Dear Mr Knight,

The University of Sydney welcomes the opportunity to make a brief submission to your strategic review of Australia’s Student Visa Program. In doing so, we seek to support and complement the more detailed input provided by the Group of Eight (Go8).

The recent developments and trends in global and Australian international education, summarised so well in your Discussion Paper, provide a strong case supporting the need for:

- student visa policy certainty for current and prospective international students and education providers;
- policy competitiveness with key countries such as the US, UK and Canada;
- Australia to continue to attract and welcome talented and motivated people from all over the world to undertake studies and contribute to our economy where there is a need for their skills; and
- open and meaningful engagement with stakeholders about future changes to migration policy that are likely to impact on students, providers and other employers.

We are heartened by the fact that your Review has been commissioned jointly by Ministers Evans and Bowen, and that the first term of reference seeks your advice on the establishment of an effective partnership framework for the development and implementation future changes to student visa policies. This signals a welcome recognition by the Government that strengthening international education in Australia requires a whole of government and sector approach, which includes State governments and other key stakeholders.

The use of the phrase ‘international education sector’ in the terms of reference and throughout the Discussion Paper is of some concern to us. From the perspective of a university which has internationalisation at the core of its mission, it suggests a rather narrow view of international education as a set of activities that are somehow distinct and separable from the life of the University as a whole.
Since the mid 1980s, successive Australian governments have encouraged the expansion of international education by Australian universities through a combination of positive and negative policy and funding decisions. The sector has responded to these policy signals remarkably, but has done so mostly by welcoming and including international students into their normal programs, not through the creation of separate streams of activity.

Internationalisation is now simply fundamental to the University of Sydney’s mission of producing global citizens, as well as to its continued international competitiveness. From education and research, to alumni and community engagement, we seek to maximise opportunities for domestic students and staff to engage with colleagues outside of Australia. We also seek to ensure that staff and students who come to the University from overseas find an environment that is safe, welcoming, and which values the contribution that they make.

International students, and the tuition fees they pay, are now embedded as fundamental parts of most Australian universities. Indeed, as was recognised by both the Bradley and Cutler Reviews of 2008, many higher education providers now rely heavily on income from international students to support their research as well as overall teaching activities. Moreover, strong growth in revenues earned from international students has eased pressure on the Commonwealth to increase the level of public funding provided to support the core teaching and research activities of our universities.

Now that the nexus between certain studies in Australia and a pathway to permanent residency has (in our view rightly) been removed, the future attractiveness of Australia’s higher education sector to international students will depend largely on:

- the ability of providers to maintain the quality and value of their educational offerings;
- the quality of the students attracted to Australia;
- the quality of providers’ admission and assessment standards;
- the quality of the overall experience students and their families have while in Australia;
- the robustness and transparency of our regulatory and quality assurance arrangements; and
- the competitiveness of our migration policies and processes.

Noting that your terms of reference ask you to take ‘relevant reviews and inquiries’ into account, with a view to ‘enhancing the quality, integrity and competitiveness of the international education sector’, we urge you to engage with the broader issues that the Government is currently grappling with through its review of base funding for the higher education sector.
The Base Funding Review is linked integrally to your Review because its outcome will largely determine the capacity of Australia’s universities to improve quality and value for international students over the long term.¹ Our hope is that the Base Funding Review will enable the sector to transition to an operating environment where total funding available for educating domestic Commonwealth supported students reflects the realistic actual costs of providing each student with a quality education in his or her chosen field.

In the absence of such reforms to base funding, however, we hold grave fears about the capacity of the sector to sustain quality and reduce its reliance on international student fees to support core activities. The dilemma the sector faces is that unless the quality of the overall educational experience for all students can be sustained and ideally improved, international students will simply go elsewhere, thus compounding the funding challenges we face.

It is vital therefore that, notwithstanding the budgetary and other challenges the Government currently faces, a way can be found through the Base Funding Review to enable Australia’s universities to reinvest in quality over the next decade or more.

Together with the TEQSA reforms currently before Parliament, the recent reforms to the ESOS Act, the steps that are being taken through COAG to enhance the study experience of international students, and the Base Funding Review, your Review of student visas provides an important opportunity to contribute to the development of a coherent package of reforms to Australia’s post school education sector that is based around the pursuit of quality, integrity and value for money for both domestic and international students.

In addition to this contextual information, we have provided in the attachment our responses to a number of the questions in your Discussion Paper that are of particular interest to the University.

Yours sincerely

(Signature removed for electronic distribution)

Michael Spence

¹ The University’s submission the Base Funding Review is available at: http://sydney.edu.au/about/government/submissions_2011.shtml#BFR
University of Sydney, response to selected questions in the Review Discussion Paper

How should Assessment Levels be managed for students who enter to undertake a preliminary course prior to commencing their principal course? DP, Page 16

As the Discussion Paper notes, until recently, DIAC assessed packaged student visa applications on the highest level of study to be attempted. If a student required Foundation Studies in order to gain entry to a University of Sydney degree, then the student would be assessed based on the Country Level given to the Higher Education Award (573).

The changes made in 2010 have meant that students applying to do a Foundation Studies Program in order to gain entry to a degree program have been assessed at the Country Level given to VET Awards (575). For most countries, 575 visas are considered a higher risk by DIAC and, therefore, take longer to assess and grant.

We believe that this change has contributed to a 25% decrease in our Foundation Studies numbers, especially from Vietnam and PR China.

The University of Sydney strongly recommends that students accepted by universities through a Foundation pathway should be assessed at the Country Level given to the Higher Education Award.

Do overseas students have sufficient opportunities to work in Australia after graduation? DP, Page 16

What is the right length for a post-study work entitlement? DP, Page 16

Many graduates, who have no intention of seeking permanent residence in Australia, would, nonetheless, like the opportunity to gain working experience in their field of expertise in Australia before returning home. This would then give them a significant advantage in gaining suitable and high level employment on return to their home country.

The University of Sydney, therefore, recommends that graduates of Australian Higher Education Institutions should be allowed to work in Australia after graduation.

The length of the work visa would be relative to the length of the course undertaken, up to a total of three years. One year for a one year Masters, two years for a two year Masters, three years for an Undergraduate degree of three to five years, and three years for a PhD.

This will help us to remain competitive with our major competitor countries and, in particular, Canada, which already has implemented such work rights.

Furthermore, currently, DIAC grants a student visa for the length of the course, plus two months. If students want to stay on to attend their Graduation, which is often three to four months after the course end date, they have to apply for a visitor visa which requires the payment of a fee of $205 and, in some cases, additional documentation.
To overcome this additional burden on students the University of Sydney believes that the Review should recommend that DIAC grant a student visa for the duration of the course plus four months.

**Overseas students are currently required to demonstrate or declare that they have access to $18,000 in funds to contribute towards living costs for every year of intended study in Australia. Does this put Australia at a competitive disadvantage?** DP, Page 16

Currently, applicants from Level 4 countries must provide evidence of access to funds to cover three years of living and tuition costs while they are in Australia. In the case of the University of Sydney, this can be over $140,000. For students applying to longstanding quality higher education institutions, such as the University of Sydney, this is simply unnecessary and far more onerous than the financial requirements of all other competitor countries.

Evidence of one year of funds for tuition and living costs would be far more realistic and would be more in line with the requirements of our competitor countries. The currently extremely restrictive focus on the source of funds should be relaxed and changed to simple evidence that funds are available from almost any source to support the students’ tuition and living costs for one year.