

International Student Diversity at Australian Universities

25 February 2022

The Australian Technology Network of Universities (ATN) welcomes the opportunity to provide feedback on the *International Student Diversity at Australian Universities Discussion Paper* released by the Department of Education, Skills and Employment.

ATN's response to the Discussion Paper is in four sections:

1. Observations around approaches to market diversification in Australia's international education sector;
2. Our response and recommendations to the Government's policy proposals;
3. Areas of further consideration which would assist the Government's policy development; and
4. Further analysis, observations and commentary.

Section 1: Observations around approaches to market diversification in Australia's international education sector

- Market diversification is a complex issue and the changes being proposed are a significant departure from current policy. For implementation and impact to be successful, this will require meaningful and ongoing dialogue between the Department, all post-18 education providers, and other governments (including states and territories).
- ATN universities have long embraced market diversification as a key to our success and have done so by placing diversification at the forefront of our internationalisation strategies. All of our members are regularly reviewing opportunities and seeking new markets.
- Any strategy adopted should apply across the post-18 education system and include all providers.
- The level of market diversification across Australian universities and other providers is currently uneven. It is important that market diversification be seen in context – it should be seen within and beyond the higher education system: in the classroom, on campus, in our cities and in our communities. Without a whole of sector approach we will lose this full context.
- Calling for market diversification in international education is not new, but it is paramount to define and provide clarity on the diversification problem to enable a balanced approach to implementing the solution. Unfortunately, the Discussion Paper does not address this primary issue.
- Any changes should preserve and support Australia's competitive edge and high-quality reputation.
- The paper uses a very supply driven lens to look at the options which is a flawed approach. Any changes should place student choice at the centre which has been a leading light of Australia's success in international education.

info@atn.edu.au

www.atn.edu.au

Follow us @ATNunis

Section 2: Our response and recommendations to the Government's policy proposals

Policy ideas one (*Diversification Guidelines*) and three (*Action Plans*)

- ATN supports a compact based approach. This is consistent with ATN's response to the consultation on the Australian Strategy for International Education 2021-30.¹
- While we support the broad intent of the proposed Diversification Guidelines and Action plans, further work and consultation is required by the Department and supporting agencies to ensure successful implementation.

Policy idea two (*Diversification Index*)

- ATN believes there is no rationale for the proposed Diversification Index and suggests this be reconsidered. The information is already captured by numerous state and federal reporting requirements.
- A simplistic use of such an index could see Australia no longer offering in demand programmes that benefit the country but where domestic demand is low.
- ATN also calls on the Government to modernise and streamline the collection and publication of real time student data. It is vital that universities and government agencies have access to this data given the importance of the changes being suggested.

Section 3: Areas of further consideration which would assist the Government's policy development

ATN believes that deeper and further consideration is needed in these key issues to successfully implement market diversification:

1. Need for a whole of Government approach

(A) *Investment in new and emerging markets*

(B) *Visa processes to reflect policy objective of market diversification*

(C) *Supporting our critical skills agenda*

2. Clarify Australia's foreign policy priorities so universities can align where appropriate

3. Adopt the trade portfolio approach of "China plus focus" to recognise the predominant source of international students globally

¹ [ATN submission on Australia's International Education Strategy 2021-30](#)

1. Need for whole of Government approach

(A) *Investment in new and emerging markets*

More consideration could have been given in the Discussion Paper to the support work that the Department needs to put in place to support diversification.

It makes sense that if universities need to increase their diversification mix beyond Australia's top five source markets, the Department and supporting agencies will need to invest in marketing in new and emerging markets to ensure these markets can be utilised.

The recent announcement of \$10 million to support the implementation of the Australian Strategy for International Education 2021-30, including initiatives to identify market diversification opportunities is a good start to the significant work required in this area.

ATN sees the role of Government in supporting this as:

- Investing in marketing of Australian education in new and emerging markets
- Increasing recognition of Australia's quality education, articulating the benefits of an Australian education throughout the Asia Pacific region and beyond
- Thinking creatively about further initiatives designed to encourage diversification.

The ATN welcomes the review of the Educational Services for Overseas Students and the Department's recognition that achieving diverse international student profiles will rely on the support of the [regulatory framework](#).

(B) *Visa processes need to reflect policy objective of market diversification*

All agencies involved in supporting Australia's international education sector need to work on supporting the shift towards diversification. This has not always occurred – for example, in early 2000s Austrade listed the countries in Africa as emerging markets. Universities put considerable effort into recruiting students from this market, but the Department of Home Affairs limited successful visa applications because of the market's Genuine Temporary Entrant risk profile.

(C) *Supporting our critical skills agenda*

The Discussion Paper suggests linking the national skills agenda to diversification. This recognises that domestic graduates alone will not meet Australia's urgent skills needs in key industries like engineering, technology, health and allied health.

Australia will need both short and long term solutions to these skills gaps in Australia's economy, invariably involving our international education system.

Universities, industry and the Government will need to work together to ensure easy to understand post-study work rights for international students, and to enable a user-friendly skilled migration system can be implemented. These initiatives will work together with any new, targeted and innovative pathways offered by universities to ensure these urgent skills gaps are met.

2. Clarify Australia’s foreign policy priorities so universities can align where appropriate

The work of Australia’s international education sector is dependent on our nation’s relationships with countries in our region. It is important that the purposes of Australian foreign policy priorities are communicated clearly to the sector by each agency working in the international education ecosystem.

3. Adopt the trade portfolio approach of “China plus focus” to recognise the predominant source of international students globally

The Government has advised exporters, in other forums and communications, to adopt a China plus strategy, which recognises the importance of China in addition to exploring new markets, particularly in recent years when geopolitical tensions have disrupted this market. This supports exporters to make their own assessments about the level of risk they are prepared to adopt for this market and the diversification profile that makes sense for their business.

The Discussion Paper illustrated how Australia’s main competitors - the United States, United Kingdom and Canada - all educate students from China. To be clear, both China and India, particularly with their population sizes, are the predominant sources of international students globally. Adopting a China plus strategy reflects this reality.

Section 4: Further analysis, observations and commentary

Australia’s international education sector has been successful over many decades. Students from the Asia Pacific region and across the globe choose Australia to pursue their education journey.

Given the significant departure from current policy, consideration needs to be given on meaningful implementation of market diversification and the consequences of getting this wrong, which could all too easily damage the sector’s competitiveness. The tenor suggested in the Discussion Paper is as much about commencing a dialogue with each university, as it is about changing sectoral behaviour.

Calling for diversification in international education is not new. It is useful though, to be clear about what problem we are trying to solve and to balance this with meaningful implementation. Tackling diversification through a student experience lens, as well as a sustainability lens or financial risk lens, will reveal different solutions.

The Discussion Paper assumes Australian universities are starting from a deficit model when dealing with diversification. ATN universities have placed diversification at the forefront of their international strategies, in recognition of the increase in risk of relying too heavily on one particular cohort of students or one particular market.

We need to be mindful about decisions that fall within the parameters of institutional autonomy. Universities are billion-dollar enterprises and governed by independent Boards. In this context, university Boards are the ultimate arbiter on the diversification profile universities should adopt.

When assessing an institution’s diversification, a whole of university approach needs to be adopted to include all areas in which they source international students. This will include on-shore, off-shore, transnational, online and research students.

A whole of university approach will account for bespoke courses that both target international audiences and Australia’s skills agenda.

Student choice should remain at the forefront of any changes made to Australia's successful international education sector. If international students are choosing to study at a specific Australian university, this choice should be the most important consideration and preserved, in the same way a domestic student choosing a particular Australian university would be the most important consideration.

ATN universities have long recognised that market diversification is an important issue requiring sober and thoughtful consideration. By embracing market diversification early and embedding it in our internationalisation strategies, it has set us up for success. The key is now to ensure that this work is enhanced and supported by any changes made at a national level.

ATN would caution against hasty implementation of market diversification. Given its importance, particularly for enhancing the resilience and robustness of Australia's international education, more consultation and more work needs to be done to ensure we are on the right trajectory.

Conclusion

ATN believes the policy ideas on market diversification in the *International Student Diversity and Australian Universities Discussion Paper* are important. It is clear though that the proposed policy remedies require further consideration and must involve all providers.

ATN calls on the Government to work closely with the entire sector, including all providers, state and territory governments, Federal Government agencies, to ensure these policy considerations are appropriately targeted.

Further enquiries should be addressed to:

Executive Director

Australian Technology Network of Universities

info@atn.edu.au