



THE UNIVERSITY OF
MELBOURNE



Submission to the Department of Education, Skills and
Employment's consultation on the
Australian Strategy for International Education 2021-2030

May 2021

Executive Summary

The University of Melbourne welcomes the opportunity to contribute to the development of the Australian Strategy for International Education 2021-2030. This important and timely consultation is an opportunity to shape how Australian international education will adapt to the new global environment. With the challenges of the global pandemic and border closures emphasising our geographic distance – even to our neighbours – positioning Australia as a leader in international education will require an unprecedented partnership between government, industry/business, and Australian education and research institutions.

Universities have responded to the challenges of the pandemic with innovation and creativity; a similarly bold and dynamic approach will be required of all stakeholders in the development and operationalisation of the next Strategy. The University's submission and recommendations are framed to underpin and strengthen a robust international student program and ensure that all dimensions of universities' international education and engagement are reflected and prioritised in the forthcoming Strategy.

Australia builds on a strong foundation of success in growing its international education offer to attract students from around the world. The next Strategy should acknowledge past success, while also reflecting the need for agility and flexibility where appropriate. The Strategy should encompass all modes of delivery and provide strong support for continued campus-based delivery of international education in Australia. Visible commitment and leadership by the Australian Government, reinforced by education institutions, about the real value of international education and overseas students to Australia will be a crucial component.

International student study choices and mobility flows have been significantly disrupted by the pandemic. Continuing uncertainty about borders is leading to a weakening in demand, which has resulted in absolute reductions in commencing students in 2020 and 2021 and could result in weaker demand in the coming years. Many international students, who had previously considered Australian institutions for their tertiary education, have decided to choose alternative destinations. Australia's key competitors such as the United Kingdom and Canada are increasing their market share at Australia's expense. Other international education providers such as Malaysia will soon be challenging Australia in some markets.

To be able to deliver on the Strategy it is essential that borders are reopened. The restrictions on entry of international students has both immediate and pipeline revenue effects on universities. While immediate revenue impacts may seem modest, these do not factor in the long-term costs to universities. Students unable to travel to Australia who have reduced load or deferred studies have in effect pushed university teaching obligations and costs into the future. Deferred course delivery and reduced commencements would mean higher costs and reduced revenue from 2022 onwards.

The impact will also be felt by domestic students, not only in terms of reduced diversity in classrooms, but also in the facilities in which they learn. Further financial impacts of this scale will begin to cut deeply into core university operations in teaching, student facilities, infrastructure, student experience enhancements, and research. Continued border closures,

with no process or timeline for review, could also translate into perceptions of sovereign risk among non-student cohorts, such as business people, tourists, artists and others.

Decisions that have been made in response to the pandemic will have a longer-term impact on our relationship with key research partners and student communities, as well as our global reputation as a study destination. The Australian international education sector will need the full support of governments at all levels and the broader community to rebuild a vibrant and globally competitive international education sector. The Strategy is an ideal vehicle for laying the foundations for coordinated and collaborative actions to achieve this.

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Recommendations

1. The Strategy should include a stronger articulation of the scope of 'international education' to reflect the full breadth of international education including training and research.
2. The Strategy should provide flexible policy settings to enable students access to campus-based education as a cornerstone of Australian international education.
3. Soft diplomacy tools to build and enhance global links, such as government funded student scholarships and maintaining the pipeline of graduate researchers, should be a priority under the Strategy.
4. The Strategy should include a stronger articulation of the importance and facilitation of Global Learning Experiences and the benefits they provide.
 - This includes a commitment to global mobility, exchange and internship opportunities for students, including enhanced access to funding, broadening of government support programs such as the New Colombo Plan, and greater in-country support through Australia's diplomatic posts.
5. International graduate researchers' continued pathways to research training in Australia should be emphasised in the Strategy as a priority area and measure of success.
6. The Strategy should prioritise practical and symbolic supports for international students to ensure their connection to Australia and overall wellbeing.
 - This should include a strategic communications program that highlights the contribution of international students to Australia, to build community understanding and support for international education.
7. The Strategy should include a commitment to a comprehensive review of current regulatory settings, to ensure a balance is struck between protecting the high quality of Australian education, while not stifling access of opportunity for students and innovation by providers.
8. Policy settings under the Strategy should be aligned and seamless across Commonwealth, State and Local governments.
9. The Australian Government should provide evidence-based guidance and resources to support universities' diversification. This should include greater education support in offshore posts.
10. The Strategy should establish a review of the ESOS Act and the National Code, alongside TEQSA regulations, to consider the diversity of current and future delivery modes, recognising the sectors' innovations and experiences in the pandemic crisis and targeting gaps in the regulatory environment.
11. The Strategy should include measures to remove barriers to work integrated learning/placements and incentivise businesses and industry to work with education providers to facilitate more opportunities for international students.
12. Australian governments, education providers, and civil society groups should promote the virtues of international education to the broader Australian community and ensure a welcoming, appealing and safe destination for talented students from around the world.

Responses to the Consultation Questions

1. What are the key priorities for a new Australian Strategy for international education?

Clearer articulation of the scope of 'international education'

The University concurs with the Government's emphasis on 'enhancing innovation and flexibility, embracing emerging opportunities and consolidating Australia as a trusted global partner of choice in international education, training and research' (page 3). As an overall comment, we encourage a stronger articulation of the scope and meaning of 'international education' in the Strategy, to ensure the breadth of international education is reflected in decadal planning. The Consultation Paper generally approaches international education through the lens of undergraduates and mainly the enrolment of overseas students. The Strategy needs to articulate a clearer emphasis on 'training and research', including graduates, and a recognition of the role that international global experiences and partnerships contribute to international education. It would also provide scope for enhanced data capture and evaluation of the Strategy's impact across levels and providers.

Recommendation 1: The Strategy should include a stronger articulation of the scope of 'international education' to reflect the full breadth of international education including training and research.

Provide the foundations for resurgent onshore international education in Australia

The value to the Australian community of international students studying physically in Australia extends beyond economic benefits. An international student body with diverse cultural backgrounds is a vital element of campus life and strengthens the University's efforts to deliver an internationalised, culturally-capable education to all students. The new Strategy should continue to prioritise the importance of onshore international education to both domestic and international students. Australia's higher education and research sectors and, through them, a pipeline for highly-skilled workforces, will be more globally competitive through this resource.

Recommendation 2: The Strategy should provide flexible policy settings to enable students access to campus-based education as a cornerstone of Australian international education.

Support soft diplomacy and crucial links to global research networks

The Consultation Paper correctly observes that 'international education is a tool to facilitate strong and meaningful local connections with communities for international students and providers (as well as industries, regions and businesses) in Australia' (page 12). There is significant soft diplomacy value of people-to-people exchanges like these in promoting Australia's global agenda and research competitiveness. International students who study and stay in Australia embed deep social connections and bring a diversity of experiences, expertise and perspectives to our local communities. Those who travel back to their home nations or go on to other destinations often become valuable ambassadors, through professional and personal global networks, for Australia.

The connections between research networks within Australia and around the world translate to value and impact: 54 per cent of University of Melbourne publications have at least one international co-author. Further, graduate researchers who train in Australia build lasting relationships with their Australian peers and colleagues, thereby helping Australia extend its reach into other, well-developed research systems over the longer term. International networks of researchers — bolstered by the global mobility of graduate researchers — provide ongoing access to expertise and facilities that are not available nationally.

These connections and knowledge reservoirs serve as a form of insurance for cutting-edge research in Australia, ensuring that when a need arises, core capabilities will remain accessible even when they are spearheaded overseas. Australia will not be able to domestically generate all the critical technologies it needs over coming decades. Ongoing global engagement, including engagement on a person-to-person level through networks built through international education, research, and training, will be pivotal to ensuring Australia's rapid access to the latest discoveries, technologies, products and markets.

Recommendation 3: Soft diplomacy tools to build and enhance global links, such as government funded student scholarships and maintaining the pipeline of graduate researchers, should be a priority under the Strategy.

Support students' Global Learning Experiences

Australia's future prosperity and security is dependent on having a culturally capable and globally engaged workforce. One of the avenues in which this is achieved is through participation in global learning experiences. Pre-COVID, outbound learning experiences were on a strong trajectory. In 2019, 58,058 individual international study experiences were undertaken, representing 19 per cent of students across all levels at 34 Australian universities. Broken down, that is 40,927 (23%) of the Australian undergraduate cohort; 9,953 (8.4%) of postgraduate coursework students; and significantly, 7,178 (81.2%) of Australian postgraduate research students. These percentages illustrate the previous high global mobility of Australian students and highlight the profoundly detrimental impact of the pandemic and closures of international borders.

Diversity of the university student cohort within Australia was also significantly bolstered by those who came to Australia as inbound exchange or study abroad students. This group contributes to diversity at both a country and discipline level and includes highly-talented students from less represented countries. Bolstered support for these students – via expanded scholarships or grants – would increase the diversity of the overall student cohort in Australia and increase equity of opportunity for international students with high potential from all backgrounds and countries. For these global experiences to recover to pre-pandemic levels and to continue to grow, regulatory flexibility, increased funding and active promotion of the benefits of global learning should be a priority in the Strategy.

Recommendation 4: The Strategy should include a stronger articulation of the importance and facilitation of Global Learning Experiences and the benefits they provide.

- ***This includes a commitment to global mobility, exchange and internship opportunities for students, including enhanced access to funding, broadening of government support***

programs such as the New Colombo Plan, and greater in-country support through Australia's diplomatic posts.

Recognition and support of international research and training for Australia's future capability

Australia's sovereign capability is strengthened by a proficient, globally-connected and competitive research and development (R&D) sector. This sector relies heavily on international inputs – people and partnerships – some of which have been built up over decades through mutually beneficial arrangements.

International education currently is, and will continue to be, a key driver and supplier of Australia's research capability and global research collaboration. While the Consultation Paper anticipates the Strategy will position Australia 'as a trusted global partner of choice' it lacks a strategic focus on graduate research students (graduate researchers), and particularly those who pursue their graduate research in Australia. The University recommends that international students' pathways to Australia's higher degree by research training system should be supported and prioritised, to ensure Australia maintains capability, diversity and ability to innovate in key fields and grow the pipeline for key workforces.

Research students from overseas — particularly those undertaking 'higher degree by research' programs such as PhDs, MPhils and professional doctorates — are critical to the health of leading research institutions such as the University of Melbourne and constitute a key pipeline for Australia's highly-skilled research and innovation workforce. While these research students present costs of supervision, space and stipends, their productivity and contribution to the Australian research environment is significant.

Research students represent a sizeable and vitally important part of Australia's research ecosystem and long-term capability. This is evident in the demographics of current PhD candidates. As an example, the University of Melbourne, international graduate researchers make up 41 per cent of the cohort in STEM faculties. Importantly, these international graduate researchers are not taking places that would otherwise be taken up by Australian graduates. They are filling places that would otherwise not be utilised, as a high proportion of Australian research students seek training overseas where higher remuneration and different opportunities are available. University of Melbourne data demonstrates this: in the last 10 years (pre-pandemic, 2009 – 2019) the domestic doctoral cohort slightly decreased from 3009 to 2804, while the international doctoral cohort more than doubled from 783 to 1902.

Another example of the importance of international graduate training pathways can be seen in Australia's hospital workforce. Looking at University of Melbourne data alone, there are 200 international graduate researchers in 19 of Melbourne's leading hospitals and medical research institutes with University research and training departments, representing ~22 per cent of total graduate researchers working in those hospitals. These trends illustrate how Australia's research system is increasingly reliant on international doctorates (as a much larger proportion of the total doctorate cohort compared to 10 years ago) as a pipeline and stimulus for our workforce, critical services, innovation and output.

Recommendation 5: International graduate researchers' continued pathways to research training in Australia should be emphasised in the Strategy as a priority area and measure of success.

2. Students should be at the centre of the new Strategy. How can Australian education providers deliver the best possible student experience both now and in the future?

Coordination and communication of services and support for international students

The University endorses the central principle of students being placed 'at the heart of the strategy'. As previously noted, the University recommends the Strategy include a clear articulation of the wide range of student cohorts encompassed under the remit of international education.

The University is committed to the premise that all students should have a high-quality experience and equal access to opportunities, regardless of their mode of study. For students in Australia, a world-class student experience is dependent on the inclusion of international students into their local community and ensuring each student feels welcomed and valued, with access to appropriate support mechanisms where needed.

The Strategy should prioritise the delivery and communication of services and support for international students – whether studying onshore, offshore or online – to ensure they receive the full benefits of their Australian education. The University, and partners in related sectors, have a responsibility to ensure practical and comprehensive support services are available to all students. The experience of the global pandemic, and devastating impact on international students who were in Australia at the time, exposed the limits of government support available to international students in Australia.

To continue expanding the delivery of offshore, online and blended education after the pandemic, Australian universities recognise the collective need to increase the services available to students who are not physically on campus and provide effective and sustainable support for their education experiences. However, Australian Governments too can play a significant role here, as evidenced by the Victorian Government's Study Melbourne Student Hubs. The first of these has recently opened in Shanghai to provide a point of contact as well as access to services and support for students studying with Victorian institutions and enhancing the reputation and outreach of Victorian education. Utilising a common asset provided through the Victorian Government, individual institutions can provide their students with face-to-face connection and care.

The Australian Governments can further support the social inclusion of international students in both practical and symbolic ways. The Strategy should include:

- A mechanism for forging greater collaboration between education providers, government, industry/business to provide relevant workplace and training opportunities to students that are of mutual benefit.
- Increased promotion of government support programs for international students.
- Strengthened workplace protections for international students.

The Australian Government can uniquely influence Australian community and business sentiment about international students, by focusing public discussion and policy debate on the real and significant contribution made by international students to Australia. A broader communication strategy focused on this would be a highly beneficial part of the Strategy.

Recommendation 6: The Strategy should prioritise practical and symbolic supports for international students to ensure their connection to Australia and overall wellbeing.

- ***This should include a strategic communications program that highlights the contribution of international students to Australia, to build community understanding and support for international education.***

3. What changes are needed to make Australia more globally competitive over the next decade?

Regulatory settings that support highly-competitive education and training

The combined impacts of the pandemic, closed borders, and heightened geopolitical conditions, such as rising foreign interference risk, have tested Australia's global competitiveness and created a more challenging environment for international education/engagement over recent years. The University recognises the importance of securing Australia's interests through policy settings that are attuned and responsive to changes in the global market, student preferences, practical hurdles, and competitor activity.

The Strategy is an opportunity to make a number of crucial changes that will make Australia more globally competitive, starting with visa and regulatory flexibility at both the beginning and end of tertiary study. For instance, it is widely understood that post-study work rights are a key driver of international student choice. Failing to address some of the existing rigidity and challenges inherent in our visa regime will see Australia continue to lose key student flows to other destinations.

Targeted reforms to Australia's visa regime and other regulatory frameworks to enhance competitiveness include:

- A guaranteed one-year extension of post-study working rights if a graduate can demonstrate full-time employment in their field of study;
- Exclusion of work integrated learning experiences from contributing to the 40-hour a week employment cap for international students;
- Increasing the length of visas for international PhD students, to enable a positive and supportive transition and onboarding preparation (including English language training where necessary) at the beginning of their study in Australia;
- Wider international accreditation and recognition of Australian curriculum, qualifications and professional outcomes to unlock global portability and appeal to prospective students (this point is also discussed in the section below on diversification); and

- Increased regulatory flexibility to allow innovations – such as joint degree programs with foreign universities – to be established and embarked on more smoothly and effectively.

Further investment and regulatory reform to incorporate job readiness and cultural capability into the Australian sector's education offer to international students is essential, including support for work integrated learning opportunities. Currently, internship and work integrated learning experiences count towards the 40-hour work limit for international students. Excluding work integrated learning from contributing towards the work cap would send a signal that work integrated learning is recognised as a valuable educational experience, and would increase international student demand and access to such opportunities.

Recommendation 7: The Strategy should include a commitment to a comprehensive review of current regulatory settings, to ensure a balance is struck between protecting the high quality of Australian education, while not stifling access of opportunity for students and innovation by providers.

4. How can providers, governments and stakeholders work together to achieve diversification opportunities (for example of disciplines, source countries, study destinations and delivery models)?

Diversification is key to a healthy international education sector and the Strategy should facilitate and encourage new, flexible and targeted ways for Australia's sector to offer the benefits of higher education to a broader global demographic. Increasing student flows from under-represented countries, incorporating new and flexible/blended delivery models across disciplines must be done in a way that does not dilute Australia's unique and compelling value proposition as a provider of high-quality international education.

Over recent years the sector has benefited from a supportive approach from governments at the Commonwealth and State level, in recognition of the value that incoming students contribute to the national and State economies. However, the pandemic, and impacts of border closures alongside the financial implications for prospective students, has impacted heavily on plans for many institutions to enhance enrolments from a range of less represented countries. Restoring and further diversifying international student numbers will require ongoing work to ensure policy settings are aligned and seamless across Commonwealth, State and Local governments. Agreeing on the dimensions of diversification (outside of citizenship) would enable focused plans and targeted tactics from both providers and Government.

The Strategy should include mechanisms that support University efforts to enhance Australia's presence in countries less represented in present enrolments. This could be achieved by the establishment of designated education portfolio positions in offshore posts, serving to progress diversification and advocate for Australia's strategic interests in key countries. The University observes that the effectiveness of progressing bilateral issues has decreased since the operation of the international education counsellor network (under Australian Education International) was reduced and substantial responsibility transferred to Austrade. From our experience, the

current trade representatives are stretched across their portfolios, resulting in longer timeframes for progressing bilateral activities related to education.

Australia continues to experience qualifications recognition issues, including the current rejection by some qualifications accreditation agencies, professional recognition bodies and major institutions, of the Australian three-year bachelor degree as being equivalent to a US four-year degree. This stems from a misunderstanding of the years of schooling leading into tertiary education in Australia. Encouraging and attracting a more diverse sample of prospective students to undertake Australian education programs will require greater external understanding and acceptance of Australian qualifications. Applicants, not only from a significant market like the US but also globally-minded international applicants from around the world, will lose confidence and interest to pursue undergraduate studies in Australia if they do not have greater guarantees that their qualification will be recognised overseas. The Australian Government's engagement with credentialing agencies, professional accreditation bodies and foreign universities (particularly in the US) is needed to resolve the issue of degree recognition. The Strategy would be an apt vehicle to coordinate Australian Government and education sector efforts to provide this clarity and assurance to prospective student cohorts.

The University endorses a review of the *ESOS Act* and the National Code, alongside TEQSA regulations, to consider the diversity of delivery modes that could be offered in the future. Such a review would recognise the range of study modes and experiences that have been created through the COVID crisis. The past year has revealed many gaps in the regulatory environment that need to be addressed to support the vision stated in the Consultation Paper and to advance further diversity. Regulations concerning under-18-year-old students, work restrictions applying to virtual internships in semester breaks, the application of compassionate and compelling circumstances rules for offshore students are all impeded by the regulatory ambiguity that surrounds these issues. The concept of 'full-time' study should also be reviewed considering offshore study patterns in a post-COVID environment.

Education providers, governments and stakeholders need to work on an agile approach to achieve diversification opportunities – including through accessing emerging post-COVID disciplines (e.g. international infectious disease epidemiology). The Strategy should include evidenced-based and specific guidance on how Australia's international research training and education should be diversified, with coordination and planning across the sector. In diversifying the pipeline of international talent training in Australia, institutions will have to make significant and swift market recalibrations to avoid shrinkage of the sector. To execute this without major detriment will require coordination, planning and specific resources under the Strategy.

Strategic emphasis on enhancing pathways for international graduate research students in the Strategy would also assist the central objective of diversification. Given that higher degree by research positions are often fully funded with a living stipend and tuition fee waivers, talented students from around Australia and the globe can take up these positions based on merit, rather than on ability to pay.

Recommendation 8: Policy settings under the Strategy should be aligned and seamless across Commonwealth, State and Local governments.

Recommendation 9: The Australian Government should provide evidence-based guidance and resources to support universities' diversification. This should include greater education support in offshore posts.

Recommendation 10: The Strategy should establish a review of the ESOS Act and the National Code, alongside TEQSA regulations, to consider the diversity of current and future delivery modes, recognising the sectors' innovations and experiences in the pandemic crisis and targeting gaps in the regulatory environment.

5. What are the necessary skills for the future that students should be prepared for? How can Australia improve employability outcomes for international students, ensuring they have the necessary skills to compete in a globally competitive labour market?

Work experience and job readiness

The University endorses the Consultation Paper's commitment to contributing to the development of human capital in both Australia and overseas (page 4). Students must be equipped with interdisciplinary and critical thinking as well as the ability to contextualise disciplinary knowledge, which enables flexibility to move between industries. All students need to be prepared to have more than one career during their working lives and their formative and ongoing education needs to reflect this dynamism.

The University is committed to providing students with outstanding knowledge and skills that will meet the changing practices and demands of the future. The Melbourne model provides unique opportunities for a broader knowledge base with in-depth expertise in a specific discipline. A more diverse cohort is critical to enhancing these skills: a creative mindset, that values breadth of opinion and interrogates knowledge and received wisdoms, is strengthened with greater inclusion and emphasis of cultural diversity to enrich the teaching and learning and student experience.

There needs to be increased efforts to support institutions in working with employers, highlighting the benefits of hiring international students on work placements and as graduates. The University recommends that the Strategy include a coordinated and nimble policy framework that enables students to enrol, study and gain relevant work experience without barriers. Work integrated learning experiences and expanded career support to improve the job readiness of our international students is a necessity. This needs to be complemented and supported by messaging and communications from government, and enhanced by complementary policies and programs such as scholarships and industry PhDs.

While all universities have a responsibility to develop, maintain and strengthen connections with Australian businesses, the government has a role to play in encouraging Australian businesses to increase their offerings of internships and work integrated learning experiences. Government development of training materials on cultural capability and mentoring to support businesses to actively include international students in the workplace as interns would also be welcome. Finetuning and promoting existing programs, such as PhD industry internship

programs for both international and Australian PhD students, will help to build stronger connections between industry and universities, facilitating greater knowledge transfer. The supports for industry PhDs announced in the most recent Federal Budget are a positive step towards this.

International students should be included and encouraged to participate in work integrated learning opportunities and internships that are open to their domestic counterparts. Barriers facing businesses to include international students in these programs, including providing training, should be addressed. The Strategy is an opportunity for government to incentivise businesses to create high-quality, challenging and valuable internship or workplace integrated learning opportunities for international students through the provision of grants or seed funding.

Recommendation 11: The Strategy should include measures to remove barriers to work integrated learning/placements and incentivise businesses and industry to work with education providers to facilitate more opportunities for international students.

6. How do we create a uniquely Australian education experience? What is our value proposition for both international and domestic students? How do we offer an Australian education experience while complementing the value of Australian offshore and online education?

International education provides an array of mutual benefits for domestic and international students. The multicultural nature of Australia's society is one of the key drivers to our attractiveness as an international study destination. Universities are aware of the need to better leverage this societal asset to enrich the student experience. Enhancing our local connections with the world, the unique and rich offering of our indigenous heritage, as well as celebrating the diversity of community that exists, is essential to our value proposition. Fostering events and activities that bring students from different countries and different cultures together, enriches the value proposition of an Australian education.

The Australian education experience is not limited to those who are based here. Many Australian education providers have established various forms of offshore partnerships to offer domestic and international students joint and dual degrees that combine Australian quality through international partner institutions and online platforms.

7. Community support for the international education sector is important for the sector's social licence. How can the benefits this sector provides to Australia be better understood by wider community?

International education promotes strong knowledge links and develops long-lasting relationships between Australia and the global community. The participation of international

students in Australian life fundamentally contributes positively to the socio-economic wellbeing of the community, as well as our wider place in the world. Domestic student engagement, including global learning experiences, is also critical. Students, both domestic and international, are seeking experiences that are sustainable, culturally inclusive and allow them to have a voice in their own communities.

The Strategy should reflect the need to continue raising the value and stories of international education to the Australian community. Government, at all levels, must take a leadership role in this endeavour, alongside education institutions and other stakeholders. Public opinion can be shaped by ongoing communication that outlines the virtues of a strong, internationalised education sector in Australia. Together with government, institutions and allies within civil society groups, should promote the benefits of international education such as multicultural work environments, the value of intercultural competencies honed through an internationalised university experience and recognise international students as a talent pipeline, supporting pathways and opportunities to residency for the best and brightest – potentially aligned to industries in demand.

Recommendation 12: Australian governments, education providers, and civil society groups should promote the virtues of international education to the broader Australian community and ensure a welcoming, appealing and safe destination for talented students from around the world.