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Members in attendance: Mr Ramsey, Ms Rishworth, Mr Smon and Mr Tudge

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Department of Education, Employment and Workplace Relations annual report 2010-11
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CHAIR (Ms Rishworth): I declare open the roundtable forum and just put it in context. The objective of the roundtable is to gain an understanding and appreciation of the key issues currently facing the international education sector, which is Australia's second largest service export after tourism, and to discuss the sector's sustainability. Last year, our committee conducted an inquiry into the education services for overseas students bills and the amendment bills were the second and final phase of the government's response to the finding of the review of the ESOS services undertaken by the Hon. Bruce Baird, AM, titled Stronger, simpler, smarter ESOS: supporting international students, known as the Baird review. That was, as many of you would know, released in March 2010. The committee made a number of recommendations to strengthen the passage of the bills package and, while it has not been the purview of this committee, a major review into student visa issues, known as the Knight review, has similarly concentrated on improving the quality and competitiveness of the student visa program. The committee is interested to learn more about the progress of these reforms and more generally to gain a clearer picture of the international education sector as it stands today and into the future.

We note the decline in international student numbers last year, most notably from India and China, and we understand that vocational education and training may play an increasingly important role in the sector into the future. We are especially interested in the international students' experience and their perceptions of education they are receiving in Australia. Of course, international education also plays a role in regional engagement and wider diplomatic and trade relations and strong people-to-people links between students, staff and communities.

Although the committee does not require you to speak under oath, you should understand that these hearings are formal proceedings of the Commonwealth parliament. Giving false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. That is a long introduction, but I hope it gives you a bit of an understanding about why we are here and what we want to gain from bringing people together.

In our first session we are going to start with an interactive roundtable session. I will outline how these roundtable sessions will go ahead. They have been very successful in the past. Participants should note that they are not obliged to make a statement on a particular theme. For example, if you feel an issue is outside your area of knowledge or it has already been addressed in another organisation's statement, you are not compelled to say anything. To ensure that everybody has an equal opportunity to speak and to maximise the time for questions and discussions, we will have a very short opening statement—which we will be quite strict with. Your statement is essentially an opportunity to put some key issues on the table for discussion later for questions. Following the introductory statements, members of the committee will have an opportunity to ask questions through the chair. Following questions, I will then invite members and participants to engage in general discussion relevant to theme.
The first session aims to gain a bit of an overview of the key issues concerning the international education sector today. I think you were all aware that that was to be the first topic of discussion, so I will now invite people to make a short one-minute statement.

Dr Orr: The Australian Skills Quality Authority was formed through the referral of state powers for vocational education and training and commenced as the new national regulator for vocational education and training and CRICOS registration on 1 July 2011. ASQA is a designated authority under the Education Services for Overseas Students Act, with jurisdiction in all states and territories for CRICOS registration—the Commonwealth Register of Institutions and Courses for Overseas Students—except in Queensland as a decision was made that their jurisdiction for the providers of international students would not transfer until they referred powers. Queensland is the only state that has not yet referred powers, and there was a delay with the state election being held, but we are hopeful that that process will proceed. ASQA is also the designated authority under the ESOS Act for vocational education and training, for ELICOS—English language intensive courses for overseas students—and for foundation programs for overseas students. The strengthened and streamlined regulation reforms are well under implementation, and in its first 10 months ASQA has had a very busy time transferring providers and assuming its role in the area of designated authority for those providers delivering to overseas students.

Dr Sawir: For the last eight years I have been involved in research on international students, examining their social and academic experience while in Australia. A number of key issues arose from my reading of the literature and from my own research findings. Institutions have focused their efforts mostly on assisting international students in adjusting to the new learning environment in Australia. As a result, the literature and research tend to report on the experiences of international students and ignore those of local students. Among the most frequently cited issues is the social division between international and domestic students. Despite institutional efforts to integrate local and international students, the research findings continue to indicate segregation between these two groups of students. Research also indicates that domestic students continue to demonstrate a relatively low level of intercultural competence and a limited knowledge of international issues. Initiatives or studies which focus on domestic students are lacking. We would like to see further development of domestic student cultural understanding and international competence, for example, through initiatives or by conducting research which examines attitudes toward the presence of international students, their overall attitude toward cultural differences, their interest in studying abroad or learning another language, and the institutional supports they think are needed to develop their cultural competence.

Dr Forbes-Mewett: My PhD and subsequent work has focused on international student security, broadly defined to include all issues relating to international student welfare. Since 2009 my focus has been on international student safety and crime, and I am in the third year of a four-year ARC funded project that is looking at the forms and perceived levels of crime associated with international students and the crime-producing circumstances. The main themes emerging from the research—and this is in the very early stages—are: that international students tend to be victims rather than perpetrators of crime; despite media focus on street attacks, international students are most at risk from within their own national groups; and large numbers of students have populated areas that are already resource scarce and home to groups of disengaged youth from various ethnic backgrounds. The necessary structures to cope with the incoming groups, including housing, work, and community services and attitudes were not in place. Of 90 interviews conducted to date approximately 95 per cent believe responsibility for international student safety should be shared by governments, education institutions, parents and students. Importantly, overall I have noticed a more positive view of international student safety that is being presented now than when the research began just over two years ago which, I believe, reflects on the concerted efforts of all the above groups.

CHAIR: Excellent, thank you.

Ms Bowring-Greer: The Overseas Students Ombudsman was established as a role of the Commonwealth Ombudsman one year ago to give overseas students with private education providers access to a statutorily independent complaint mechanism. Students with government education providers already had and have access to the relevant state ombudsman and in South Australia all students can complain to the training advocate. The Ombudsman has very wide jurisdiction to consider complaints in relation to the actions of private providers and we can take complaints from current students, students who are still offshore and former students.

The Ombudsman also acts as an external review body for students challenging the decisions of providers for instance in proposing to report them to the Department of Immigration and Citizenship for failing to meet course progress or attendance requirements, releasing them so they can change providers or in relation to paying refunds in a variety of circumstances.
In the last year we have taken approximately 500 in jurisdiction complaints roughly a quarter of which have related to refunds. A significant proportion of those were from students offshore whose visas were refused. It is a concern to the Ombudsman that students with a clear claim for a refund under the ESOS legislation are waiting for periods far in excess of those provided for under the act in many cases. We are also concerned about the number of students who do not appear to understand the financial and other commitments they have entered into with their education providers. We are optimistic that the recent passage of legislation amending the ESOS framework should limit the financial exposure of students and address some of those concerns.

In our second year of operation we are keen to focus on working with industry and student and regulatory stakeholders to improve internal complaint-handling mechanisms and to address some of the systemic issues we have identified.

CHAIR: Thank you.

Mr Alias: I was involved with setting up the Council of International Students Australia in the first year and in the past years they have been doing a really good job in highlighting international student issues. Currently I am the international officer at NUS. There are several concerns that I want to bring up. We support the changes that have been made from the Knight and Baird reviews. One concern with the Knight review that students bring up is whether there is adequate communication to the employers of the changes to the visa rules. They are happy with the changes to a four-year visa; however, they are not sure whether the employers are aware because a lot of them say only residents and citizens might apply, so that is a concern on their part.

I want to focus on other things such as the student services and amenities fee which is to improve student services across universities. We are concerned about the lack of transparency in certain sectors between unis and student representatives, who best understand student issues, especially on how consultation is run and where the money is going to, whether there is information for international students on the SSAF and whether international students can determine where the money should go. There are services that international students need such as counselling and psychological care. Those need to be improved. For example, you cannot just have social workers as counsellors so that is important.

International student representation is lacking in quite a few sectors. We have to encourage the setting up of that and university, VET and TAFE sector colleges should also encourage representation from their students. I think that sector is lacking. The best way to get issues from students is through their own representation.

Finally, with transport concessions—I know this is a federal hearing, but it has been a long-standing issue and it is still an issue in Victoria and New South Wales. If students knew that before they came to Australia then, if they were thinking of studying in universities in Victoria and New South Wales, they might think twice.

CHAIR: So they do not get—

Mr Alias: They do not get transport concessions.

CHAIR: Thank you.

Mr Holden: You do not try to sell a car by emphasising the excellent breakdown service, yet this has been much of the focus on international education, including the raft of legislation and regulatory changes stemming from the Baird and Knight reviews. TDA certainly recognises the importance of improving a regulatory system where inadequate oversight has led to noncompliance and private college closures. We also recognise many positive changes including the legislation to create a single tuition protection service and the review by the Department of Immigration and Citizenship of the student visa assessment level framework. We are less impressed with some of the blunt instruments introduced such as streamlined visa arrangements and extended work rights for universities only.

We are concerned that by the end of this year we will have multiple risk management frameworks and compliance regimes. There will be different levels of regulatory control and oversight for the approximate 1,200 providers of international education and there will be different levels of control and oversight for all registered training organisations. This will be even more complex for many of our TAFE institutes, which are also higher education providers. TDA has long argued for the development of coordinated standards for all tertiary education providers. This was supported by Ministers Bowen and Evans in a joint media statement in September last year where provider profiles would become the basis of student visa regulation and law from 1 July this year. What we need is a set of provider standards which enable the profiling of all registered providers of international education. Such standards should clearly articulate the quality of delivery, the level of student support and provider compliance with regulations. To support this we need a coherent whole-of-government approach to international education which also recognises the political, social and economic power and influence of education in our region. Our providers need this to sustain and build international education in all its forms. Our government
agencies need this to ensure greater clarity of purpose and, most importantly, our students and their parents need this to make informed decisions.

CHAIR: Thank you.

Mr Angley: Austrade's role is the promotion of Australia as an international education and training destination and a supplier of services. We have three main objectives: to contribute to the growth in demand for Australian education, to contribute to the repositioning of Australia as a provider of high-quality education services to international students and to contribute to the building of a sustainable Australian international education sector. There are four activities. One is assistance in markets to providers and the identification of opportunities for Australian providers, both onshore and offshore. There is the delivery of market intelligence through the market information package and *Global Education News*, which is a fortnightly newsletter that is circulated to several thousand subscribers and which contains discussion of markets, opportunities for Australian service providers and some short discussions on policy changes in some of the markets overseas. We are also responsible for the COAG endorsed website *studyinaustralia.gov.au*, which is designated as an authoritative source and is often the first place that potential students visit. Our last role is the development of the new brand, Future Unlimited, and the ensuing assets including a video.

CHAIR: Thank you.

Ms Williams: On 22 September 2011, the government announced its support for the recommendations of the Knight review and also some other measures to boost the competitiveness of the international education sector, in particular changes to the financial requirements for higher risk student visa applicants. Stage 1 of the Knight review changes was implemented on 5 November 2011, including the genuine temporary entrant criteria, which explicitly address whether the individual circumstances of a student visa applicant indicate that their intention is for a temporary stay in Australia, and reductions in the financial requirements. A number of stage 2 changes were implemented in late March 2012, with the remaining stage 2 reforms expected to be implemented later in 2012 and early in 2013. The key change implemented in March 2012 was streamlined visa processing for prospective students enrolled in bachelors, masters or doctoral degree courses at participating universities. For the remaining recommendations, there are some key challenges. In accordance with recommendation 32 of the Knight review, we are currently reviewing the student visa assessment-level framework, which is how we manage risk in the program. We will be reporting to government mid-year. In line with the terms of reference of the review, a key focus is a provider based risk model. We expect that full implementation of the review findings will occur in 2013. Recommendation Nos 4 and 8, pertaining to post-study work, will be implemented in 2013.

I have copies here of the implementation timetable and the latest statistical report on the student visa program, which members might find useful.

CHAIR: Thank you very much.

Ms Hartman-Warren: I am from CAPA. I worked on the Knight review for Sydney University's postgraduate representative association submission last year. CAPA applauds the Knight review but, currently, the new post-study work visa is set to be unavailable to students who had visas before 5 November 2011. CAPA wants this improved visa to be available to all students who graduate after its release, and this has support from others, including my own university's vice-chancellor. An inclusive visa is simpler and more equitable but, in 2013, students who have been here the longest can only access the 485, which is tethered to the skilled occupations list.

We have questions regarding the Knight review and its implications, and we have difficulty getting written responses. Weak transparency in information leads many students to think that they can access this new visa, and they may feel marginalised when they learn otherwise and export negative sentiment about their experience to their home countries. We students are concerned with the poor information and response we get when we address such important issues to government bodies.

Other important issues include much desired and needed travel concessions for New South Wales and Victoria, better and affordable health care and improved and safe tenancy for students who arrive in Australia. To close, I wish to support and express my gratitude for the work that NUS and CISA are doing and stress the importance of the issues they table today. Thank you.

Dr Tran: I am from RMIT university. I am currently working on a research project investigating international student experiences in the VET sector and teachers views in teaching them. The project is funded by the Australian Research Council. Four key issues are emerging from the research that I would like to raise today. The first is the motivation shaping why international students are interested in investing in a VET course in Australia. I collected data between 2009 and 2011. From the research, international students have diverse, shifting and in
some cases multiple purposes in investing in a VET course. There are four main reasons why most of the interviewees mentioned why they are motivated to undertake a VET course here: the first is clearly to secure permanent residency; the second, progression to higher education; the third, accumulating skills in order to obtain good employment and secure opportunities to work across national borders; and, the fourth, personal transformation and enriching personal experience.

In my research, there are four different variations of the relationship between migration and learning. The first is for international students who see PR as an end for their study, who are only interested in getting PR in Australia. The second is for international students who see permanent residency as a second-chance opportunity. They initially are not motivated to come here to obtain PR but, along the way, they see the opportunity and they fall in love with the people, the life and the land here. The third group are international students who change their minds along the way. They are motivated to come here for PR but then, later on, they see that they have been equipped with good skills, knowledge and attributes that enable them to go across borders. They position themselves as global citizens and they see the opportunity that globalisation opens up for them. The fourth group of international students are those who are not interested in PR at all.

The second issue that I would like to raise today is the relevance of training packages and competency-based training to teach international students in that. Clearly, Australia has a good reputation for providing high-quality vocational education and training and our competency-based training and training packages aim to provide students with skills, knowledge and attributes relevant to joining the Australian workforce and suitable for Australian conditions. But I think we need to re-examine the relevance of our program. Do international students who are unlikely to achieve permanent residency have to stay in Australia now?

The third issue emerging from my research is work placement for international students in VET. Clearly, many of the interviewees I have had a chance to talk with are interested in the opportunity to gain some work experience in Australia. Some TAFEs are doing very well on that—for example, William Angliss in Melbourne—but some still have a lot of difficulty organising work placements for international students.

Finally, I would like to mention the interaction between local and international students in the VET sector, because it is different from the university sector in that we have a lot of stand-alone classes of international students and that hinders the engagement between international and local students. Further, a lot of those local students studying part time are on a work-release block so this may be another barrier to promoting the engagement of international and local students in VET. Thank you.

Ms Blundell: Last but not least, I am Sue Blundell from English Australia. I suppose the first thing I would like to say is a little bit about the sector itself. We are not universities, we are not the vocational sector, we are not high schools. We are, in fact, the only sector which is 100 per cent international students and so for us this type of hearing and round table is of significant importance to our sector. What is also important to know is that we are the largest sector in terms of new students who come into the sector every year. At our peak we had 160,000 new students joining our sector. We are the largest in terms of churn of new students.

Because we are 100 per cent international this is our core activity. We are impacted very heavily by any changes in the external environment. We have now been in decline for 2½ years, and in fact our student numbers over that 2½ year period have declined by 30 per cent. Our industry is in danger of disappearing. That is my primary reason for being here today. So, while welcoming the regulatory reform zeal of the last two years and the Baird review and Knight review reforms, our sector is suffering from regulatory indigestion. We believe we need a period of stability for the sector to try to get ourselves back on track. If we ask ourselves whether the reforms that we have been and are currently going through are having an impact on our student number decline, they are not. We are still declining. February's statistics, out this week, show we continue the downward spiral of student numbers. Have the reforms had an impact on addressing our competitiveness? They are making us less competitive. Our zeal for regulatory reform is putting up compliance costs for our providers, so they see revenue going down and costs going up. We are in danger, I believe, of having the best consumer protection system in the world but no consumers to enjoy that protection. Thank you very much.

Ms Walmsley: I support what my colleagues Ashraf and Kylee have said. There are a couple of things that we would like to note. Firstly, the ability of international students to engage in representative bodies across the country is limited by their full-time study requirement. Many students who choose to engage in their student organisations across the country drop down to two subjects or even, at times, one or none in order to fulfil their representative roles. International students unfortunately are not well represented in their student organisations because they cannot take on roles because they cannot fail their subjects or drop down to a lower study load. So that is something we would like to raise in terms of international students' capacity to engage with representation.
The other issue we think is of key importance is tenancy and accommodation. The rising cost of accommodation across the country is hitting international students particularly hard. They are also extremely vulnerable to exploitation because a lot of them are not aware of their rights when they come into the country. We see a lot of students being exploited. Landlords, for example, are requiring that students give them their passports as insurance. These kinds of things are actually illegal but international students are not aware of their rights when that enter the country. We think that having more affordable housing being provided, ideally by universities, is very important.

As well, the issue of international concession cards in New South Wales and Victoria is of paramount importance to international students. So I would just add those things to the table.

**CHAIR:** I am going to go back to Sue's final comment. People have touched on a range of different things that they think are impacting on students. Obviously the acute decline in international student numbers over the last number of years has been of interest to the committee and, of course, to the government. We have alluded to cultural issues and segregation as an issue. We have spoken about security. There is regulatory reform. There are the perceptions of people who have had a negative experience and have sent that message back to their country. There is a wide range of things that I think could be the reason for that. I would be interested to hear your perspective on why there has been a decline. It has been in the English language sector. Has that been the experience of universities? Has it been the same experience for the VET sector? From Austrade's perspective, what are you hearing back when you are out there trying to promote Australia? Are there other countries that are becoming more competitive than us? Perhaps we were the flavour of the month but are not so much anymore. I am interested to hear people's perspective. Obviously there are some general things but I am also interested in what has happened in the last couple of years.

**Ms Blundell:** Perhaps I could pick up on a few things because we are the sector that is experiencing the most severe decline. A few weeks ago I attended an event for international agents, who perform a key recruitment role in terms of bringing students to Australia and advising students. Over 70 per cent of our students come via the facility of agents. Agents play a key role in advising them on what they are going to experience when they come here and also provide advice on the visa process, which is a very complicated process. There were over 200 agents attending this event in New Zealand. What I heard is that the pace of change of our reforms in Australia has led to considerable confusion in our destination countries, even among agents whose role it is to advise students.

They are also seeing an increased rigour in the activities of our immigration department. Whilst I welcome appropriate rigour, I think we have still not got the balance right in terms of facilitating students to access our study programs. Students in English language training are having their visa applications rejected because it is cheaper to study English in your home country. So we are seeing a whole range of key measures overseas that are saying: 'We don't want you to come and study here. We don't think you're a genuine student for a variety of reasons.' Agents and students are getting really negative perceptions about whether Australia is really interested in international education at all.

**Ms Williams:** The statistical report that I have provided to you provides the data that we have about visa applications and grants based by sector, so you have got some visa data there. There is a caveat, though: visas do not necessarily equate to students or enrolments as such. You have to be careful comparing apples with apples, if you like, but the data is in this document for you.

**Dr Tran:** I just pick up on the point Ashraf just mentioned about the positioning of international students in Australian international education. Important issues are associated with this too: the stereotyping that our international students seem to be only interested in permanent residency and have little or almost no interest in study. A lot of international students feel that they are grouped under that category while their personal desire for enhancing knowledge and skills and interacting with the community, or self transformation, is overlooked. I think that the way that the media and some academics position the international student may pose a risk to our sector—the stereotyping.

**CHAIR:** Do you think that perception is going back overseas and affecting the way people perceive their friends or their family and might—

**Dr Tran:** Yes. Clearly they have regular communication with their parents, relatives and friends overseas. Many of my interviewees were actually in tears when mentioning that. I heard about the good reputation of vocational education and training in Australia and I feel satisfied with the way that I was provided with vocational education here, but I was grouped with other students who were not really interested in studying at all and people seem to stereotype us all as PR chasers. My parents thought about it and we discussed whether I should return.
home and choose another study destination. I know that I risked losing some money, such stereotyping clearly has a negative impact on the image of our international education sector.

Mr RAMSEY: Can I tease out what Sue had to say a little bit more? Presumably you would not want us to have a backtrack on the reforms.

Ms Blundell: No.

Mr RAMSEY: So, if the reforms are generally seen as a positive, is the problem out there that we need to get an educational process to the middlemen—to the people that are actually providing the advice out there? Also, you say you are struggling to digest the reform and what the costs of those reforms are to the industry as well—whether this is a severe compliance and financial burden in trying to keep up with all the changes.

Ms Blundell: I would probably separate my answer to two parts: the immigration student visa side of it, and the Knight and the Baird reviews are two key reforms that are happening. The fact that they are happening simultaneously is a complicating factor because there are intersecting regulations and legislative changes and providers are finding it impossible to keep on top of everything that is going on. If providers do not understand it, their students are not understanding it and the agents are not understanding it. Effective communication is key.

The pace of change has also been a factor that has handicapped a lot of people in keeping up. At the same time as we have had that, we have also had our competitor countries ramping up their activities. Whereas Australia is becoming more and more complicated and difficult to understand—with change every six months sometimes—other countries are becoming simpler to understand and are opening up their borders. Agents and students are losing interest because it is just too hard. Effective communication is one aspect of what we need to do, but we also need a period of no change. At some stage we need to say: 'This is enough reform and we need to let things settle for a significant period of time.' That is one aspect.

Mr RAMSEY: That will not necessarily make it easier, though. It just means that it has not changed. If it is really quite complicated to get in here now, it was stay complicated.

Ms Blundell: I think part of the complication is the constant reform. You think you are on top of the latest rules and then there are new rules and new rules. That is the issue. As long as the rules are transparent and objective, you can work within the rules. That is, I suppose, part of the aspect of the immigration program reforms through Knight. We had a very successful objective, transparent visa program. Whilst the reforms are going on, it is becoming less and less transparent. Students and agents are not understanding why their visas are being rejected, for example. Because of that lack of understanding, they are turning away.

In terms of costs, the visa side of things is not necessarily a cost on providers, from their own communication mechanisms. But the Baird review reforms are imposing significant costs on providers in terms of changes to their databases and systems, having to employ two or three more staff just to deal with compliance and reporting. There are significant human resource implications that are just adding to the costs, where the Australian dollar is already making us more expensive.

So in fact providers in our sector are diverting their resources away from professional development for staff and improving the quality of learning in the classroom for students and into compliance. Instead of employing an extra teacher, they are implying an extra compliance officer. Our internal focus on getting the best consumer protection system in the world is in fact resulting, I think, in lower quality standards in our teaching and learning. That is my concern.

CHAIR: We would be interested in hearing about the security, if you were going to add something about that.

Dr Forbes-Mewett: The issue of safety plays an important role in the decline in students' decisions to come to Australia. About three years ago I was interviewing parents of Chinese students in Beijing, and the parents indicated that safety was very important—because I think they knew that was the focus of my study—but, when questioned, actually it turned out that visa access and the status of education were incredibly important. The UK and the US were seen as being above Australia, but students came to Australia because they could get easier visa access, and they were prepared to give away some of that perceived status, in their view. That has changed now, because Australia does not hold quite that status that it had before in providing an education. That is something that really needs to be regained.

CHAIR: So the status has changed for Australia or the visa has become more difficult so that that incentive is not there anymore.

Dr Forbes-Mewett: Yes, those two things. If they are finding it easier to go to the US, and they regard that as a more prestigious education—
CHAIR: It sounds to me like you are saying that the status of the UK and the US has always been better, but you could get in more easily to Australia, whereas, because the visas have changed and it is hard in all the places, they are just deciding to go to the US and the UK, because they have always held them as having a higher status.

Dr Forbes-Mewett: Yes. When given a scenario of where would they send their son or daughter if it was a risky place to live, if it was in America, they would say, 'We would manage that.' So safety slipped down the list. That was more to do with the status of the education and of the institution.

Mr Holden: The decline in student numbers has certainly affected our TAFE institutes, recognising that they represent a very small proportion of our students. Just over four per cent of students in our TAFE institutes are international students. That is very much for the reasons that Sue indicated before. As mentioned before, there is strong interest and appreciation of the value of our vocational training system. In fact, for many of our TAFE institutes, the growth is in offshore—that is, the delivery of vocational education and training in partnership with institutions in other countries, predominantly in China. We have significantly more students studying offshore with our TAFE institutes than we do in Australia.

CHAIR: Did you have any perspective in terms of what Austrade is hearing?

Mr Angley: We see the high Australian dollar as a major factor, because it just changes the whole competitive level of the price signals. There is obviously increased competition in our major markets of India and particularly China, where other competing countries have kind of changed their whole pattern and become far more aggressive. They have picked up some of our practices for themselves, particularly the use of agents. Some countries apparently did not use agents very often, but now they do. But we are finding that we are spending a lot more time talking directly to agents in most of our markets because, as other people have already said today, that is often the most common direct contact with the potential students.

The point that strikes me in listening to it is that when people get to agents—just to complicate my own argument—they have often decided to come to Australia. There are two types of agents. There are ones who specialise in Australia, and therefore people who come to them have actually decided to come to Australia but they are talking to the agent about the particulars and where they might go in Australia. But then there are lots of agents who, frankly, will send the students to the country from which they get the best commission or, again, the easiest message to sell. We would probably run an agent seminar somewhere in the world three or four times a week for a different group. I was in one last Friday in Vladivostok. We do it all around the world. I just happened to be there when it was on. The other point is that we are finding quickly after the Knight review that the message is a bit more straightforward. Again, it goes back to the complexity of the message. Certainly for the university level we can sell the new arrangements that are in straightaway and the potential ones coming over the next year.

CHAIR: And that is with the streamlined visas which you would like to have for the VET sector, effectively.

Mr Angley: Yes, it is. It is not conflicting with Sue's comment about the complexities, but the message for that sector—that part of the overseas student group—with the Knight changes is now a simpler message to do. But our job is really to get the agents to have the latest, most current information every day, because if it is half a step behind then it is not relevant. So both the Study in Australia website and direct contact with agents are very important activities.

Mr RAMSEY: How opaque or transparent is the method for rewarding agents for achieving outcomes, and are we dealing with a fairly corrupt market? Do we understand what the drivers are and why they are directing students in certain areas? This would not be uncommon practice in business around the world with all kinds of issues.

Mr Angley: Honestly, I do not know. I would make the obvious point that it varies from country to country, but a lot of agents do specialise in Australia and their fees vary. But other than that I would not comment.

Mr RAMSEY: We made some ESOS changes under the Baird report, and there was a delay in agents getting their financial rewards as a result of the changes. Do you consider that to be holding us back?

Mr Angley: I really do not have an idea about that. I could not make a comment on that publicly, I think.

Mr RAMSEY: It was certainly raised.

Mr Angley: It certainly was.

Ms Blundell: I would like to make a comment on that. I have been working with agents for over 30 years in this business, working with a provider and now working with a peak body for 10 years. I engage with agent associations worldwide, in the same way as we have industry associations here. The agent association in Japan has just set up a whole best practice document for them. It is like any industry. Like our providers and our students, the large majority of agents are in the business for the right reasons and they do what they do very well.
We just conducted a nationwide student satisfaction survey of our sector. Twenty-five per cent of our student body completed that survey—a significant sample. There were very high satisfaction levels with agent services, and we asked that as a specific question. So my answer would be that the majority of agents are in this for the right reasons. There will always be the bottom end, and I think we are doing our best through the Baird reforms to manage that.

I think restriction on prepaid fees and payment of commissions is going to cause us a lot of trouble over the next year as we roll out the Baird reforms from the tuition protection service legislation that has just gone through. Agents are used to taking their commission upfront, so there will be choices that they will make about whether they will still continue to work with Australia or whether, if they can get their cashflow through working with American institutions, they will make that business decision, and that will be their business decision. My worry is that Australia will lose out from that, that our reform zeal is actually closing us down for business. As a businessman, an agent must be concerned about cashflow, and if this is going to have an impact on your business model you are going to question your business model. I worry about the Baird reforms. I think we will need to monitor it very carefully over the next year to see what impact it has on agent behaviour.

**Mr SYMON:** Could I just jump in there. When it comes to agents expecting payment upfront, most businesses get paid after they have performed a job. I think that rather than worrying too much about someone getting payment before results, maybe there should be a system where they get some along the way. To me, it is always the case that if payment is made upfront, then what guarantees their delivery of service at the back end? That is where the student is left with the problem. I just take a counter view there, I suppose.

**Ms Blundell:** I suppose the question is how you define 'upfront'. With the prepaid fees limitation an agent might enrol a student for 40 weeks of an English language program but they can actually only take their commission for 20 weeks on the first day of the student's course. So they have done the work in recruiting the student. The day the student starts, their job in effect is complete. A lot of them provide an ongoing support service to students and their families, but in terms of the recruitment model, yes, the recruitment is complete. But they have got to wait for their next period of commission until the student commences their second period of study.

**CHAIR:** My understanding was that it is two weeks before and you can collect it a semester in advance.

**Ms Blundell:** A provider may not require a payment of the second study period until two weeks before that study period commences. So if an agent enrols a student for 40 weeks—

**CHAIR:** We got evidence different from that. It was our understanding that it was a semester in advance that you could collect fees.

**Ms Blundell:** I am very on-top of the ESOS TPS bills, because we are advising students. Agents will have to wait for their commission until 24 weeks after the student has started—

**Mr RAMSEY:** This is particularly so in connection with English-language courses, isn't it?

**Ms Blundell:** That is right.

**Mr RAMSEY:** We did take evidence to that, saying that it was a concern that you could only take the semester, which was half a year, but English-language courses were of all different lengths and some were typically quite a bit longer.

**Mr SYMON:** Could I go back to security issues. Being from Melbourne, I suppose I was more exposed to local media on various issues, particularly Indian students at the time in Melbourne. Apart from the tabloid beat-up of the issue, I also read quite a bit of comment—which I was unaware of up until then—of the Indian tabloid press beat-up of the issue. I would like to hear from you, Helen, as to what you found in that regard as to how it has impacted on perceptions of the Australian experience and whether that is lasting, and whether there is any real fact behind those headlines.

**Dr Forbes-Mewett:** There is some fact behind the headlines, given that there were some attacks on Indian students. I am aware of a very small number of individuals who were providing information to India, to the tabloids, and blowing it out of proportion and giving factually incorrect information. This cropped up at a panel I was presenting on in Calcutta, where a number of Indian students stood up and talked about a male Indian who was attacked by four white people and burnt in the streets. I do not know if everyone is aware of that case. Of course, that turned out to be factually incorrect.

A number of people stood up and very politely said, 'this is not true,' but the story kept getting retold. That sort of thing was being reinforced, and the correct information was not being passed through. When I was travelling over there, there was a mother of an Indian student who had travelled to Melbourne to spend three months with...
her son, to make sure he was okay. She was very happy going home, because she said, 'He's okay and I feel comfortable about it.' I think those sorts of stories are settling down, and it clearly was blown out of proportion, but that does not mean that the issue was not there. Also, there was a reluctance—and perhaps an inability—by police to identify perpetrators or the backgrounds and circumstances surrounding the attacks. Some of this has come out in the research. It created a perception in India that Indian students were being attacked by white racists; whereas, had the full story come out, it would have been shown that there was some disengaged youth from various backgrounds who had less opportunities than the Indian students and it was creating these social tensions. I think this went back to the view that the infrastructure was not put in there to cope with these large populations coming in.

Mr SYMON: Has that flowed on from India to other countries? Has that perception travelled across borders, in your research so far?

Dr Forbes-Mewett: It has travelled pretty widely. The people I spoke with in the UK were pretty aware of it, and in the US, even more recently. In fact, almost all of my interviewees, no matter where they come from, had heard about the Indian student issue in Australia. So the media was incredibly damaging on that.

Mr SYMON: Whereas, I would venture to say that you are far safer walking along the streets of Melbourne than along the streets of many US cities, for instance. There is a different crime rate, and I suppose what we see domestically is not what is reported elsewhere.

Dr Forbes-Mewett: Exactly. I have noticed now with interviews—and I am still conducting interviews; I am moving more into doing them with just the students now, and I have done a number—that all the students are reporting that they feel pretty safe. They come up with an issue, and there clearly are some problems, but there has definitely been a shift over the last two years; people are beginning to feel safer again within this study.

Mr SYMON: Would that be a lead indicator of an increase in international student enrolments, if that fear is taken away or reduced?

Dr Forbes-Mewett: Yes, I think it is really important if somehow that can be built upon; that Australia is a safe country. That was another thing that the parents of the students said. They came to Australia because it was easy to get a visa, and it was thought to be safe. That was one of the important things. Their view was, if those two things were removed, they might as well go somewhere else and get what would be, in their eyes, a more prestigious education.

Ms Hartman-Warren: I was interested in mentioning safety as well as discrimination and exploitation of international students. I do think it is getting better, but sometimes I hear about issues in the classroom and the workplace with tenancy and with other social engagements that students do as a part of their experience.

My experience has been fantastic. I have absolutely loved it here, but I am a white, English-speaking American. I am really disappointed when I hear other international students who do not share my experience. I think some of the issues around housing are leading to this issue. I have seen tenancy set-ups where landlords are only having international student women who barely speak English and they have all acted afraid of him or cramming eight students into a room for a very high weekly cost.

Also I think concessions play an interesting role in this whole game. New South Wales people have stated that international students have agreed to pay these concessions when they come, but I think the concessions have led to unsafe circumstances or students feeling unsafe when they, say, walk home at night to save some money or, for example, they might feel excluded because they do not want to travel with their friends to engage in social entertainment. So I think some of these issues are negatively attributing to the student experience and I hope that we can address them.

CHAIR: Obviously concessions are an issue in terms of public transport. Do international students get concessions when they are on campus and around the place? Is it about not getting student concessions when it comes to public transport or is public transport the item that international students most regularly use and, therefore, is why your focus has been on concessions for public transport?

Ms Hartman-Warren: In our institution, if you are a part of the University of Sydney's union, USU, you do get a sort of discount at the cartels on campus. However, the concessions for transport are the ones that students have sent in the most responses to. I think it is state wise, but it is also when you are using transportation like Murrays coaches, which require a New South Wales concession card to get the discounts for interstate transport.

CHAIR: So you do not get a concession card when you are an international student?

Ms Hartman-Warren: No, you do not.
I have the feeling that I am treated like second class citizens. I am not entitled to transport concession. She said that it is unsafe for her. The fact that she just came up to me and that is the first thing she talked about—and that is not the only experience, there have been so many—is why I think it is understated.

On top of that, what I have always felt is that with the lack of transport concessions there is a sort of gentrification around the university. There is a concentration of international students within private rental housing, coupled with a lack of affordable student housing, and that makes safety an issue. For example in Kensington, which is a suburb just beside UNSW, I have heard about quite a few cases of theft.

From my own experience, when you do not have transport concessions you really need to save money—it is double the cost. I used to live in another suburb called Maroubra where you have to take a bus. Just to save money, I used to walk 45 minutes at night back through Maroubra, which is not really a safe suburb. I am a fairly confident person, but I still feel fearful when I walk. But I felt that I needed to do that to save money. The thing is that if international students knew about this before coming, I do not think they would choose to come. It is a big factor for them in choosing which university to go to and in which state.

CHAIR: Which state to go to.

Mr Alias: Yes.

Mr RAMSEY: Does anyone have any idea what the savings are to the state governments on this issue, and why they are removable? Coming from South Australia, I have to say that I was not aware of it until today. Does anyone around the table know?

Ms Blundell: There is a lot of different modelling being done. I have seen the New South Wales modelling, and Victoria have done their own modelling, but there are so many different models that I don't think anyone is really clear about what an accurate model is. One of the things I think a lot of the peak bodies have lobbied for is for some really good modelling to be done so that we can actually understand what the impact is.

Mr RAMSEY: It is interesting, because of all the cities in Australia, those two cities would benefit the most from international students.

Ms Blundell: This may be a question for the next session, when I know that Claire Field from ACPET will be giving evidence. ACPET have done some recent work in this area, so Claire would be a good person to talk to.

Dr Tran: I just want to follow up on the point about concessions. Based on my VET research, I can see three ways that the lack of a concession ticket may affect international student life. Firstly, that is their emotional life. I interviewed 150 student participants from 25 VET providers in New South Wales and Victoria. They mention that they have the feeling that they are treated like second-class citizens. For example, one said ‘Initially I felt very happy here, but just because I am not entitled to transport concession, I have the feeling that I am treated differently from local students.’ It creates a negative image about Australia in the eyes of international students.

Secondly, it may have a significant impact on their academic performance. In many cases, students mentioned: ‘I don't like group work. I don't like peer work on campus over the weekend. During the week is better. Over the weekend I have to pay $8 or $10 in train tickets—that is two meals for me—to go to the campus to do group work. So I would prefer individual assignment rather than group work. Also, sometimes I wanted but I couldn't participate in the social activity organised by my TAFE or other activities in town because I have to pay extra for my transport. There is also the safety issue. If they finish their library at 9, it costs them $5 for the ticket home, so they think it is better to walk for half an hour in the dark. So I think there are three ways.

Mr Alias: You talk about getting more students in and trying to change the entry age in that sense. But I think we forget what we have all been saying about the welfare and, more importantly, their experience. It is going to translate into the message they bring back overseas. I think it is understated, and that will in turn affect the enrolments that are going to come in the next few years. From my perspective, I do not think that the decline is over. I think it is going to continue. I know most of the universities are recording an increase but I think there are other factors there. I think we really have to focus on the experience here as well as focusing on visa issues.

Ms Hartman-Warren: It is also about the students who are still here and who have been here since before all of these reforms started to take shape. Many of these students have decided to stay in Australia because of some of the benefits that they had back in 2009-10. Some of those benefits are being removed by the end of this year, and those students are caught in the middle. They have decided to stay here based on those benefits but they are not included in the new reforms on some topics. I think it is really important that students who come here and...
spend the money have the value of future opportunities, whether they want to have some post work rates here or take these experiences and skills to their own country.

**CHAIR:** Fiona, you mentioned that about a quarter of the complaints that you got were about refunds, primarily due to visa rejections. What were the three-quarters of complaints that you have received? What types of things have they been about?

**Ms Bowring-Greer:** Beyond the refund issues?

**CHAIR:** Yes.

**Ms Bowring-Greer:** Because we provide the external review service on those decisions I talked about in terms of reporting, we get a lot of requests for review on proposals to report for non-attendance or for failing to meet course progress requirements—but more likely attendance. Of course refunds does overlap. Lots of issues are bundled—'I don't like the quality of my course'; 'I don't like this'; I want to leave and I want a refund and they won't give me that money.' So they are all bundled up.

**CHAIR:** So visas are a large part—they did not get a visa to come out here, so they would like a refund—but but some of those refunds are about people who are here and would like a refund based on the quality of their course?

**Ms Bowring-Greer:** Yes. There is a very clear situation in that, where someone has applied to come, they have been accepted, they have paid the fees and they have applied for a visa, and they have had their visa refused, the legislation says that if their visa is refused, within four weeks they should get their money back. So it is not dependent on the agreement they have entered into with the provider. Because that is so clear, it is very obvious when it does not work—and, in our experience, it does not work quite a lot of the time. Those people overseas often struggle for a while to find how they can get heard and get their money back.

Other than that, refunds tends to be a theme that runs across a lot of different sorts of complaints. But one particularly is release. Students are bound to stay with a provider until they have completed at least six months of their principal course, and if you are in a package of courses that principal course may be some way down the track—for example, if you are doing a foundation course. Sometimes students do not understand how bound they are to stay with a particular provider. They think, 'I've been here for six months so I can go,' or they did not realise at all that they could not move.

The providers have to have a policy about the circumstances in which they will release a student who otherwise should be bound to them, and sometimes those policies are very vague or the standard is very high or we get some narrow interpretations. Because it depends on the welfare of the student some providers will say, 'Inevitably, you will be worse off if you are not with me because you are settled and I am providing you a good education.' So we get a lot of complaints about release and people wanting to move on.

**Mr SYMON:** Fiona, I took down a little note when you made your opening statement, about students not understanding their financial commitments. I think this probably ties into the area of transport concessions but many other areas as well. How often does that come up with your office?

**Ms Bowring-Greer:** We cannot put a really precise figure on it but, anecdotally, a lot of students do not seem to be aware of the agreement they have entered into. I do not know whether they have come from a situation where everything is taken care of for them, where maybe the agent has had that discussion with their parents and they are relatively naïve about what they have done or what they are obliged to do. For instance, in that release situation we get many complaints from students who think they could move or from students who say, 'I am allowed to move from this college so I want to get all my money back' or 'I want to not be bound by a contract'—one that actually said that they would keep paying instalments for 12 months or whatever—or 'I am allowed to leave after six months but I am contractually bound to keep paying'. Our first approach is always to get a student to go back to the college—we ask them to go for an internal review before they come to us though in some circumstances we will still take the complaint—and we get a lot of complaints where a student does not seem to have even asked the question or looked at their own contract.

**Mr SYMON:** So it is a question of not reading the fine print—like with many of us.

**Ms Bowring-Greer:** Yes, and it may not be very fine—in the provider's defence. They really do not seem to have any idea: 'I want to do something' which is quite clearly not going to be on. Even before we have looked at their case, we would say, 'Have a look at your contract and have a talk to your provider and then if you are still stuck come to us.'
Mr SYMON: Does that then extend into areas beyond the provider? Let us talk about areas of health insurance and various other things which I am sure John might be able to talk about too, given his reference to the website before.

Ms Bowring-Greer: Because our jurisdiction is about actions in relation to the provider, it would be hard for me to say much other than very anecdotally about their knowledge of areas beyond that. Because it is about actions in connection with a provider, if the provider has organised your accommodation or has organised your work experience, we do have jurisdiction in relation to those questions but they tend not to be the focus of what we have looked at so far.

Mr SYMON: John, I know that when you made your opening address you spoke about the Study in Australia website and the information that gives out. Is that widely accessed? Do overseas students that use it know what it means? How many miss out on that sort of information?

Mr Angley: It certainly is accessible everywhere in the world because it is an open site for everybody. I could supply the committee with some information as to the Google analytics of the use of the website.

Mr SYMON: That would be worth while, thank you.

Mr Angley: I did not bring that with me, but we certainly do do that as part of a check and as one of the measures of how useful it is. Therefore I do not know how many people do not use it, obviously. But there is information on the website itself and there are also links to more authoritative sources so that, hopefully, the student or their parents or whoever is helping the potential student can get the most current and most accurate information. That would include access to health facilities and some information on costs.

Mr SYMON: To me it would seem that would not solve a lot of the problems we have heard about around this table today. But if the information is out there and if it is clearly delivered at the start that may change the outcomes in some cases if people go in knowing exactly what they are up for rather than finding out along the way.

Mr Angley: I think the point coming through is that often the information is there but it is not read or understood by different people, like the rest of us in our own lives. That is really the point. I think most of it is there. I was thinking about it as I was listening before and I thought I would go back and have another careful check, but I am pretty sure most of that information is on the site. But then, as we have heard today, it begins to vary as to which state you are in and which institution you are at and also which sector you are involved in.

Mr SYMON: Maybe it needs to be taken down a level so it becomes more specific to that situation.

Mr Angley: If you are thinking about a particular institution, part of the website is to lead you through to that institution.

Ms Bowring-Greer: The communication issue is interesting. As you say, like many of us, we do not look at the fine print until we have a problem. We get students who will say to us, 'I want to change colleges. They won't let me go. I've talked to people at the front desk and they've told me I have to pay some money and then they've told me that they are going to report me to immigration.' So the student presents this as, on the face of it, a dreadful situation and they say, 'And now they've told me to go away and stop bothering them and they're going to report me.' The flipside of that is quite likely that the student wants to get released and the release has been refused, that they are under some contractual obligation to pay the money, so the provider is quite rightly saying, 'You have to pay; you can't just go.' If the student says, 'I just won't come any more,' they say 'If that happens, then I will have to report you to immigration.' At that point, when things have started to go a little bit pear-shaped in a very emotional situation and the student who did not work out that they could not move on has already mentally moved on and decided to go where their friends have gone et cetera, the lack of clear information in writing that they can reflect on or share with someone who perhaps speaks better English or has a slightly different dispassionate approach is really crucial because it spirals out of control—'They're harassing me, they're threatening me, they're going to kick me out of the country, they're standing over me for this money,' all of which might in fact be quite appropriate.

Ms Blundell: Part of this is bound up in the colleges meeting their compliance obligations under the ESOS Act, which is about reporting requirements and refund requirements. So part of the provider being absolutely compliant means that they make a decision so that the students can then be upset by it, like you say, but the providers are doing the right thing under their compliance obligations.

Chair: Ms Williams, in regard to some of the changing visas, we heard before that some parents in China reported that they looked at the status of American universities but originally thought, 'It's easier to get into Australia so we'll go with that.' Has there been a comparison between things like work rights and comparing with our competitor countries? Are the changes around the visa area or has the advocacy of these countries...
aggressively got us into this space? How do our visas compare with other countries such as America and the UK which are perceived by the parents you talked about as being higher status?

Ms Williams: There are a couple of things I can point to. Certainly as part of the Knight review there were some comparisons done with major competitor countries and that information is in the Knight review report. There was also a study done probably 12 or so months ago, which I believe is in the DEWR website or the department of innovation website, relating to choices of students based on things such as visas. It was found that visa issues were not a major factor in students' decisions to come to Australia; really they were looking at the quality of the education, the cultural experience and so forth. Again, when comparing the Australian situation with other situations you have to be careful what you are comparing because the systems are very different. There is an awful lot of anecdotal evidence out there as well that competitor countries have made it so much easier than we have, I would really question that and I think you need to scratch below the surface of those sorts of comments because I do not think that is necessarily so.

CHAIR: Did you want to add something to that?

Dr Tran: Yes. When I ask the student, 'Why have you decided to come to Australia instead of the UK and the US?' or and another question is, 'Why do you want to study in Victoria instead of New South Wales and Queensland?'—

CHAIR: Or South Australia.

Dr Tran: Yes. Most of the students that I interview would cite safety as one of the important reasons they have chosen Australia, compared to the US. Lower Living expenses are another reason they have chosen Australia over the UK, as is the opportunity to work while studying and after studying. I think the new reform—the post-study work arrangements for international students—is going to be quite attractive to international students. That is a very important factor that will make international students decide to come to Australia. But when I ask them: 'What about the attitude of the community? Will the way you are treated in Australia be an important factor for you to consider before coming to Australia or not?', a large proportion of international students mention the point I mentioned earlier—the way they are stereotyped as chasing permanent residence. They compare with their friends and relatives in the US. If you went to study in the US, the Americans would be very surprised if you did not intend to stay there. They see their country as a promising land—a holy land. But in Australia they look at you and ask you why. When you show up at your workplace, they ask why you are also interested in learning. They think you come here just for permanent residency and they may have negative attitudes towards you. But in the US you may hear encouraging remarks about applying for PR. There they may say: 'You are like me; you are like other people who have come here and would like to stay here.'

Another thing I would like to raise is the difference between student attitudes in Brisbane compared to Melbourne and New South Wales. Overall, TAFE students in Brisbane feel happier than TAFE students in New South Wales and Victoria. The main reason they cite is the opportunity to get work—to get part-time employment—locally. I interviewed a student in a local institute of TAFE. In Gold Coast every student would have the opportunity to have a part-time job. It is much easier to have part-time or casual work locally compared to Victoria and New South Wales. In Gold Coast you are treated like a visitor or a traveller—the locals get used to the idea of having tourists around, so they do not make you feel different, unlike other places. Thank you.

CHAIR: Did you want to add something before we change the subject, Ms Hartman-Warren?

Ms Hartman-Warren: Just that it is important to understand why students come, but it is important to make sure that, once they get here, they feel included and their experienced is not marginalised.

CHAIR: Yes, that point has been made.

Dr Sawir: In relation to the safety issue, I think emotional security is also important. Providing emotional support is as important as academic support. Universities need to do more on the provision of emotional support for international students.

Mr Ramsey: I would like to ask about the insistence we have that students have full health cover before they commence and, presumably, for the length of their visa, not for the length of the semester. I do not know how it is accommodated in the health industry that you might have to pay three or four years in advance, or whether funds would even hold a price for that long. I have no knowledge of this area. Do students have to pay up front? What is their entitlement to basic Medicare arrangements, as in just seeing a doctor—for instance, my private health cover does not cover my visits to the doctor? I do not know anything about it; is there anyone around the table who does?
Mr Alias: With regard to health insurance issues, Arfa Noor, from CISA, should be able to give a really comprehensive report on that, because there have been a few issues in relation to the denial of health cover—for example, for a pregnant student trying to get medical treatment. Maybe she can speak about it in session 2.

Mr RAMSEY: Sure.

Dr Forbes-Mewett: I have a little bit to add to that, but not a lot. I am sure that someone else in the room knows more about it than I do. There has been some movement with student health cover. I presume it is the government that has encouraged educational institutions or universities, at least, to take over that role of insuring. Initially, the students had to take it out for the first year that they were here, and then they were not renewing it. This is private health cover that they had to have. I believe that is now being addressed. I think it has been addressed at my university. It is ensuring that they have it for the length of their course. I am not 100 per cent sure of what they are entitled to, but the last time I spoke to someone about it, which was some time ago, they indicated that what the students pay for is equivalent to what we would get under Medicare, and anything over that they would have to pay.

Mr RAMSEY: So it is a different product from what I would buy.

Dr Forbes-Mewett: Yes. I should also say that at the interview conducted with the parents in Beijing it was one of their major concerns.

Mr RAMSEY: I would be too.

Dr Forbes-Mewett: Even though the agent did seem to be a reputable one, they were saying: 'Don't worry about that. You'll find all that out when you get there.' So they came without that knowledge.

Mr RAMSEY: I will bring this up again in the next session. Thank you.

Ms Blundell: It was legislated last year to make it link to visa-length cover rather than semester-length cover. Paula, do you want to add to that?

Ms Williams: Yes. There is good information about the requirement on our website. I have not memorised it but we can provide it to the committee afterwards.

CHAIR: So it is on the website. Mike, do you have more questions?

Mr SYMON: Yes, I do. This is a question I want to ask Peter Holden. You spoke before about the increase in offshore training, especially in terms of VET. I suppose this goes more to where I thought we might go later; but, as you have raised it, now is a good enough time to pursue it. I have always been quite interested in the opportunities from the two-way trade in education, but what I see at the moment is very much a one-way trade. Australia does very well out of it, but I think we could do even better if there were a substantial two-way trade in education. What opportunities are now being presented in China with VET training, and can they be then taken to other countries?

Mr Holden: TAFE institutes have been active in the region, particularly in China, and some of them have been active for up to 15 years. In most cases, what they do is form a partnership with a local vocational college and together they deliver both a local qualification and an Australian qualification. For a number of institutes that has been a really important part of their overall provision, and that has also extended into other areas. Many of our TAFE institutes are now heavily involved in what we generally call 'capacity building'. They are going in as consultants and support institutes in improving their teacher training, their qualifications frameworks and so on. We have had institutes literally develop from the ground up, such as training institutes in Abu Dhabi. We have had our institutes establish colleges in partnership with, I think, about 33 different countries.

I really agree with you that where we should be moving with international education is towards this two-way exchange. What often concerns me is that so much of the dialogue is about the value of international education to Australia, and it is always put terms of being an $18 billion industry. Nothing gets up the noses of international students or the many countries which we work closely with than the fact that we regard international education as simply a line in our export income.

Mr SYMON: Yes, you are right. It is not about the dollar sign; it is about thought capacity.

Mr Holden: Exactly. In fact, last week I was here in Canberra attending a workshop with 16 of the 19 East Asia summit countries to look at a way of developing a quality assurance framework in vocational education and training. It was a fantastic response from those countries to send senior officials from their government and to be absolutely committed to working together, not just on a one-to-one basis but on a regional basis. I think there is fantastic potential. To the universities' credit, they have been establishing excellent partnerships both in research and in joint delivery of programs and so on for a long time. I think it is actually the dawn of vocational education and training, particularly in the East Asia region. What those countries are suddenly realising is that they might
have good higher education provision but what they are severely lacking is skills development and workforce
development, particularly for globalised industry, and they are looking to us because, as much as we complain
about overregulation and the complexity of our system, ours is still regarded as one of the world's best vocational
training systems. We are encouraged. We get good support from Austrade and the department of innovation. But
it is probably a story that the general public and perhaps the broader political environment need to understand a
little bit better.

Mr SYMON: I would like to follow up. You mentioned that students who go to overseas institutes can get not
only a qualification in that country but an equivalent qualification for Australia. Is there a capacity for your
Australian organisations to do that with overseas countries at the moment?

Mr Holden: We are just in the process. We have selected 10 of our TAFE institutes and they will be matched
with about 20 institutes in China for exactly that: a real exchange of students. Chinese students will come and
spend up to six or 12 months studying a vocational course that they are studying in China, but equally our
students will go and spend some time in China to add value to the vocational qualification they are studying here.
I think our relationship with China in particular has matured a lot. At the moment we have college directors come
here for four-week leadership programs through organisations, and we are hoping by the end of this year to have
the first leadership program for Australian college directors going to China. So, in joint research progress, the
relationship is maturing, I think, quite significantly.

Mr Angley: I would like to add to Peter's comments, with which I agree 100 per cent. There is also another
growing opportunity there, which is actually matching Australian institutions to particular companies. I am
thinking particularly of a program we are trying to promote in India, which is seeking Australian service providers
to provide training within companies rather than directly with another education institution. But it is a variation.
The big companies are short of skilled workers and they are interested in Australian service providers training
their workers. It is another form of what is called transnational education. That model is applicable in other
countries as well because a lot of the governments, particularly the Asian economies, have got very ambitious
skills training goals over the next 20 years, where there is a shortage in building up their own skills base.

Mr TUDGE: This question is probably directed at you, John. I was struck last week, when I was leading a
small political delegation to Vietnam, by how many of the leaders that we met mentioned Australian education
institutions. It was at almost every meeting. You get a very strong sense that the quality of our institutions is very
important to them for the development of human resources, as they would put it. Clearly, it is very beneficial for
us from a foreign policy perspective. My question is: what is the scope for the expansion of the scholarship
program that we currently have for the region and how does that rate relative to other aid initiatives that we have
presently?

Mr Angley: I think it would be better to ask that in the next session because there will be representatives from
DFAT and from the department of innovation, and maybe from AusAID, who run those scholarship schemes.
Could I turn it on its head slightly. The mention of scholarships is another particularly important opportunity for
Australia over the next few years. It is already an opportunity but it is expanding, with a lot of the countries with
whom we deal building up their own scholarship schemes and seeking greater interaction with Australia. There is
a lot of work going on in various countries to have Australia recognised as a preferred destination in those
scholarship schemes in places like Brazil. In Russia last week we were doing exactly that. It is, again, a two-way
scheme. The scholarships information you asked would be better with the other people.

CHAIR: Would someone else like to comment on that.

Dr Tran: Yes, that is a very important point. We look at the scholarship funding by the Australian
government but also the foreign government as well. I am from Vietnam. The Vietnamese Ministry of Education
and Training have a proposal to have 20,000 PhD between 2010 and 2020. That would be an opportunity for
Australian universities to develop partnerships.

CHAIR: For it to be two way. Absolutely.

Mr TUDGE: My other observation was in relation to RMIT University, which I think it was the first foreign
university into Vietnam and it is still the largest one. From what I could gather, it had a glowing reputation there.
My question is to the other panellists: what opportunities do you see, and for what reasons, to establish Australian
campuses in Asian cities?

CHAIR: Answer that briefly but it really slips into the next session and we probably would not do it justice,
given our time constraints. But, Peter, if you would like to answer that briefly and then we can come back to that
in the next session.
Mr Holden: There are many from a vocational training point of view. Our institutes generally will not set up a campus in their own right. It does happen but it is not common. Our preference is to what we call 'to twin'. We have got three twinning programs in Mongolia that have just commenced which were a result of, in a sense, Australian government support for bringing their senior vocational leaders out to Australia to look at our system. As a result of that it led to the signing of agreements there.

With scholarships programs, the Chilean government fully funds 140 Chilean students to study at our vocational institutes. Every country that we talk to and we visit, not just in the East Asian region but more broadly, are interested in opportunities for partnerships. Africa is going to be the next region where there is strong interest in vocational training and looking for those kinds of partnerships.

CHAIR: Given the time, I might offer people an opportunity to make a very short contribution on anything that they perhaps have not covered, specifically focused on the sector as it currently stands. I now offer the opportunity to anyone to add a final point. Dr Orr, would you like to add anything?

Dr Orr: Perhaps just on the last discussion about the offshore provision of training by Australian registered providers, particularly in the VET sector. In terms of regulating the quality of that delivery, there have been some concerns expressed about the quality of that offshore provision. As a national regulator ASQA's principal legislation does have extraterritorial application—it has been designed so that it does have reach offshore. So where an Australian provider is delivering offshore and issuing Australian qualifications they do come under the compliance requirements of that legislation.

We do not at the moment conduct offshore audits. We are a cost-recovery agency—or we are moving towards full cost recovery by 2014. We cannot charge to recover the costs of those audits at this stage. But there is a bill before the parliament to enable us to charge the fees for those audits. It is a very important aspect. At the moment we would have to say that the quality of offshore delivery is not necessarily being monitored. At the moment we are monitoring it through the onshore operations of the RTO and asking to see evidence of their quality management systems, evidence that they are managing their partners offshore and evidence of their resources and so on that they are putting into those programs.

CHAIR: Would anyone else like to add anything?

Ms Williams: I would just like to make a comment or acknowledge the changes that happened when the government broke the link between permanent migration and education. As most of you would be aware, the period preceding these reforms was characterised by a sudden spike in the number of international students coming to Australia. At that time, the General Skilled Migration Program had generous bonus points for Australian study and also, on the Skilled Occupation List, listed a number of occupations where qualifications were relatively easy to acquire. This led to a situation where a number of international students were coming to Australia for the sole reason of permanent residency rather than for quality international education and, because our permanent migration program is capped, there were a large number of students hoping to get permanent residency who would not be able to get permanent residency. In our view, a sustainable education sector in the future is one based on quality, and any sense that these pull factors should be reintroduced would have to be extremely carefully considered.

CHAIR: Hopefully that breaks the stereotype that you are talking about that students are experiencing.

Mr Alias: There is actually quite a danger in saying, 'We've broken the link between permanent migration and education.' I think still a lot of students feel that there is a good possibility that they can get permanency and, if they do not, once they graduate, they are going to be here on a bridging visa applying for temporary residency or now for a poststudy work visa. They are still going to be here working, so for them that is still a possibility. So to say that it is broken I think is a bit dangerous.

CHAIR: Well, maybe not in their minds, perception wise—

Mr Alias: Exactly. I am talking of perception, yes.

CHAIR: The rules versus perception I think are something that we have been talking significantly about today. There is a big difference, especially as the rules keep changing, from students' perception. That is one of the areas that we will certainly be considering.

Ms Blundell: I have one last comment. We talk a lot at the moment about having a two-speed economy, and I think in the education export sector we have a two-speed education sector. The university sector has had a lot of changes made in terms of particularly the Knight review reforms, and I think we are seeing two different categories of provider now. That is a real concern to those of us who represent providers who do not have the advantages that we are seeing given to universities and their recognised pathway providers.
I think we are at risk of being a really splintered sector. It is really important for our future, when you look at the advantages that we have globally in terms of our strong articulation links between our sectors, between VET and higher education and between English language and VET and higher education, that as soon as we start to separate our sectors we are doing ourselves a disservice as a country. We need not only a whole-of-government approach but a whole-of-industry approach to finding solutions that are going to drive a successful, sustainable sector or industry—we argue about which words to use. I think they are going to be key to the next five years. Maybe that will lead on to the next discussion.

CHAIR: It certainly does lead on to the next discussion. After the break we will move on to our next section. If there is anything that people have referred to, any documents and in particular any research that some of the academics have been talking about, please do not hesitate to forward it on to our committee through the secretariat. I just need someone to move that this is an exhibit.

Mr SYMON: I move that we accept that as an exhibit, Chair.

Mr RAMSEY: I second that.

CHAIR: Thanks.

Proceedings suspended from 10:49 to 11:07
FIELD, Ms Claire, Chief Executive Officer, Australian Council for Private Education and Training
GALLAGHER, Mr Michael, Executive Director, The Group of Eight
HART RIDGE, Ms Danielle, National President, ISANT: International Education Association
HONEY WOOD, Hon. Phillip Neville, Executive Director, International Education Association of Australia
MACFARLANE, Mr Peter Maxwell, Director, Australia Awards Secretariat, Public Diplomacy and Information Branch, Department of Foreign Affairs and Trade
NOOR, Miss Arfa, President, Council of International Students Australia
PURCELL, Professor William, Chair, Deputy/Pro Vice-Chancellor (International) Committee, Universities Australia
WALTERS, Mr Colin, Division Head, Department of Industry, Innovation, Science, Research and Tertiary Education

CHAIR: We will reconvene for topic 2, sustainability of the sector and future opportunities. Considering that we have a new group of people up here, I will just repeat a couple of things. Firstly, I should advise you that these are proceedings of the parliament. While you do not have to speak under oath, it is a serious matter to mislead the parliament. Do any of you have anything to say about the capacity in which you appear before the committee?

Mr Macfarlane: The Australia Awards Secretariat is housed in the Department of Foreign Affairs and Trade. I am here this morning multihatted, because I am also representing the department's broader public diplomacy and market perspectives.

Mr Walters: I am the head of the International Education Division at the newly formed Department of Industry, Innovation, Science, Research and Tertiary Education.

CHAIR: A big one!

Prof. Purcell: I am also the Deputy Vice-Chancellor (International and Development) at the University of Technology Sydney.

Mr Honeywood: The International Education Association of Australia, IEAA, crosses all sectors in international education.

Ms Field: Like Phil's, ACPET's members cross all sectors of education but from a provider rather than a practitioner perspective.

Miss Noor: I am the national President of the Council of International Students Australia, which is the peak body for international students.

Ms Hartridge: ISANA: International Education Association have members who basically work at the grassroots in providing support and services to international students.

CHAIR: Our topic 2—a lot of you would have heard the discussions that occurred earlier, and we sneaked into some of the areas where perhaps we might go in this session—is the sustainability of the sector and future opportunities. We are looking at this in terms of the international education industry particularly in Australia and the scope for the future but also, as we discussed, the scope for educational institutions overseas, really to identify some of the challenges and some of the opportunities as we move into the future for international education as part of Australia's future.

We will ask people to make a short introductory statement and then, as we did in the previous session, we will go to questions and allow anyone to respond to the questions that the committee members have and perhaps bring up other issues that you do not get to mention in your short opening remarks. I will start with you, Mr Macfarlane.

Mr Macfarlane: There are probably just three key points I would like to register to begin with, leaving out the details of what the Australia Awards itself focuses on for the moment. First is the broad issue that my department, the Department of Foreign Affairs and Trade, recognises the importance of international education as a key driver of growth and competitive advantage globally. So there is a market based perspective. But, above and beyond this, we recognise the significant long-term influence that education has in shaping perceptions and understanding and therefore the keystone role it plays and can play in facilitating and strengthening people-to-people links. For that reason it is an important strand of the department's broader public diplomacy strategy. So, for us, international education offers significant opportunities. Those opportunities are to help shape perceptions of Australia overseas but also to help shape Australia's perception and understanding of the larger world around it.
CHAIR: Thank you very much.

Mr Walters: I have had the privilege of talking to the committee before, so I will try and be brief. Overall, the Commonwealth government's approach to the international education sector has been to recognise its importance both to the economy and to the future of the country in terms of its links globally and particularly with the Asian region. Actions were taken, as discussed by my colleague from DIAC, a couple of years ago to tighten up on migration, where it was felt that the student pathway was being exploited, and therefore it is not surprising, in the government's view, also taking into account factors such as the strength of the dollar and the international competition, that there has been a drop off. But, in terms of students inbound to Australia, last year was still one of the top three years that we have ever recorded.

The government's approach has been to focus on the quality and sustainability of the sector and also to strengthen the student experience. These have been approached through the Baird review, the Knight review and the creation of the International Students Strategy for Australia. In terms of the Baird review and the Knight review, it will be noted that we have introduced and have now seen the parliament pass six bills over the past two years, so my colleague from English Australia, Sue Blundell, will be delighted to hear that we do not have any more bills up our sleeve at the moment! Hopefully there will be a period of consolidation of the reforms which have been carried through.

In terms of the student experience, you have heard a lot of evidence today, and we have worked hard with the states to develop a national student strategy. There are still issues outstanding such as transport concessions, on which the Commonwealth minister has made his views very clear. The surveys that we conduct regularly in order to take the pulse of the students indicate high levels of satisfaction, as you have also heard, up in the mid 80 per cents, still with some room for improvement though. We talk to the sector about the issues identified for the future.

Two major developments in prospect are the recently appointed International Education Advisory Council, which is under the chairmanship of Dr Michael Chaney, the Chancellor of the University of Western Australia; and also the exercise looking at Australia's future in the Asian century, which is being led by Dr Ken Henry. In both of these we are making inputs. The Chaney advisory council is expecting to issue a consultation document within the next few weeks, and both of those exercises are conducting consultations and will have recommendations, I am sure, which are important to the future of the sector. In terms of factors which the committee might like to bear in mind, there has already been quite a lot of stress on the development of international education overseas, and we could talk a lot more about that. We see that as particularly important—the importance of international education in terms of what you might call soft diplomacy to Australia overseas. The fact that so many people in leadership positions around Asia have actually been educated in Australian is of inestimable importance to the country. Finally, the importance of education in government-to-government links is something that my department and the network of overseas counsellors particularly specialise in. You would not have a large flow of students from some Asian countries if those countries did not have full confidence in the Australian education system. That is something we work hard at.

Prof. Purcell: The universities of Australia and the Australian higher education sector continue to face significant global competitive pressures. These are pressures quite apart from the high value of the Australian dollar. I think we have moved from being best value to highest cost, and those pressures still remain on us. We do, however, believe that the recent reforms will assist the higher education sector in improving our competitive advantage. We appreciate the Knight reforms and especially streamlined visa processing which recognises the high quality and low risk of our sector. These will be very important to us in the future, as will post-study work visas, which will also be a very important selling point for improving our competitive advantage if they are implemented well—but of course the devil here is in the detail. Together the Knight reforms, TEQSA and the TPS provide us with an excellent architecture for brand building around quality, and certainly quality and sustainability go together in terms of the higher education sector's approach to international education.

We are working together with Austrade to reposition high-quality education and innovation as a crucial part of the 'education Australia' brand. We are also working on increasing our engagement with emerging global players internationally in new locations, especially Brazil and India. We are working on new global partnership models to sustain our sector, concentrating a lot more on building deep and enduring partnerships with institutions and organisations offshore. In particular, we are looking at building dual PhD programs, joint research training programs and joint research centres as part of building a new set of sustainable global networks. We are also focusing our attention significantly on increasing student mobility. We believe that, in terms of Australia and the Asian century, enhancing Australia-Asia transnational education and promoting student mobility in Asia will be a very important focus of what our sector will be doing.
Mr Gallagher: I have a couple of points following up on the earlier session, and then I will leave my big point about the future of sustainability of the sector—

CHAIR: You can do both points if you like—briefly.

Mr Gallagher: After a period of policy wobbles, the framework post Baird and post Knight is reasonably sound and sensible. It does, as Sue Blundell quite eloquently put it, need a period of stabilisation. I think the university sector is pretty well privileged in the current framework, and our concern that I will talk about later is for a more coherent postsecondary framework, particularly at the regulatory end, where it is unnecessarily complex. The model of shifting the risk to providers on the basis of quality is a sound approach, but I think we are still struggling with some regulatory overenthusiasm. The worst example recently is the MyUniversity website. It is pretty irresponsible on the part of the government to put up data that they know is wrong and that creates false impressions internationally about Australian providers, and it should be closed. Our experience with Austrade—we were a bit concerned initially about the image of Australia as commercialising its internationalisation of education through integration into Austrade—has actually been remarkably different. They have helped us open new markets, particularly in Latin America recently, and they are particularly effective when they work with the embassies. So we are really impressed by the professionalism of Austrade on the ground.

The appreciation of the Australian dollar clearly puts a focus on quality. We have had a system which has been volume driven in the past and low price; that is not sustainable. We will talk about the quality thing later. Apart from that, it also puts a set of new challenges on the total Australian package. When you look at the total revenue to Australia, the non-education component is the one that is growing—that is, student accommodation, transport costs and so on. The education component is declining; therefore, the incentive is for universities and other providers to try to take more students, simply to maintain cash flow. That is concurrent with a domestic-student demand-driven model as well. Elite institutions like ours are getting ridiculously large in comparison with like institutions in other countries. That is partly because the only way you can get growth in income is by increasing volume in students, because there is no pricing flexibility.

The need for reductions in non-education costs reinforces the advocacy that others put for student travel concessions to be available. The two-way traffic exchanges are made difficult by our monolingual culture, but we are making quite a few breakthroughs now on a country-specific basis, through student exchange agreements, which are primarily led by research collaboration arrangements, postdocs and early-career researchers who then go back into the institutions and know about Australia as a destination for study. Then you start to get exchange agreements which give our students more opportunities to go abroad. But it is a real effort to get our people over there. Some programs which have been closed down in recent years, like the International Science Linkages program, were really important to the two-way traffic, and we think they need to be revisited.

Our big challenge is to attract and retain quality, to increase the share at the postgraduate level for our institutions, to diversify fields of study and to source countries. In passing, I think the point that Kylee from CAPA made, about the need to value the students who are already here, is an important one, and the post-study work visa, just for simplicity reasons, should be made available to all students. The bureaucratic purity of grandfathering is a bit of an impediment, I think.

The big issue that we see is that there has been a concern for the last two years about the contraction of demand in relation to Australia. But the big picture is one of rapid expansion, on a massive scale, of world demand for higher education. We are seeing that not only in Asia but in Latin America, the Middle East and Africa. Australia has been a world pace-setter in international education for the last 25 years. The challenge is: can we be the leader for the next 25 years? I think that really makes us ask some hard questions about the structure of supply. We have tended to be domestically orientated. As I said, we have privileged universities and public providers as the key institutions that are developed.

I think the time has come for us to expand a high-quality, robust private sector in Australia, in partnership, across the different provider types—with international collaborations as well, and that is a really exciting opportunity to grow a major employment sector in the country—with high-quality jobs that will be a major facilitator of productivity and international engagement for Australia.

Mr Honeywood: Our association accepts the new obligatory framework and we also look forward to a period of bedding that down. However, one of the abiding frustrations felt within individual public and high-quality private education institutions as well as the peak bodies involved in international education, all represented here today, is the overriding need to get the structures of government properly configured to comprehensively support
and provide clear direction to the dynamic value-adding industry that we represent and, crucially, to ensure high-quality international student service delivery, which in itself is a marketing tool for Australia.

There are really three key points here. Firstly, if we accept that DFAT, DIAC, Austrade and DEEWR, now called DIISRTE—I think Colin prefers to call it Innovation—all have separate albeit legitimate roles and responsibilities in international education and its regulation, then they need to be better aligned. Perhaps this could be achieved with a special minister for international education. Ideally it might occur with an interdepartmental committee specifically on international education, run out of, for example, PM&C. We found in Victoria that multicultural affairs service delivery could not be separated into individual departments and delivered properly; it required an interdepartmental committee run out of the Premier's department to ensure that each government department understood the priority of the government of the day—in that case, multicultural affairs and, in this case, international education. The status quo is not good enough. Whilst we are well served by some very good civil servants—John from Austrade, Paula from DIAC, Colin from Innovation—in terms of ensuring that we do not have a silo effect for this industry, we have to do something about getting the structures of government right.

Secondly, if we accept that state governments can and should also play a role in promoting international education, then we need to coordinate their overseas student service delivery responsibilities much better, through mechanisms such as COAG—maybe a charter for international students which guarantees them Australia-wide public transport concessions, properly regulated onshore education agents and safe and affordable housing as well as ensuring, as Kylee from CAPA mentioned, that students who are currently here are recognised and not just shunted off because regulations that affect them have changed. We need to ensure that the whole federal system is also aligned and state and territory governments recognise their responsibilities.

Finally, Australia, particularly in its own Asian region, has a reputation for being only concerned about commercialising education—that has come up time and time again this morning—and making profits out of its Asian neighbours' children in particular. We need to better utilise soft diplomacy initiatives such as an Australia Asia international education research network, such as having an Australian government-auspicied voluntary buy-in alumni database, not just of Asian students who have studied here and gone back to take leadership positions in their own countries but also of Australians working in the Asian region. We also need to look at the Australian government hosting a biennial conference in different Asian cities that promotes best practice in international education service delivery. Malaysia, Singapore and mainland China now are actually competing with Australia as education hubs in their own right, but we can learn from one another and, in soft diplomacy terms, we can actually provide leadership based on the incredible intellectual property we have built up here in Australia.

In summary, those recommendations that I have just mentioned—the international education research network and the biennial conference—form part of the recommendations of my association to the Ken Henry Australia in the Asian Century review.

**Ms Field:** ACPET represents 1,100 education and training member organisations right across the country, and about half of those deliver to international students. Approximately 10 per cent of international students who come to Australia at the moment to study a higher education degree do so outside of a university; they study with a private higher education provider. Approximately 85 per cent of all students who come to study vocational education and training choose a private provider. We share a mixed membership in terms of the ELICOS sector, with English Australia.

My comments in some part reflect those of others that you have heard and do have some differences to them. In thinking about sustainability, I think you cannot do that and do that effectively without really understanding the current status of the sector. We have heard some discussion about statistics. You have the latest DIAC statistics, and DIAC are to be commended for now making those publicly available. It is stats, stats and more stats, but when you unpack what sits behind them there is a problem in the sector in that, unless we successfully implement the changes that have been made through Baird and Knight and that are coming with the Tuition Protection Scheme, we will not have a starting point for sustainability. That issue relates to the number of students who are applying to study in Australia from overseas. The statistics show about a 10 per cent decline in overall student numbers. In actual fact, in the VET sector in the last two years the high-level figure is about a 16 per cent decline. That does not sound too bad; that is an industry going through a bit of a restructure. In actual fact, if you look in the publication you will see that there has been a more than three-quarter, or 75 per cent, decrease in two years in students applying for VET courses from overseas. That has been propped up by about a 55 per cent increase in students who are already studying here looking to continue to stay. That is not a bad thing and obviously they are welcome if they have got more learning to do. There is a similar drop in offshore applications in the higher
the education sector of about 37 per cent, propped up by about a 30 per cent increase in applications from students who are here.

That is a significant risk that we face if we do not tackle it. How do we tackle it? In terms of laying the groundwork for sustainability, it is critical that the provider risk based model that has been signalled to come out of the assessment level framework review that DIAC is undertaking is done well and that it is done effectively, and that in addition to the universities, the very best providers—public, private and across all sectors—also have access to those streamlined arrangements. It needs to be done in a timely fashion.

Similarly the move toward a common tuition protection scheme is a step in the right direction, but again if implementation is bungled and we see young, vulnerable people affected by college closures and if they are not well supported in that transition period, that will impact on our reputation overseas. Sue and others are right: once things are in place and implemented, stop mucking around with it, let the sector go on and grow. The role of government then is to celebrate and promote what we do in the education sector and to work closely with the states and territories. Offshore is really exciting—we talked before about the work that the universities and TAFEs do—and I think it was John from Austrade who talked about increasing opportunities to work with major businesses and employers overseas. When you look at what is currently happening, that is a real role that the private vocational education and training sector is already well advanced in.

**Miss Noor:** I am going to focus on two larger points and leave the specific issues—especially those around medical and health issues, medical cover, and the situation around students who suddenly come from countries in the middle of political unrest—for the broader discussion. I think, first of all, talking about sustainability, the focus as a whole from the government and from the sector is very important. It is very encouraging for CISA to see that we are finally focusing on student experience a lot more than we were before, but I think there is a lot more room for us to broaden our vision when we are talking about student experience. We have all seen that taking steps to simply increase student enrolment numbers in the sector does not last very long, because another country would come in and offer better rules or regulations and students would move. So when talking about sustainability, providing a high-quality experience is very important. We all talk about the basics, which are in-classroom quality experience, a good quality education. We have talked about transport concessions and how that affects a student's welfare as well as their social inclusion experience. We have talked about accommodation.

We also need to look at the other pieces that we sometimes miss out during these larger discussions. One of them is support systems for students, particularly independent support systems. I know that universities and some of the institutes are asked to have counsellors and other staff on the ground to look after students, but sometimes that does not happen. Sometimes some institutes do not do a very good job of providing that support. At other times the institutes are so small, particularly colleges, small TAFEs and ELICOS sectors, they do not have funding to provide that support, and especially with the increase in regulation that Sue talked about; a lot of money is moving towards that area instead of student support. There needs to be an independent support system for students in every state. I know Victoria has done a good job of putting together the International Student Care Service and the International Student Legal Advice Clinic, which are independent bodies that look after students. There are very few pathways for students to take to get help, especially if they have issues with their institutes. We need to put those kind of support systems in place.

Another thing that gets lost sometimes is the spouse. We know that there are a certain number of students who come here with their families and, while students are able to access the support system in their institutes, there are limitations on their spouses accessing that support. Obviously, if a spouse is facing problems it affects the student's experience as well, so that is another thing that we need to look at.

I know Colin mentioned the statistic that over 80 per cent of students are very satisfied with their experience, which is great. That is a very good number but, even if we are talking about 10-15 per cent of students out of 500,000 students in the country, that is still a huge number of students who are not having a great experience. We should be concerned about it and we should be taking steps. That comes down to situations that apply to a certain group of students. It applies to students with medical or health issues, to students who are pregnant and not getting access to public hospitals or to students from Iran, Libya and Syria who are having a terrible time with no system in place to look after them.

The other thing that I would like to address is the breakdown of communication in general and also when it comes to responding to certain situations. It happens at every level. It happens between state and federal governments and between departments as well—one department will be telling us one thing and another department will be telling us a different thing. It makes it very difficult to work on solutions to problems. The breakdown also happens between governments and institutes. While, on a national level, we will be sitting at a roundtable discussing solutions for a certain issue, that information will not be passed on to the institutes. We will
be getting a different story from institutes and them saying, 'Look, this is what we got from this department; I am not sure what you are talking about.'

There is a breakdown of communication between institutes and students. Some universities and institutes do a great job of communicating with students but, in general, not a lot of institutes are able to engage directly with their students and pass on important, relevant information in time. There is very little communication between the government and the students. There is sometimes very important information that should not be lost in these channels and we need to find a way to put together a structure to prevent this. Whenever there is very important, essential information that students have to know, the government should be able to send it out to students directly. We could look at a database or structures for sending information.

The group that always gets left out is the community around students because, at the end of the day, they are the people that students get in touch with every day; they are the people they come in contact with. We talked briefly about the attacks on Indian students. Helen correctly mentioned that it is a small group of disengaged youth who will take the step of physically attacking somebody just because they look different, but I think we should not underestimate the negativity in the community when it comes to international students. It is there. We cannot ignore it. It is there among educated people as well. It is not just physical abuse. There is a lot of verbal abuse, especially if you look different. As Kylee said, she is from America, she is white and she speaks English; nobody would give her a second look. But they will if you look different, and there have been a lot of students who have reported that. If you are in a new country, you do not have any support network and you are already quite vulnerable, even something as small as a verbal attack is very unsettling.

When we talk about students in real life, we sometimes rely on people around them to look after them as well. For example, if they are being exploited at work, it is not always CISA or their institutes that can tell them, 'Look, you are being exploited. This is not how it should be. You should go to somebody and report this.' It is usually people around them, who work or study with them, that make them aware of their rights. That is why community engagement and having a positive attitude in the community is very important: because they are the people who can look after students. We need to find a way to have good communication between us and between different levels and departments of government as well.

Ms Hartridge: ISANA's area of interest is to maximise the experience of international students studying in Australia. Although there have been a number of positive changes resulting from the Baird and Knight reviews and the reintroduction of SSAF, we still have a long way to go to address a number of key issues associated with the student experience. The economic benefits of international education continue to be a major focus, and I think that has been emphasised here today. In comparison, very little attention is paid to the quality of the student experience and the cultural and social benefits international students bring to this country. The experience can vary considerably depending on the institution's capacity and commitment to deliver. Stakeholders have differing views about the responsibility for certain elements of the student experience, and as a result we have a very loose student experience framework. Key elements of the student experience that have not been addressed include an effective communication strategy, safe and affordable accommodation, employment opportunities, community engagement and issues of equality. There have been many effective initiatives that have been introduced. However, they seem to have a short life because there is no sustainable funding. Arfa referred to one particularly, the international legal service in Victoria, which every six to 12 months has to go out and try to find and organise the funding. So a lot of the services that we do have do not have sustainable funding models. International education is about a package of a core product and support products. Unless the missing elements of this product are delivered thoroughly and truthfully, sustainability will not be achieved. A strong student experience framework is needed to ensure that all elements of the student experience are delivered.

CHAIR: I might start with where you left off in terms of a student framework. What you are suggesting there is that different institutions and different government departments deliver different types of student experience. We heard earlier that some TAFEs are very good at facilitating work experience and others are not so good. Who do you see as the driver in terms of developing a framework? Isn't that going to be more compliance for educational institutions that are complaining about compliance? This is a thing that comes up: a very good-quality education is really important, and it is important for that to be consistent, but we do not want to have too much compliance. So how do you marry the two so that you are getting that great quality and it is consistent, including the student experience?

Ms Hartridge: At this stage I think people are thinking that someone else is doing it, and I do not think there has really been a discussion about what the role of state governments is. For example, we have talked about some of the things that Victoria has been doing. They do not happen in other states. Where does the responsibility lie for community engagement? Is it with the institutions? So I just think there needs to be some more discussion
around who is actually responsible, what the different elements of the experience are and understanding what the student experience is and who is best placed to deliver those elements, but also ensuring that there is sustainable funding. As I said—I am from Victoria, so a lot of my experience is with Victoria—there is a welcome desk at the airport in Victoria, and every year the person who organises that welcome desk, which has been seen as a very positive service to provide to students, has to go out and organise funding, and likewise with the international student legal service and so forth. There are also issues in terms of who is responsible but also addressing those issues around sustainable funding. The other thing that I experience, which Sue has mentioned, about the compliance requirements is actually taking away from the student experience. We need to address these.

CHAIR: That is why it is difficult.

Ms Hartridge: Yes.

CHAIR: But if that is not there then how can you guarantee a consistent high-quality education right across Australia which gives us a good international reputation? People do not put compliance for the sake of putting compliance.

Ms Hartridge: No.

CHAIR: They put it to guarantee a good-quality education that is consistent right across the country.

Ms Hartridge: But I also think that institutions obviously have limited funding available, so we have to ensure that we meet our compliance requirements while looking at that funding issue. Are there other ways of ensuring that there is funding put in to ensure that we are providing that student experience?

CHAIR: Your framework that I imagine you have in mind sets out the responsibilities of who is responsible etcetera. With that, would it be something where institutions could voluntarily take it up and say, ‘We meet this framework,’ or is it something that they would be required to adopt if they were having international students, or would it just be a guideline to say, ‘This is best practice’?

Ms Hartridge: I think there are guidelines around minimum standards but I think there is also an element of the student experience that does not always just have to be delivered through the institutions. The Baird review identified the concept of a hub. Perhaps there is a certain range of information and services that could be provided out of hubs which are not within institutions but located so that students can go to them for a range of assistance and support. They could run community engagement programs and so forth. So sitting this within institutions is not always necessarily the right answer.

CHAIR: I want to come back to your points about silos and the strategic advisory committee. Are these three things all going to be addressed in the strategic plan by the strategic advisory committee? Does this need to be moved or brought together? I imagine that the silos are broken down but also that the private institutions are participating with government departments. I think there are guidelines around minimum standards but I think there is also an element of the student experience that does not always just have to be delivered through the institutions. Then it is a matter of a communication problem. So I imagine that, if you got all the departments together on the same page, you would also need to get institutions on the same page as well.

Mr Walters: In terms of coordination at the Commonwealth level, I think it was Phil who was calling for a committee to bring together all of the government departments. That has existed for a year or more; it is called the Interdepartmental Forum. It has officials from the Department of the Prime Minister and Cabinet and all the other departments concerned. Surprisingly, since PM&C are on it, it is chaired by us. It meets quite regularly and it is now providing input to Michael Chaney's committee.

Secondly, in terms of liaison with the states, again there is a committee which has existed for a number of years called the Joint Committee on International Education. That committee reports, up through several levels, to COAG; in fact, it is meeting tomorrow. One of the functions that committee has is to review and report on progress of the international student strategy for Australia, which I mentioned before. That does cover a lot of the issues that were raised by ISANA—not necessarily to ISANA's satisfaction, but it covers them. That strategy was the product of a negotiation between the Department of Prime Minister and Cabinet and the premier's department of each state, so it does represent what the states were prepared to put on the table in terms of support for students. It certainly covers issues like information—how it should be provided and how comprehensive it is. All of that feeds through to the website study in Australia, which you heard about from Austrade. Austrade present that internationally but it has input from all the states and territories.

The annual report for last year on the implementation of the international strategy has been working its way up through the COAG hierarchy and I gather is currently before COAG itself. When that is signed off, I imagine that will be made publicly available by the COAG secretariat. That contains a report by the states on the work they have been doing to implement all of those things.
I can certainly report on today's discussion at the meeting of the Joint Meeting on International Education with the states tomorrow and recommend that they read the Hansard. I think that would be good for them. It would be a way of getting some of the points made in today's session across to the states and territories, who are very important stakeholders in all of this and, of course, not directly represented in the discussions you have been having. So it is worth bearing that in mind.

Mr Honeywood: Whilst I respect Colin's comments, the fact is that none of the peak bodies is really aware of the interdepartmental committee. It is a committee of civil servants that is obviously doing good work behind closed doors, but this comes back to the clear need for some ministerial responsibility for our industry. We often compare ourselves to the tourism industry. The tourism industry has a one-stop shop approach. They have got a tourism authority, they have got a marketing budget and they have got one minister. We, however, continue to be bedevilled by federal problems with Education, DFAT, DIAC—all the different departments. I will give you an example. While we think Minister Evans now understands our industry—it has taken some time for him to get across the issues associated with his portfolio but he understands our industry—in his private office his senior adviser for international education is also his senior adviser for apprenticeships, and the two are vastly different areas. My point is that the structures of government have to somehow come together to ensure better coordination. I believe that, at the end of the day, we need to have a ministry for international education that effectively gets over this silo problem that we constantly have.

Miss Noor: Building on what Phil has said, it seems that—especially from CISA's point of view—every time we have put together and brought to the table some issue that should be talked about at a national level, we have always struggled to figure out who we should be talking to, and there has always been a shifting of responsibility going on. There is no centralised response to any issue that has affected international students. There is a lot of, 'It's not a federal thing. We'll talk to the states,' and then the states keep bumping us off from one department to the other. While we are trying to figure out who to talk to in terms of the solution, students on the ground are suffering. We are still getting calls from students who are under an incredible amount of stress and who are very anxious, because they do not know what is going on, and even though we are a peak body we struggle to figure out what is going on and who we should be talking to. We have only existed for almost two years now, but if even you guys do not know some of the structures exist, it is difficult for us to know. So there needs to be a centralised response, and there needs to be a way so that, when we come together and we come up with a list of solutions and say, 'These are some of the solutions for this situation,' they should immediately be able to send them out to all the people who are dealing with students.

One of the examples is the Iranian student issue that we raised a couple of weeks ago with Minister Evans's office and the Department of Immigration and Citizenship and the Department of Foreign Affairs and Trade. They were very quick and we appreciated that they were very quick in bringing together a roundtable where the peak bodies were there. We talked about a few of the solutions that students could use. But then when we started getting in touch with the students and the institutes, and the institutes were telling us that nobody had told them, and they were getting a completely different story to what we had got. For example, the department of immigration said that under compassionate grounds students have the option of suspending their studies for a semester or even going part-time while retaining their student visa, because this is a special circumstance.

When students called the department of immigration, they were told, 'No, your student visa will be cancelled immediately. You cannot do that.' Danielle works with an institute as well, and we have talked to other institutes too. They were telling us, first of all, that nobody had told them that this discussion had taken place. Secondly, when they were themselves talking to the department of immigration and the department of innovation, they were being told, 'No, this does not count as one of those situations. You cannot put your students in part-time or suspend their visas, and their visas will be cancelled.' We are talking about universities. CISA's biggest concern is students from smaller institutions—and we say that again—in TAFEs and private colleges in the ELICOS sector. It is so difficult to get through to them. It is so difficult to figure out who to talk to in those areas. Sometimes when communication is sent out on a national level, it kind of sits on the desks of the CEOs and the directors and it never gets down to the people who are actually dealing with students directly. That is a big concern for us, because students are facing such a tremendous number of issues, but we are still trying to figure out who should take the lead on this and who should take responsibility for putting together a response.

CHAIR: I just wanted to move on to another area. There was some discussion about perhaps concerns about spouses and also other issues. There has been an increase in mature-age students from China. In particular I would be interested in whether that is an area that universities and TAFEs and a range of areas were focusing on. Obviously when it comes to researchers, they are going to be a bit older. What are some of the challenges around...
spouses, medical insurance for pregnancy, child care, flexibility, part-time studies and things like that? If anyone is interested in talking about that, I will open it up.

**Miss Noor:** I can talk about the medical issue first of all. Addressing what you talked about in the morning, such as the change in legislation, what was happening was that students were being told, when they were first coming in, they were asked to have health cover for the first year of their visa, and then they had to renew it. Some of the students did not renew it, because they did not have the money to do it, but a majority of them actually did not know that they had to renew it. They did not really know that it was expiring and that that was something that they had to do. A lot of us come from countries where that system is not in place and we do not have health insurance. That is why a system was put in place whereby a student had to get cover for the whole term of their visa period. This has added to the cost that the student has to pay upfront. In particular, because of deregulation, one of the health cover providers decided to put their price up quite significantly for family cover and we have had reports of students who have had to pay anywhere between $10,000 and $16,000 for a three-year student visa or a four-year student visa, which is a huge amount.

The other thing about spouses and mature-age students is this. Four hospitals in Melbourne and one hospital in Brisbane have decided not to take in what they call 'ineligible foreigners', so they do not take in anyone without Medicare. It is about what they call long-term, high-cost treatments—students who are pregnant and students' spouses who are pregnant, so when they go to a public hospital they are being told, 'You can't come to us because this is our hospital policy. You actually have to go to another public hospital or go to a private hospital.' The cost of treatment for a student who is pregnant is somewhere between $6,000 and $7,000, which is a huge amount that a student has to pay upfront. We do not know a lot of students who would have that money in their bank account. That is not a cost that they had really thought about, one that they thought they would be paying for. When they claim for that, they cannot actually claim the whole amount. I think they can get back somewhere between 70 and 80 per cent, so they are still paying a huge amount of money from their pockets.

We have had issues with students. There are some students who get their family to pay the money and try and figure something out, but we have an increasing number of students who are not able to pay the money because of the high Australian dollar. In general they are paying twice as much as they thought they would be paying for their living expenses and their tuition fees as well. So this is an added cost, and that is a problem. Students are doing everything that we have asked them to do. They are paying a huge amount of money for their health cover. They are making sure that they are covered for the whole visa period. But there is a breakdown in the system so the federal government says, 'Well, this is one that the state governments have to address,' and the state governments have not really come to the table and they are not really willing to talk to us. The hospitals simply say, 'We don't have an obligation to treat anyone who is not an Australian citizen, so we are not really doing anything wrong legally.' Royal Brisbane Hospital and the other three or four hospitals in Melbourne are all in areas where they have a huge number of international students. They cater for Monash University, QUT and the University of Queensland.

We have now been working on this for about four or five months and it has been incredibly difficult trying to get anyone to sit with us and work on a solution. That is something that Victorian students and their spouses are facing. In Victoria, if a student is pregnant they can go to the health clinic at their university or go to the counselling service and seek help but if it is the spouse who is pregnant we have to make a special arrangement and put in a special request so that that person can access that service. That is a concern right now.

**Mr Walters:** We have not got the department of health here but I can comment if that would help the committee.

**CHAIR:** Please do so.

**Mr Walters:** There are a couple of issues here. One is the cost of premiums. There is nothing one can do about that. This is an insurance based system and I think it always will be. One cannot expect the government to pay the cost of treatment for overseas visitors anymore than we expect to be treated for free wherever we go. There is the aspect of the rising dollar and one just has to accept that. The requirement to have insurance cover for the full period of the visa was an issue which came up and was put to Bruce Baird following the attacks on some students two or three years ago when it turned out that some people needing hospital treatment had let their cover lapse. It was felt that that was a very bad situation so that reform was made and students now have to have their full cover.

The issue about treatment in hospitals is complex, but so is the administration of the health system. The position is that the standard cover provides international students with full cover for the Medicare Benefits Schedule fee for medical services, both in hospitals and outside hospitals, and for public hospital accommodation at the rate determined by states and territories. There is also a range of overseas health cover products which
provide higher levels of cover. So, obviously, people can go in for more cover if they want to above the basic minimum. Public hospitals have no obligation to provide non-emergency treatment to international students, regardless of whether the student has overseas health cover. The National Healthcare Agreement only imposes obligations on state and territory governments in respect of public patients who are eligible for Medicare—that is, Australian residents—with admission decisions being made by individual hospitals. Nevertheless, stories that students are being refused admission to hospitals are disturbing. In respect of Queensland, where the first evidence of this came to light, the Minister for Tertiary Education, Skills, Science and Research, Senator Chris Evans, wrote to the Premier of Queensland on 2 November raising the issue and saying, 'I hope you will ask your health department to reverse Queensland Health's directive and ensure that international students have access to obstetrics and gynaecology-related services on the same basis as other women in Queensland.' That letter is on the record. In Victoria, we have been talking to the student organisations and collecting some information. They will have the opportunity to raise that with the Victorian representative at the meeting tomorrow which I previously referred to. Obviously this is a state responsibility, but you can see that the federal government has put its views on record.

Ms Hartridge: In relation to the spouses, I think there are a number of universities that run support programs for spouses of students, bringing them into the various activities that they may organise for students and perhaps providing the opportunity for conversational English classes. Once again, this would differ depending on where students are studying.

CHAIR: And kids?

Ms Hartridge: Kids too. If they are school aged, they have to go to school, so they are getting that opportunity to engage with the community and so forth that way. Often it is the spouse who is at home and very isolated because their partner is studying and their English may not be very good; they feel very isolated. I think many institutions try to get them together so that they can create a support network amongst themselves and support each other.

Mr Ramsey: I have a question for Arfa. Obviously it is a big disincentive for students to have to pay this full fee upfront for the full medical insurance for anything up to four years—$10,000 or $12,000—and you are saying that you are having difficulty getting parties to talk to you about the issue. What kinds of solutions would you suggest? How can we make our way forward on this, given that we were losing people after the 12-month period and then they were here uninsured, which is obviously not a good position?

Miss Noor: I think CISA is very happy with the step that was taken. Obviously as a student you would not want to pay that huge amount, but as student representatives we understand that in the long term it is better for students to be covered for the whole term, especially those with families, because you never know what is going to happen. The thing with international students is that they are happy to pay the cost as long as they see the value in that service. Students are paying $10,000 or $16,000, but the issue that they have is first of all that they do not understand what they are covered for. There is no clear information. We are just given a big booklet, along with heaps of other information. If you are from a country where you do not have health insurance, you do not really understand the importance of it. I speak English fairly well and I had a look at least three times during the first year at the brochure that was given to me by my health insurance, and I still fail to understand what they were talking about. After 3½ years we still struggle to understand what it is that we have paid this money for. That is the first issue for students. CISA has been trying to put together information in plain English which lists what they are covered for, but, being a student association run by 10 full-time international students, we are already stretched with our resources. It is something that should have been done by the sector together, instead of the student body putting in all their effort to put it together, but we are doing it.

The other issue again comes down to the value. When a student has paid, for example, $10,000 so they are covered for the whole time and they are told, 'This is how it works,' they understand, because this is the basic information they are given: you can go to a public hospital and your costs will be covered by the health insurance. After a year or two years, this student who has paid $10,000 gets pregnant—which is fine; they are not worried about it because they are covered, because they paid for it. They go to a public hospital and the public hospital says, 'Sorry, you're an ineligible foreigner. We can't treat you. You have to go to a private hospital and pay another $7,000 upfront.' That is where the issue lies. They are not unhappy about paying the money; they are unhappy about not getting the value that they have been promised.

We understand that hospitals do not have an obligation to treat people who are not Australians, but when students are told this you can understand there is not a very good feeling—when they are told, 'Sorry, you can't come into our hospital because you are not Australian and that is your problem.' The other problem is that there is a lack of understanding within the state governments and the hospital area of international students and what
international student health cover is. So they are put in the same category as tourists or people who are on a working visa who are not required to have health cover.

The Royal Brisbane Hospital told us that last year they had 160 or 116—sorry, the number escapes me—patients who came in and got treated and they could not recover the costs from them. Only 12 of them were international students and most of them had health cover. It was a failure on the part of the hospital because they had a breakdown in the administrative system and they were not able to follow up with their health insurance. So the health insurance provider is sitting there saying, 'All right; you send us a letter and we will pay you for this treatment—no problem,' but, because they did not go to the health insurance providers and reclaim that money, they said, 'Students are causing us a lot of debt.'

The other thing they fail to understand is that students are now covered for the whole duration of their visa. So, unless they have been here for a very long time and they are under the other regulation. After three years you have to renew your visa anyway, so you will fall under that. So they do not understand that students are covered by health insurance and there is no way that they would not be able to claim back the money. All they have to do is put in the effort and understand the difference between tourists and international students and not treat them as temporary visitors into the country.

**Mr RAMSEY:** With the scholarship positions that the Australian government funds, what happens to health insurance for those students? Do they have to fund it themselves or is that covered within the scholarships?

**Mr Walters:** I think it is normally covered within the scholarships, but I might take that on notice and make sure I give you the right information.

**Mr SYMON:** Following on with the health insurance premiums—I know I have done this very scientifically and just looked it up on the website of course—Medibank are quoting $1,920 for four years of overseas student health cover. Arfa, do you know if that changes depending on which country you come from? There seems to be a big discrepancy between what I have been able to dial up here and the figures that you are relating back to us at this hearing.

**Miss Noor:** No, it is different by country. There are four or five health insurance providers that cater to international student cover. Before this they all had the two covers—there was single and there was family. The single is probably what you looked up, which is $1,000 and something. Then you have a family which is almost twice as much, I think. Danielle, could you--

**Ms Hartridge:** Yes. There is the couple—so for two. Then if you had a family there was a different rate as well.

**Miss Noor:** So for families it is double.

**Mr SYMON:** So double; $3,840.

**Miss Noor:** One of the health insurance providers—not all the providers but we were scared that the other ones would follow and do the same thing—decided that they would have three categories. So they have single, double—which is one student and one dependant, whether it is children or a spouse—and then the third one is the family cover, which is your spouse and your children, irrespective of how many children you have.

**Mr SYMON:** So they charge for each?

**Miss Noor:** Yes. The $10,000 that I am talking about was for a family cover from that particular health insurance provider for the duration of the four years. That is where the problem lies.

**Mr SYMON:** It sounds to me like that needs to be some communication of the fact that there is a competitive market there and possibly you can go out and find a better price. But, if you do not know, you may end up with the worst deal, not the best.

**Miss Noor:** That is true. Health insurance providers usually have a deal with the institutes. One institute works with a certain health provider—

**Ms Hartridge:** A preferred provider.

**Miss Noor:** Yes, a preferred provider, and they would say, 'This is how much it will be for your health cover.' Again, if you do not understand how the system works, you would think that that is the only choice you have and you would sign up. That is another reason that CISA has started to put together information that will be up on our website, so that students know that they have a right to choose a different health cover provider and they can compare quotes and check. But the majority of the students who are coming or are new to the country would not know.

**Mr SYMON:** I see a role for government there, too, about getting that message across.
Ms Hartridge: The options would be on the Study Australia website.

Mr SYMON: That is how I have ended up here.

Ms Hartridge: Yes, so it would be there if students were actually going there to get their information.

Mr Honeywood: The kickback that comes from the private health insurer is provided to the institution.

Miss Noor: There is also something interesting that I noticed. I spent four hours in a hospital on Friday and I spent my time doing research on this whole issue. I was talking to a lady and she was telling me that I had to pay $150 upfront, which is the entry fee into the emergency room. The system before was that, if you had health cover as a student, it was covered automatically; you just showed your card and they would charge your health insurance providers. Somewhere along the line the health insurance providers said, 'No, a lot of students don't understand how the system works. Instead of going to a GP they are actually going to the emergency room for things like flu and fever'—again, if you do not understand the system you would not know. Going to a GP would be $60; going to a hospital emergency service would be $150, so it was obviously costing the health insurance providers more money. They told the hospitals, 'This is not how it is going to work. You're going to charge the student upfront, they're going to pay the money to you and then they can come back to us and reclaim. If we decide it was a situation worthy of attendance at an emergency room, then we will pay the money back. Otherwise we will pay them the minimum.'

That is fine, but the thing is that nobody is telling students about this. The changes happen but nobody communicates to the students. So a student would rock up and say, 'I've got an emergency and I want to get treatment,' and they may not have $150 in their account and suddenly they have this cost to cover. Rules are being changed without there being clear communication that things are changing in that area.

Mr SYMON: I would like to talk to Mr Gallagher about student exchanges, which you mentioned earlier, at the postdoctoral and, I think, early career stages. Is there any expansion beyond that? What are the parameters of those two streams at the moment? How are they controlled once people are outside the country—once your students are somewhere else?

Mr Gallagher: They tend to be bilateral agreements university to university. In some cases we have group-to-group agreements, so we have a Group of Eight-China Nine agreement in relation to post-doc exchange and, indeed, for undergraduate student exchange. That has required nine by eight agreements because this is credit recognition for registered professions—

Mr SYMON: There are a lot of signatures on the bottom of the page.

Mr Gallagher: Yes, it has taken us two years just to get the agreement framework negotiated, but it is worth it. The students that go to the China Nine undergraduate programs are the cream of the Chinese school leavers—the ones who prefer to go to their top national institutions before the US. So, for our students to be interacting with them, for those students to be coming to Australia and for our students to be going to those institutions, think of that in 20 years time in terms of the nature of the relationships that we will have the intellectual leaders in China. It is really worth the two years investment in the framework to get it to work.

For most of the others, though, we have programs where we provide scholarships into Europe and we have an arrangement with the Group of Eight and the German academic exchange service, the DAAD. There is a program where there is a selection process from the Australian side of German applicants and an equivalent process where the Germans filter Australian applicants. These people come and work in our labs for up to six months and our people go and work in the German labs for up to six months, and we are just about to expand that now to German industry. We have equivalent arrangements now in France. We are the recipient of scholarship programs from Chile and now Brazil, where they fund masters and doctoral students to study in Australia. We know that in the University of Brasilia, for instance, Australia is third rated in the world after the US and France. This is a market where we have not really done much marketing. It is the quality of the Australian degree that is attractive. We are seeing an expansion of interest, which is important because we get more diversity of fields of study and of countries of origin at the graduate level. We are pretty saturated at the undergraduate level, with predominantly Chinese students in business, so this is useful to get that diversity. The arrangements are impeded by the lack of flow of Australian students into these other countries. It is primarily a language problem, although increasingly a number of these other countries are now teaching in English, but it is also a lack of cultural appreciation of the diversity in some of those other countries. People know about Beijing and Shanghai, but they are ignorant of other parts of China. We are even more ignorant of India. If we want to see internationalisation of Australian education, we really have to attend a bit more to our own culture and be more international in our outlook. I think we are too complacent about how inwardly oriented we are, and you can really see it when you see the students in other
countries and the sort of decisions that they are weighing up. Our people just do not seem to have that opportunity.

Prof. Purcell: One of the great opportunities for us is in dual-degree programs such as joint PhD programs, because these are relatively cost-effective because each country simply charges its own students. A dual degree, generally a PhD, requires a student to spend at least one year in the other country studying in the laboratory of the other university. These are very significant because they then build student-to-student and laboratory-to-laboratory relationships. They have dual supervisors, so they build supervisor-to-supervisor relationships, and that expands through research networks and collaborations generally to build quite significant and enduring international collaborations with all of the advantages of the soft diplomacy that has already been described. They are relatively easy to organise. At my own university we have a flagship key technology partnership program. We now have, in the last 18 months, 45 dual PhD students with our four Chinese partners.

CHAIR: Is it more likely that people from Australia will do these joint degrees if they have the language skills, or is it that we do not have students with level of other language skills?

Prof. Purcell: It is difficult, but I think that at PhD level especially there are enough supervisors going around—even in China—who speak good enough English to supervise a PhD. Given that the students will have two supervisors for the PhD, and generally a PhD committee of supervisors, you will have some insurance there. The second point that I would like to make is that mobility should be what we are about in this age of internationalisation, but what we have to do is to move to provide a whole range of opportunities for students, not just traditional credit-based arrangements, because what we know in Australian universities is that most of our students are full-time and most of our students work almost full-time, so we have to provide a range of shorter term opportunities as well that will begin to build their global skills and intercultural capabilities. So we need to develop programs where students will go to do interesting academic study but not for credit. Last year at my own university we ran microfinancing programs in India. We ran a Bollywood director shadowing program for our film and media students. But you also want to get your students volunteering in orphanages in India or have them in internships in Infosys in India. All of these things will build a big web. But it is not cheap—it is expensive—and we really need a national scheme to promote this sort of mobility. So there should be mobility at the high end—what I spoke about to begin with—but pushing that right through to a whole range of opportunities so we will build significant links, webs and soft diplomacy by that whole range of activities and we will be seen as contributing, not just being a gouger of students in foreign markets.

Mr Honeywood: Bill's university, the UTS, has one of the highest student mobility rates of Australian students studying overseas. Bill, you mentioned at the UA conference that it was about 18 per cent.

Prof. Purcell: Getting close, yes.

Mr Honeywood: They are providing leadership there. My point is that our association believes that it is the badging of all of this that has to happen. France has got the Alliance Francaise. We all know of it. Everybody around the world has heard about the Alliance Francaise promoting French culture, promoting French language, promoting France. Germany has got the Goethe-Institut—again, well-known—promoting their culture. The UK has got the British Council. Again, that does incredibly good, proactive work promoting their education system, right through Asia now, right around the world. Okay, Australia has got the Australia Council, but that is the arts community. We do not have any one-stop shop approach to really being able to harness all of this incredible work by individual institutions such as Bill's by different government departments with our scholarship program. We are not getting our act together compared to other nations.

Mr Walters: That comes in two parts, really. One is the general promotion of culture and the other is how you bring scholarship schemes together. The first is a debate that has been going on within the industry for years. Part of the government's response was to transfer their responsibility for promotion and marketing to Austrade, so there was a clear separation of functions between our department, which was responsible for regulation, and to give a clear remit to Austrade. You have heard some views on how that has been going—generally positive, I believe.

The other part of it is in terms of the scholarship effort, so there is a national scheme. We have the Endeavour scholarships. For 2012 I have provisional figures, which are in the rough ballpark of 655 students from 64 countries coming in and 122 Australians going out to 30 countries. By the way, we were asked about Vietnam earlier on. There are 73 coming in from Vietnam this year and five going out. So it is an issue of scale. There are also a lot of activities, probably 200 per cent bigger, from Ausaid through their various different scholarship schemes, which obviously focus on developing countries to a much larger extent. The government decided to bring all of these schemes together through the Australia Awards, and that has a council chaired by Geoff Gallop, and that is looking at how you do address the marketing—or whatever it was Phil said—the competition around
branding internationally, if you like. I think that was specifically why that was put in place. Peter is the secretary to that board, and that is the work they have in progress. Obviously there is an issue of scale and that is an issue of resources and that is an issue of government budgets. That is what the government has put in place.

**Mr TUDGE:** Can we go back to the student experience discussion we were having before with Amanda and Danielle particularly. First of all, a very specific question: how much survey work is done of international students? How standardised is it and how public is it? If I go to the website you were talking about before—the Study in Australia website—I cannot find it there. If there is good information like that, is that sufficient as a mechanism for increasing the student experience? If people are looking at that data and they are finding that one institution is better than another, they will tend to go to that and it will put pressure on the other institution to lift their game. Can I get some comments on that, rather than creating a new bureaucracy—that is what I am thinking.

**Mr Walters:** In terms of the student survey, we have committed on this COAG process to doing a big survey of international students every two years, and it was the results of that I was referring to earlier when I said that satisfaction rates are generally in the mid-eighties. We have done it on a basis which is comparable with other countries like the UK, and it is not far off similar results—

**Mr TUDGE:** Institution by institution comparisons?

**Mr Walters:** Institution by institution, the institutions are given their own results.

**Mr TUDGE:** Are they public?

**Mr Walters:** As part of the process for getting agreement with the institutions they are aggregated to sector level and those results have been published. The last survey was 2010. They are not broken down by individual institution unless the institution wants it done that way, because they regard that as commercially confidential information. We are doing another survey later this year and we are currently in discussion with the various parties as to how that should be conducted.

**Mr TUDGE:** Generally, is this a good idea then? We are talking about a framework for the student experience. Instead of creating a new, monstrous bureaucracy, can we have something almost like a My School setup, where it monitors the student experience?

**Prof. Purcell:** The 39 universities, with the support of AEI through the international student barometer, already benchmark annually, with international institutions, our performance over a whole range of student experience and other issues. So, between that survey and the survey which the 39 universities contribute to, there is considerable data on student experience.

**Mr TUDGE:** Where would I find that? To compare your institution with Melbourne university or Sydney university or an APET? Is that on the internet?

**Prof. Purcell:** It is not.

**Ms Field:** You have talked about the My Schools website, and Mike spoke about the My University website which was launched today—and there are some data issues around that. What is coming in the vocational education and training sector is the My Skills website. So I totally agree with you; the last thing we need is another website with another bureaucracy behind it. When that data is right in all of those three sectors people will be able to compare what students think, what government departments and quality regulators think and what the provider's performance is on a key range of indicators. So, whether you think My University has all the data right or not—and I would definitely defer to Michael as the expert on that—two of the three sectors are almost covered, and there are negotiations going on around the third.

The graduate international student barometer that is being discussed is a good tool and does allow provider-by-provider comparison. Most do that benchmarking for their own self-improvement, but it does allow comparisons of your performance as a provider with similar institutions, whether they are universities or others right across the globe. That is used quite widely, and we are grateful for AEI support to help roll that out through the private sector this year.

**Ms Hartridge:** Can I just add that, with surveys and collecting information, what really matters is how we ask the question and who is asking the question. Sometimes when we look at some of the surveys, the answers to the questions and the statistics do not match what we see as the on-the-ground reality. We talk to students directly, and we are on the ground.

Particularly with international students who are new to the country, there is this desire to please their host country. Before I became a student representative, as a student I used to take part in different focus groups and discussions. When we were asked certain questions about student experiences, for example, 'Are you happy about being in Australia?', you would instantly say: 'Yes, I am. I am very grateful for this opportunity to be here.' You
would not really have the confidence, or even know that you had the opportunity, to say: 'Look, it has been great, but these are some of the issues. I haven't had a great accommodation experience. I haven't had great support from my institutions.' That sometimes is a hurdle with international students. Sometimes they say things they think everyone else wants to hear; they do not want to displease anyone. That is why sometimes the data does not match up with reality.

It also depends who is asking the question. Late last year at the symposium—Peter was there as well—we were talking about matching up the data of the percentage of students who came to Australia with the expectation of PR, who really wanted to stay in Australia. The percentage in the data was quite low, about 13 per cent. I told Peter that when we did that survey I was in TAFE and the whole class did it together. I know that every other international student in that room had come to Australia with an expectation to get PR but, because it was a survey being run by the government or the institute, they did not want to say that, so they lied and said, 'No, we did not; we're just here to study.' So, when looking at data we have to be very careful about who is asking the questions and how they are asking the questions.

Another area that gets left out is the ELICOS sector. There is very little communication with their students and with those institutes. It is always difficult to get in touch with them. It can be the same with students in schools as well, which is a particular concern for CISA because they are under-age students and they do not really understand; they do not have the maturity to understand how the structures work. We have had a few cases of terrible abuse—for example where students were forced to stay in a certain homestay arrangement because they were under 18. For example, they do not get fed properly; there are ten people living in a two-bedroom house; there has been sexual abuse; there has been verbal abuse. But, because these students are so young and vulnerable, they really do not know who to talk to. I know that the school sector has a peak body, but it is usually not present with the rest of the peak bodies. That is another area we are a bit worried about.

CHAIR: We have to move along—I am just looking at the time. Alan, did you have another comment?

Mr TUDGE: I had the broader point that I raised in the last session, which got shifted here. I suppose it is probably more to Mr Macfarlane. If you are weighing up from an aid expenditure perspective, how do you prioritise scholarship support versus other projects, particularly for developing countries—less so in the famine ridden countries, as such. How do you make those judgements? Is it your judgement to move away from building bridges towards providing more scholarships or do you have a different view?

Mr Macfarlane: Unfortunately, I am not well placed to answer that question. AusAID is the agency that looks at that and it has a very detailed approach to those questions—capability across a range. Scholarships is very much used by it as a capacity building tool as part of its armoury.

Mr Walters: In the current expansion of AusAID a very substantial emphasis has been put on increasing the number of scholarships, so would be able to pick up the data from their website. It is worth making the point that there is a distinction between the AusAID scholarships, which are specifically about development, and the Endeavour scholarships, which are about attracting the brightest and best overseas students to this country—it is a merit based process—and, similarly, getting some of our brightest and best to study offshore.

Prof. Purcell: In the United States a significant part of their budget is targeted to institutions, which will bid to combine their research and intellectual capability with a partner institution with a specific aid project. That seems to me to be a great way to marry international education and building international relationships with aid objectives.

Mr RAMSEY: I am going to risk opening a big can of worms when everyone has time constraints, so I will accept very short—yes or no—answers. Michael, when you gave your opening address you spoke about the only way that universities had to raise their income at the moment, given the constraints of the rising dollar and the increasing expense of our degrees, was to expand the number of students they have, and about your concern that it is watering down, to use my words, the quality of the courses that we are offering. Given that when we read one week how our secondary education system is dropping on a world scale and the next week we read that Peking University is now in the top 18 in the world and that our competitors are making advances, do we risk dropping off and are keeping our standards up?

Mr Gallagher: It is a huge question. I suppose that, in the last 25 years, from a university perspective we have become dependent on international fee income and have used that to cross-subsidise shortfalls in government funding for teaching, which is price controlled, so there is a problem there, and underfunding of research. That dependency has led to a certain paradigm in the model of international education we have developed. I don't think that is sustainable for the next 25 years. We cannot just bleed international fee income rather than face the problems we have. That requires us to think radically about the structure of the supply of postsecondary education.
and to see the international side and the domestic side as if they are all part of the one rather than this false bifurcation we have had for the last 25 years.

From 2016 onwards, we are going to see a school-leaver surge coming out of Australian states that is going to blow that demand driven funding model out of the water—it is just going to be unaffordable. At the moment, the government is putting all these students—the Bradley students—into universities, which is the highest cost option of the supply side. We have underutilised TAFEs and we have a nascent private sector, which could much more cost effectively supply a diversity of learning options to suit the more diverse demand that is emerging domestically and internationally. From my point of view—from the Group of Eight perspective—that would allow the concentration in research function for those institutions that have that particular mission rather than them having to kind of enlarge themselves to get the money they need to do their research by taking a greater volume of domestic and international students.

The hard debate to have within our sector, especially in the university sector, is on differentiation of supply, yet that is the key to our having a sustainable structure to meet the new demand. We can better have that argument if we take the whole postsecondary system, public and private, and think: 'What could that look like?' It could be virtual as well as on-campus delivery, international partnerships, multimode provision with industry—some really exciting innovations. That is the discussion we should really challenge Australians to put on the table for the future.

**CHAIR:** That is probably a good point at which to leave it. I thank everyone in this session for their contribution to the committee. As I said at the beginning, this inquiry, while short, does have the same standing as other inquiries of the House. We will be tabling a report in the parliament. If there is any additional information that you would like to forward to the committee, please do not hesitate to forward it to the secretariat. Thank you, very much, for coming today.

Resolved (on motion by Mr Symon):

That this committee authorises publication, including publication on the parliamentary database, of the transcript of the evidence given before it at public hearing this day.

**Committee adjourned at 12:36**