

International student diversity at Australian Universities – IRU response (25 February 2022)

Overview

The *International student diversity at Australian universities* discussion paper highlights the value to Australia of international education and the importance of diversity, resilience and the quality of the student experience. The Innovative Research Universities (IRU) already has a diverse international profile and welcomes the opportunity to work constructively with government on further policy measures to improve quality and diversity into the future.

The members of the IRU are already leading the way in international student diversity. We have significantly lower levels of concentration across leading source countries than the rest of the sector. We have high rates of offshore delivery compared to other universities (34% average across IRU) and above-average rates of satisfaction among our international students. We also have greater diversity across fields of study, with the courses with the highest numbers of international students at IRU member universities including IT, engineering, agriculture, commerce and architecture.

Despite the major success of Australian international education over recent decades, it is important to remember that Australian universities still primarily serve domestic students and communities. 24% of IRU students are international students. And in terms of a reliance on a small number of countries for export markets, education is not as concentrated as other industries. IRU analysis in 2021 showed that 54% of the economic value of international education was tied to the top three partner countries, compared to 74% for minerals/fuels and 60% for total merchandise exports.

The global operating environment for international education has changed dramatically in recent years, most notably from the COVID-19 pandemic, but also due to broader social, demographic, economic, technological and geopolitical shifts. We now require a coherent, long-term plan for rebuilding Australian international education post-COVID, which includes partnership between universities and the Australian Government. The IRU welcomes the announcement on the 23rd of February for new funding for six pilot projects to support innovation in international education. This is a step in the right direction and we look forward to working with government on implementation.

The discussion paper's focus on diversification is an important piece of this larger picture. However, in order for the IRU, and the wider sector, to achieve the paper's goals of greater resilience and improved student experience, this will require policy settings that go beyond those set out in the paper and beyond the Department of Education, Skills and Employment (DESE).

The IRU supports greater collaboration with government on diversification plans and on transparency about those plans and performance. But Australian universities already have well-established governance frameworks and as public institutions are accountable for managing risk. New guidelines and action plans, as proposed in the discussion paper, will not achieve their goals without long-term support for implementation and without government policy that supports them across a wide range of areas including visas, quality assurance/regulation, marketing and scholarships.

The IRU also believes that there are risks in the proposed approach, that if applied in a way that does not recognise the existing diversity across the Australian university sector, could further distort the market and work against the goals set out in the discussion paper. The IRU sets out specific suggestions and recommendations below for further discussion with government.

Recommendations

Australia should continue to make all international students feel welcome

Due to long-term demographic shifts across our region, major source countries for international students such as China and India will continue to be important for years to come. Any changes to policy must ensure that students from the top source countries continue to feel welcome in Australia. Current measures of student satisfaction show high levels among international students, and we must carefully protect this reputation. There is risk that highlighting specific countries as being less desirable will create a ranking system of international student worth, which will be detrimental to Australia's reputation as a provider of quality higher education.

Efforts to increase international student diversity should recognise existing diversity across locations and institutions

Government incentives for greater diversity should be designed to encourage ongoing diversity amongst providers and to support those providers with low student diversity to learn from others. Strategies and policies should look to encourage those providers, like IRU members, with a diverse set of students to continue their practices and ensure that the broader system supports this. International student diversity already varies widely across States and Territories. There is also significant variation in diversity across delivery modes (for example, onshore, offshore and online). International students in Australia are concentrated within a small number of universities and major cities. This has created significant disparities in the resources available to institutions across the sector. There is a significant risk that a policy intervention by which the government sets diversity goals and requires institutions to deliver these from within their existing resources, will result in resource-rich universities aggressively targeting students and markets from smaller universities, through incentives such as scholarships. This would distort the market further, undermining diversity gains already achieved.

Policy for international education should be joined-up across government portfolios

The discussion paper lists a number of proposed actions for the Department of Education, Skills and Employment (DESE). But policy to support diversity in international education cuts across many different portfolios and ultimately will not succeed unless these dependencies are addressed.

Beyond the initial actions proposed in the discussion paper, DESE could provide more support to universities so they can achieve their diversity aims. For example, this could be done through expansion in the number of Education Offices overseas and updated information resources through mechanisms such as the National Office of Overseas Skills Recognition (NOOSR). Diversifying to new markets requires institutions to access detailed information about the education systems of other countries, and government resourcing and support has long been a key part of engaging and recruiting genuine students with a high chance of success.

The loss of the Endeavour Program has also impacted the ability of universities to build education and research partnerships, and to build profile, with countries that could make an important contribution to future diversification. The re-establishment of a program similar to Endeavour would be an important part of a joined-up approach to international student diversification.

The paper also fails to mention recent policy interventions aligned with the goals of the *Australian Strategy for International Education*, such as the Destination Australia scholarships. Destination Australia should continue to be used to actively promote geographic diversity to prospective students. Combined with the judicious extension of post-study work rights, measures such as the Destination Australia scholarships can produce tangible outcomes in line with government priorities.

To make further progress, a joined-up approach across government will be required. In order to implement plans for future diversification, alignment will be required across a number of different government agencies, including:

- Home Affairs: visa settings and country risk ratings will be critical parts of new plans for further diversification. An effective approach will require the Department working in partnership with universities (and other government agencies such as Austrade) to help them understand the risks in particular markets so they are able to mitigate those risks and accurately identify genuine students.
- Austrade: marketing and market intelligence is crucial for building profile and partnerships to support international education, along with sustained in-country presence. The identification, prioritisation and development of new and emerging markets needs to be done in conjunction with DESE and Home Affairs to understand the market and identify genuine students, and to ensure sufficient investment over time to deliver long-term impact.
- DFAT: Australia's diplomatic infrastructure also plays an important role in building international partnerships in education and research. There is an opportunity to take a more coordinated approach to programs such as the New Colombo Plan (NCP) and the goal of diversity in inbound international education – for example, supporting multi-year programs that build long-term two-way partnerships. Plans for diversification should also be aligned with scholarship programs for inbound students – for example, expanding the Australia Awards program to include new destinations in Latin America and Africa.
- TEQSA: as patterns of international education shift over time, it will be vital to ensure that the quality assurance and regulatory regimes are fit-for-purpose. The IRU welcomes the opportunity to provide input to the review of the Education Services for Overseas Students (ESOS) legislative framework as part of this process.

The IRU looks forward to engaging further with DESE and with government more broadly on future plans to ensure the diversity, resilience and quality of Australia's international education.