors does not seem to be strategically aligned with the Government's goal of diversification. This is not only about locating counsellors in new and emerging target markets, but also tasking them with advocating for Australia as a destination. This includes remaining up to date on current visa conditions, post-study work rights and the advantages of an Australian education.

In addition to more direct forms of engagement, education counsellors should be in place in countries of strategic importance to help open the regulatory doors that will allow universities to effectively recruit.

> **RECOMMENDATION**
>
> - Locate education counsellors in new and emerging target markets and task them with; 1) advocating for Australia as a study destination, including remaining up to date on current visa conditions, post-study work rights and the advantages of an Australian education; 2) helping to open the regulatory doors that will allow universities to effectively recruit.

2. Government alignment

There are currently misalignments between the goals of different government departments, and this has an impact not only on international student recruitment but also on Australia's reputation as a destination of choice.

For example, if a genuine student from a non-traditional source country is encouraged by an in-country representative of the Australian Government to apply to an Australian university, but is then refused a student visa, (or approval takes so long that the student accepts an offer from a competitor country's university) the goals of diversification, as well as Australia's reputation, are significantly undermined.

Strengthened alignment could also be achieved with greater harmonisation between federal, state and territory government activities.

Many states have staff or offices located in countries of strategic priority who assist with the recruitment of international students for the universities in their own jurisdiction, aided by the support of their own strong local networks. The states, therefore, often have a more nuanced approach and greater resources available to incentivise international students than the federal level has previously had available.

Greater coordination with these state-led initiatives may be advantageous in seeking and developing new markets.

> **RECOMMENDATIONS**
>
> - Create alignments between DESE, Home Affairs and DFAT to ensure diversification goals are a priority for all departments.
>
> - Consult with state and territory bodies responsible for international business development/ education specialists to ensure alignment of goals.

3. Enhanced role for Austrade

Currently, Austrade plays a supportive, rather than proactive role in developing international education markets. Diversification would benefit from Austrade being empowered and resourced to take an approach more like that of the British Council or Campus France. Both these organisations are empowered by their respective governments to look for longer term, strategic investment opportunities – particularly in new and emerging markets – and work cooperatively with their respective university systems to pursue them.

> **RECOMMENDATION**
>
> - Empower and resource Austrade to take an approach more like that of the British Council or Campus France.

4. Adjusted government policy settings

Policy settings could be adjusted by various government departments to help achieve greater diversification of international students at a national level. These might include:

- migration pathways;

- swift visa approvals to remain competitive amongst the rest of the world;

- scholarships in target markets or partnering with governments in target markets to extend existing scholarship opportunities;

- adjusting policy settings to allow international students to take up elective work-integrated learning (WIL) experiences;

- increasing Commonwealth Supported Places for refugees;

- expanding the Australia Awards, and reinstating the Endeavour Awards;

- working with the sector and philanthropists to establish an Australian version of the US Fulbright or UK Chevening Scholarships to attract extremely talented students from diversity markets to Australia.

A positive example of where a government initiative has provided greater opportunities for diversity can be seen in the Destination Australia scholarship program. Combined with the ability for students to apply for extended post-study work rights, Destination Australia has increased the appeal of regional campus study to particular international student cohorts.

Both these initiatives are valuable policy responses from the Federal Government that provide benefits of a larger and diverse international student community to these regional campuses and communities, and their

continuation will help support the diversity and skills-needs elements of the Australian Strategy for International Education.

Easing of restrictions in some areas could also bear fruit. Australian regulatory controls, including TEQSA, ESOS, SSVF and GTE requirements, are more stringent than those in the UK, USA or Canada. These requirements add a layer of protection to the integrity of Australia's international education system, but they also limit Australia compared to other countries when dealing with emerging markets.

The government could look at the regulatory controls across the sector and consider how these limit Australia's ability to compete with those competitor countries in new markets.

RECOMMENDATIONS

- Implement migration incentives and swifter visa approvals to remain competitive with other destinations of choice.

- Consider the implications for removing the Australian Study Requirement for offshore study, while continuing to allow international students from Australian universities to apply for post-study visas, irrespective of where and how they studied.

- Extend existing scholarship opportunities, create new scholarships for students from new target markets, and increase Commonwealth Supported Places for refugees.

- Expand the New Colombo Plan and Australia Awards and reinstate the Endeavour Awards.

- Assess how the current TEQSA, ESOS, SSVF and GTE requirements may be hindering greater diversification goals.

- Maintain the Destination Australia scholarships.

---

5. Encouraging Australian employers

One of the key barriers that international students report when seeking post-study employment in Australia is their lack of permanent residency status.[13]

In addition to adjusting migration policy settings to provide clearer pathways to permanent residency, as discussed earlier in this response, the government should consider the development of a nation-wide campaign that would demonstrate to Australian employers not only that they have the option to employ prospective employees on a 485 visa, but also the value and benefits of doing so.

This could be backed up by an incentive scheme to support employers in bringing international students on for paid internships, producing a pipeline for future employment. International students face sizeable challenges in securing work experience in their chosen fields, during and after their studies, and Government could work with the sector to create and encourage more WIL opportunities.

---

[13] QILT and Social Research Centre. (2022). 2021 International Graduate Outcomes Survey. Australia. https://www.qilt.edu.au/docs/default-source/default-document-library/2021-gos-international-reportb5ff0a7af7a54ca2a1ebc620f2570151.pdf?sfvrsn=845a4689_0.

UNIVERSITIES AUSTRALIA | RESPONSE TO THE DEPARTMENT OF EDUCATION, SKILLS AND EMPLOYMENT'S 'INTERNATIONAL STUDENT DIVERSITY AT AUSTRALIAN UNIVERSITIES' DISCUSSION PAPER

12

RECOMMENDATIONS

- Provide clearer pathways to permanent residency.

- Educate and incentivise Australian employers to offer paid internships to international students and jobs to international graduates on 485 visas.

- Work with the sector and industries to address challenges for international students securing relevant work experience.

2.2 PUBLICATION OF AN INTERNATIONAL EDUCATION TRANSPARENCY MEASURE

There are indeed benefits for transparency in the publication of a Diversification Index, particularly to potential students. However, these benefits may not meet the aims of diversification that the Discussion Paper seeks.

Listing the proportions of nationalities that study at each university may incentivise students from a university's larger markets to study at those universities with more of their countrymen – given the potential for finding an existing community support network – and conversely, disincentivise those from smaller markets from studying at those universities. This will likely lead to greater concentration, not greater diversification. Universities are already seeing these effects play out; an index is likely to exacerbate this issue.

The flipside of this is that students from non-traditional markets who see their country listed in a Diversification Index may be encouraged to study at an Australian university when they might otherwise have chosen another destination. UA would therefore argue for all source countries to be included in the Index, not only the top five and a generic category of 'other'.

Given that the Discussion Paper mentions online and offshore education as a potential way forward for diversification, it was surprising to see that offshore students were excluded in the proposed Diversification Index.

Although the primary purpose of an index, according to the paper, is to present data more transparently to prospective students and stakeholders, it is likely to also be used as a publicly available measure of Australian universities' internationalisation efforts. Excluding offshore measures runs the risk of universities suffering, at best, an undeserved hit to their reputation, or at worst, sanctions for perceived underperformance. Also, running successful TNE programs may speak to a university's cultural awareness and sensitivity with students from those countries, even if those students are not based on-campus in Australia, and this would be useful knowledge to prospective students.

A Diversification Index would better serve the needs of students if it was broadened to incorporate other aspects of internationalisation. For example, use of the HEIMS data, as the Discussion Paper suggests, would allow for the inclusion of inbound study abroad and exchange students, and this would be a useful addition as these students offer new and diverse insights based on their experiences in other countries.

Similarly, ensuring that data was not limited to international undergraduate students – the clear focus of the Discussion Paper – but also postgraduate and higher degree by research (HDR) students would be of significant benefit, and may attract new markets at this higher level. For example, for countries with strong undergraduate programs of their own, but whose future researchers would benefit from an English-

UNIVERSITIES AUSTRALIA | RESPONSE TO THE DEPARTMENT OF EDUCATION, SKILLS AND EMPLOYMENT'S 'INTERNATIONAL STUDENT DIVERSITY AT AUSTRALIAN UNIVERSITIES' DISCUSSION PAPER

13

speaking research degree, Australia could become a key destination of choice. For these students, also, it would be valuable to be able to see their country listed in a Diversification Index.

Though the HEIMS database does not include this data, the cultural backgrounds of academic staff would also be useful information for prospective students. As the Discussion Paper points out, a culturally diverse classroom has a range of benefits, and lecturers and tutors are critical in a classroom context, especially given their potential for exposing 'domestic and international students to different ways of thinking and learning, which is critical to both domestic and international graduates in an interconnected and global society' (Discussion Paper p. 7).

Ultimately, what the above points demonstrate is the need for greater nuance in the Diversification Index than is currently proposed. While a universal ranking may be a useful starting point, it would be much more beneficial for potential students to be able to drill down into the data and understand factors like:

- the breakdown of international students by study mode (onshore, offshore and online, and including study abroad/student exchange students)

- where those students are located across different campuses

- fields of study

- levels of study (through to HDR), and

- demographic factors such as the age and gender mix of the international cohort.

These are all items that could be mined from HEIMS and turned into an accessible, interactive international education transparency measure that would provide greater value to potential students and stakeholders.

RECOMMENDATION

- Broaden the scope of the Diversification Index to incorporate a wider range of demographic and sociographic factors, enabling prospective students to interact with the data and find information relevant to their specific circumstances.

2.3 INTERNATIONAL EDUCATION DIVERSIFICATION ACTION PLANS

As demonstrated in Appendix 1, Australian universities already have diversification action plans as part of normal risk governance, and already report to university councils.

These plans are, as the Discussion Paper suggests, appropriate to their circumstances, making it difficult to understand the rationale, or indeed a practical way, to apply a template approach to planning for diversification of international students. Despite the government's intentions, we are concerned that this proposed policy measure will impose a significant administrative burden on public universities for no discernible benefit in terms of increased international student diversification.

Should the proposal for a Diversification Action Plan template go ahead, we recommend the government consult with Australian university staff at the appropriate levels and with genuine experience in this area. Additionally, DESE should consult the in-country staff who work in those markets recruiting students, to understand what is currently being done and the challenges typically faced.

These considerations would significantly enhance the structure of any Diversification Action Plan template, and indeed, the proposed guidelines.

UNIVERSITIES AUSTRALIA | RESPONSE TO THE DEPARTMENT OF EDUCATION, SKILLS AND EMPLOYMENT'S 'INTERNATIONAL STUDENT DIVERSITY AT AUSTRALIAN UNIVERSITIES' DISCUSSION PAPER

14

In terms of timelines for implementing Diversification Action Plans in institutions, building new markets and significantly shifting a university's international student profile takes time and resources, and providers cannot change overnight. Timelines should acknowledge that providers, particularly public universities, are already working on diversification and investing in this area to the degree appropriate to their contexts.

Finally, the Diversification Action Plans, and in fact all of the measures proposed in the Discussion Paper, apply only to public universities. Any proposed approach to encouraging diversity needs to be applied consistently to all CRICOS-registered providers.

RECOMMENDATIONS

- Reconsider the need for Diversification Action Plan templates, given that universities already do this work.

- If the proposal for Diversification Action Plans goes forward:

  – Any proposed approach to encouraging diversity needs to be applied consistently to all CRICOS-registered providers and not just public universities.

  – Invest time and resources into a thorough consultation process, including with onshore university staff and offshore recruitment staff working in non-traditional markets.

  – Take market considerations into account when setting timelines.

UNIVERSITIES AUSTRALIA | RESPONSE TO THE DEPARTMENT OF EDUCATION, SKILLS AND EMPLOYMENT'S 'INTERNATIONAL STUDENT DIVERSITY AT AUSTRALIAN UNIVERSITIES' DISCUSSION PAPER

15

3 APPENDIX 1: EXAMPLES OF DIVERSIFICATION STRATEGIES FROM THE SECTOR

3.1 PLANNING MEASURES

- Establishing a plan and having the university's principles and values underpinning that plan.

- Tracking enrolments across markets and perpetually adjusting engagement with specific markets if exposure or overexposure becomes a threat to the organisation or student experience.

- Annual load planning, considering how markets contribute to school-by-school and course-by-course load and how that extrapolates back out into regional recruitment targets.

- Some universities have internal quotas in subjects of high demand.

- Onshore and offshore staff dedicated to diversification performance management.

- Diversification and performance management of recruitment channel partners: agents, pathway partners, offshore to onshore TNE partners, Government sponsors, and engagement with financial aid programs.

3.2 COURSE OFFERINGS

- Creating and promoting new course offerings beyond the traditional courses attractive to international students.

- Offering niche programs that will attract students from specific markets.

- Working with a range of industries and employers to develop placement programs for international students as part of core course offerings, to aid employability post-study.

3.3 OFFSHORE OFFERINGS AND PARTNERSHIP PROGRAMS

- Twinning and joint programs (e.g. 2+2).

- International branch campuses.

- Partnerships with international organisations and overseas Governments whose members/constituents receive some offshore training then come to study in Australia for a more substantive qualification.

- Online delivery for offshore students.

3.4 PATHWAYS

- Short term mobility programs to attract students from Europe and North America, which can set up potential pipelines for those students to return for further study in a later degree.

- Articulation channels from selected international providers into Australian degrees.

- Diploma pathways to support accessibility of higher qualifications.

- Customised English language courses for target markets.

3.5 INCENTIVES

- Guaranteeing free postgraduate study to undergraduate international students who can't find a job within 6 months of graduation.
- Scholarships and awards for students from target markets.

3.6 MARKETING STRATEGIES

- International marketing and recruitment strategies that include country-by-country recruitment plans that set out objectives, strategies, and tactics for recruiting a diversified international student cohort across primary and secondary recruitment markets.
- Offshore offices in key markets.
- An agent network appointed for both geographic coverage and to support recruitment in specific academic programs.
- Supporting a campaign to enhance the social licence for international education in Australia and overseas, that supports and publicises the benefits international education brings to Australia and targets international and domestic audiences.

3.7 OTHER INTERNATIONALISATION STRATEGIES THAT SUPPORT DIVERSIFICATION

- Investing in study abroad and student exchange programs to enhance diversification in classrooms and on campus more broadly.
- Recruiting academic staff from the global talent pool.
- Research partnerships and academic staff exchanges.
- Taking a whole-of-institution approach to improving English language learning for all international students from non-English speaking backgrounds.