Joint media statement by Australia’s education peak bodies
“International education needs a champion”

Australia’s education peak bodies will this week urge the Federal Government, Opposition and all political parties to get behind measures to restore global competitiveness and innovation in Australia’s international education sector.

In their second joint statement this year, the influential associations will warn that Australia is losing ground to international competitors whose governments place a higher value on international education than Australia does.

Expensive and inflexible student visas, a complex and stifling regulatory system and a reluctance by governments to aggressively promote Australian education abroad are combining to turn potential students away from Australia and into the welcoming arms of Canada, New Zealand, the UK and the USA.

“International education returns $15 billion a year to our economy, directly employs more than 100,000 Australians and delivers enormous cultural and diplomatic benefits to the nation,” said Phil Honeywood, Executive Director of the International Education Association of Australia.

“It therefore beggars belief that we lack a strong government champion or the focused support afforded to other important industries like manufacturing, mining and tourism.”

“We have one of the most expensive, slow and inflexible student visa systems in the world, a regulatory regime that shackles our best performing institutions while failing to target support and intervention at those that need it, and a lacklustre approach to promoting our industry overseas,” Mr Honeywood said.

“International education is at a crucial turning point in Australia, and governments have two choices. They can persist with a fragmented, unhurried approach to managing global shifts in international education and watch as students vote with their feet by choosing to study elsewhere.”

“Or governments can take strong, decisive action to restore our status as a destination of choice for international students,” Mr Honeywood said.

“Australia’s education peak bodies call upon the Prime Minister, Opposition Leader and other party leaders to make restoring Australia’s competitiveness in international education a priority of the forthcoming Federal Election campaign.”

“By working with industry, governments can ensure that international education fulfills its potential of being our greatest asset in meeting the challenges of this Asian century.”

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International education is a $15 billion per year industry that provides thousands of jobs for Australians, adds value to other domestic industries and delivers enormous cultural and diplomatic benefits to our nation.

Yet, unlike other major industries, international education lacks focused Government support.

Our credentials as a sector with extensive experience and connections to Asia are poorly recognised and under-utilised by government.

Our competitive advantages in an increasingly globalised industry are being undermined, not strengthened, by government intervention.

And an increasingly complex regulatory system, which fails to adequately distinguish between high and low risk education providers, is a wet blanket over our best institutions.

International education in Australia is at a crucial turning point. Canada, New Zealand, the United States, United Kingdom and other competing nations have all capitalised in recent years on Australia’s fragmented, unhurried approach to managing a crucial transition in international education.

The result has been a steady decline in Australia’s international education sector as students choose other destinations that offer lower visa fees, faster bureaucratic processes, more affordable living and, importantly, coordinated global marketing by foreign governments that better recognise the value of international students.

If Australia is to reverse that trend and restore our position as a global leader in international education, urgent action and brave leadership is required.

In the following communiqué, Australia’s peak education bodies call on the Federal Government and Opposition to commit to the following in the lead-up to the Federal Election:

1. Restore Australia’s international education competitiveness by fixing student visa fees, strengthening investment in our ties with Asia and marketing our industry more effectively.
2. Embrace a proportionate regulation system that loosens the regulatory shackles from our lowest risk, highest quality, providers, while better targeting support and intervention at higher risk providers that need it.

The time for reviews and studies has passed. Too many already clog the desks and in-boxes of industry decision-makers, with good recommendations remaining unimplemented.

It is now time for firm commitments and strong action from the Federal Government, Opposition and all political parties.
Australia’s international education sector is one of our nation’s great assets as we face the biggest challenges of this Asian Century. Other nations recognise that. It is time Australia’s political leaders did, too.

Key Messages

2nd JOINT COMMUNIQUÉ BY AUSTRALIA’S EDUCATION PEAK BODIES:
AN ACTION PLAN FOR INTERNATIONAL EDUCATION

Addressed to the Australian Government and all political parties and candidates

Our first communiqué, dated Monday 13 May 2013, urged the Federal Government to accept and implement the recommendations of the International Education Advisory Council, chaired by Michael Chaney AO. Specifically, it called on the government to immediately establish a high level Ministerial Coordinating Council on International Education (MCCIE) with “a broad representational structure”, as proposed by the Chaney Report.

As the industry still awaits action on this recommendation, Australia’s education peak bodies issue this second communiqué to inform Federal Ministers, Shadow Ministers and other elected representatives, as well as industry and government bodies, of the industry’s agreed position in the lead up to the next Federal Election.

We are united in calling on the Australian Government and all political parties and candidates to take action, and make firm commitments, to address two key objectives:

1. Enhancing Australia’s Competitiveness.
2. Introducing Proportionate Regulation.

1. ENHANCING AUSTRALIA’S COMPETITIVENESS

Despite Australia having attained an enviable reputation for the quality, professionalism and value of its international education sector, Australia is losing ground to competitor countries. Canada, New Zealand the United States and United Kingdom are providing lower student visa charges, faster turnaround in visa processing and health checks and more affordable student accommodation and living costs. They have also initiated highly professional and coordinated marketing campaigns which promote their nations as desirable study destinations to overseas students.

Australia must restore its international competitiveness by implementing the following service delivery improvements:
1.1 Visas

Australia has the most expensive student visa fees in the world and the same fee applies regardless of whether a visa is issued for three months or three years.

In the past, a flexible visa regime allowed potential students to transition from tourist visas to student visas. This also benefited our tourism industry by permitting students to obtain a tourist visa at the conclusion of their studies. This competitive advantage has now been lost with the introduction of a new $700 onshore visa extension charge.

In addition, new charges for dependents ($405, or $135 if under 18) provide further disincentive for students, especially in postgraduate coursework higher education, many of whom are sponsored by their own governments. The same fees apply if a student needs to extend their visa, which is a common occurrence, especially when they need to take preliminary ELICOS.

These charges were introduced with minimal consultation and are a disincentive to many students hoping to further their studies in Australia.

We call for an immediate review of the current level of student visa fees to support the competitiveness of the sector, and urge the Federal Government to improve consultation with the sector on visa changes in future.

1.2 Asian Century implementation

The joint peak bodies were delighted by the content and proposed policy initiatives contained in the Government’s White Paper ‘Australia in the Asian Century’.

Notwithstanding this blueprint for our nation’s engagement with our region now being widely disseminated, action must be taken on many of its proposals, sooner rather than later. Incentives and support are required for the development and implementation of a range of education related policy proposals contained in the White Paper. In particular:

a. Specific funding is required to ensure the teaching of Asian languages and culture can be effectively resourced as recommended in objectives 10 and 11 of the White Paper.

b. Government needs to examine and overcome impediments to employing native language teachers.

c. A review is required of the impact of current labour laws on employment of domestic and international students undertaking internships in the Australian workplace and overseas jurisdictions.

A collaborative approach with industry and the education sector will be crucial to successful implementation of the above.
1.3 Marketing Australia’s international education industry

International education is among the top five export industries for the majority of Australia’s states and territories. However, in contrast to other industries such as manufacturing and tourism, our sector lacks any Government supported industry assistance package arrangements. Specifically, we call for:

a. Seed funding to encourage Australia’s education providers to form offshore partnerships in new and emerging markets. These markets should be prioritised according to established Government criteria such as the five priority nations identified in the ‘Asian Century White Paper’ and aligned with Australia’s trade department’s country strategies.

b. Assistance with capacity building for Australia’s domestic students to have a meaningful offshore study and/or internship experience. While initiatives such as AsiaBound and the New Colombo Plan are welcome, for effective implementation they will require comprehensive consultation with education providers and other key stakeholders.

c. Greater coordination between Government agencies such as Austrade, Australian Education International (AEI) and State Government overseas trade offices in marketing strategies and associated representation activities.

d. An extension of the Export Market Development Grant (EMDG) to allow education institutions (who are no longer eligible for EMDG under the current guidelines) to expand their marketing efforts into new regions and countries.

1.4 Other required Government actions

a. Consultation is needed on key recommendations of the Michael Knight and the Bruce Baird reviews that are yet to be implemented (only 26 of 41 Knight recommendations have been implemented to date). Until these are aligned with Australia’s current ESOS legislation, our nation’s global competitiveness will continue to be compromised.

b. Austrade’s market research report, ‘Demand for Overseas High School Education in China’ (February 2013) identified age restrictions as an impediment for students coming from China. The annual review of the assessment levels may be an appropriate mechanism to remove this barrier.

c. Reduction of compliance burden and costs, as outlined below.

We need a cohesive, nationally coordinated, approach to promoting international education both to our own Australian community and the wider global community.

2. PROPORTIONATE REGULATION

Australia’s public and private education providers have made concerted efforts to overcome quality reputation issues that caused damage to our nation’s standing over recent years. However, government has responded to these issues with an increasingly complex and burdensome regulatory regime that does little to recognise and reward excellence in meeting or exceeding regulatory benchmarks.

The joint peak bodies strongly believe regulation should be proportionate to provider risk and that low risk providers, whether public or private, should operate within a regulatory regime proportionate to risk. Regulator focus and resources should be directed towards high risk providers.
2.1 Compliance burden and associated costs
Australian education providers face a multitude of costs associated with regulation and compliance at a level higher than any of our competitor countries, thus reducing our competitiveness. The current regulatory burden requires a comprehensive review to establish where this burden can be reduced and/or streamlined.

2.2 Risk issues require clarification

a. The criteria used to assess risk need to be fully explained, transparent and clearly set out.
b. There needs to be an appropriate mechanism to offer streamlined visa processing (SVP) to all low immigration-risk education providers. This is as per the COAG Communiqué which set out a deadline for implementation of this extension of SVP for 31 December 2012.
c. The current methodology for assessing the immigration risk of providers seeking SVP precludes an assessment of small education providers. This is a particular issue for the schools sector which values the intercultural benefits of small international student cohorts, but finds the current regulatory administrative burdens a major disincentive. All institutions which have been assessed as low immigration-risk providers need to be offered SVP without further delay. The next stage is to develop a methodology to assess small education providers for low immigration-risk.

2.3 Regulatory blockages and impediments
The move by the Federal Government to centralise higher education and VET regulatory responsibilities for international students has been welcome. However, subsequent implementation issues have resulted in unanticipated delays, blockages and administrative burden. Moreover, changes have proved problematic for ELICOS institutions, and little consideration has been given to consistency of regulation of schools, which remain within the purview of the states and territories.

Specific action items in this policy area include:

a. Work to be undertaken with the Chinese Ministry of Education to ensure the JSJ list of approved overseas education providers includes other Australian quality/low risk providers.
b. Implementation of the outcomes of the regular country assessment level review to occur in a timely manner.
c. Correction of the anomaly where a two-year Associate degree followed by the final year of a bachelor degree does not meet the requirements for the same post-study work rights offered to graduates completing a three-year degree.
d. The review of the Genuine Temporary Entrance (GTE) Test is overdue and needs to take place immediately.
e. Levies applied by the Australian Research Council (ARC), ASQA, TEQSA, Tuition Protection Service (TPS) and Entry to Market charges to be justified on the basis of actual costs and risk factors to Government.
CONCLUSION
The joint education peak bodies have a strong belief that future Australian governments must provide greater acknowledgement of, and coordinated support for, the international education sector.

At one level, international education is a $15 billion per annum industry that provides thousands of jobs for Australians and strongly supports other industries such as tourism. At another level, international education provides enormous cultural and diplomatic benefits to Australia’s international standing and global reputation.

Specifically, our credentials as a sector with extensive experience and connections to our neighbours in Asia are poorly utilised. On this basis, international education in all its forms must be given a much higher priority by all political parties.

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