

## Victorian TAFE Association

### Informing the development of a sector strategy for international education for the State of Victoria

This submission is made by the Victorian TAFE Association (VTA). The VTA is the peak body for Victoria's public vocational education and training (VET) providers. VTA members include four dual sector Universities and twelve stand-alone public TAFE Institutes. Services provided by VTA to members include public policy advocacy, workforce relations advice, education projects, research, government liaison and representation, and professional development.

VTA members offer a diverse range of programs and services supporting international education, including secondary school programs, vocational education and training, English language and higher education courses, often on behalf of governments and/or industry. Delivery is both onshore and - increasingly - through offshore partnerships. While higher education is becoming a growing feature of our members' offerings, this submission will focus primarily on the provision of vocational education and training (VET).

The VTA welcomes the opportunity to respond to the discussion paper 'Victoria's future industries. International Education' (the discussion paper). The scope of VTA activities includes a long term role in public policy in international education within the State of Victoria and nationally. As such, the Association is well placed to respond to the paper. VTA members may make submissions individually on matters of particular interest to them in the discussion paper 'Victoria's future industries. International Education.'

#### Introduction

VTA agrees wholeheartedly with the discussion paper when it states, "Victoria's position in international education cannot be taken for granted. International education is a highly dynamic market with fast changing consumer preferences. Victoria's approach to international education must continue to evolve" (page 4). It is pleasing to see an acknowledgement of a more contemporary definition of international education: one that incorporates a suite of onshore and transnational education and training experiences for international students and recognises the growing demand by Victorian students for an international experience as part of their learning program.

The Victorian Government has identified international education as one of six sectors positioned to contribute substantially to the State's growth. International VET has the potential to be a 'touch point' to and an enabler for each of the other five priority industry sectors: medical technology and pharmaceuticals; new energy technology; food and fibre; transport defence and construction technology; and professional services. By its very nature, VET builds the skills and knowledge graduates need to enter employment. Those international students who are motivated to study in Australia with the hope of permanent residency, can add to the talent pool of the Victorian workforce.

#### Export Value

The discussion paper notes that the export value generated by goods and services per enrolment for the VET sub-sector is much lower than for higher education or schools. It is also interesting to note

the relativities between the tuition fees of the various education sub-sectors. This discussion paper presents an opportunity to review these items and develop strategies to maximise export earnings.

The policies and regulations most cited by TAFE providers as restricting their export potential are:

- Visa regulations (eg: price competitiveness)
- Policies that act to reduce the relative price-competitiveness of Victoria as a study destination (eg: transport costs)
- Qualifications designed for domestic purposes that impede program development innovation locally but - more importantly – offshore.

The VTA can contribute to Victoria’s consideration of two critical questions regarding international education export value:

1. What strategic actions can be taken to provide the circumstances whereby onshore VET international students will spend more per head on goods and services? and
2. How can research into the specific spending patterns of international VET students (compared to higher education students) identify initiatives to increase the export value in this sector?

## Future Opportunities

The discussion paper projects global growth in tertiary students enrolled outside their country of citizenship to seven million in the 2020s. Globally, VET/ TVET is not as well known or understood as higher education. The language of ‘degree’ is generally understood and seen as an aspirational goal. Australia’s VET qualifications using the language of Diplomas and Certificates are less well understood and may be perceived as – or actually - less valuable internationally. As governments in Asia, the Middle East and South America recognise the vital role of a skilled workforce in their own economic development, it is logical to expect that proportionally VET student numbers will rise.

Victoria has been an early mover in international education but cannot be complacent and rest on its laurels. Positioning through the Study Melbourne brand is increasingly being challenged by other states (StudyNSW and StudyQueensland). In recent years there has been much debate about the choice of ‘Study Melbourne’ rather than ‘Study Victoria’. Research commissioned in 2004 indicated the Melbourne is better understood as a destination than Victoria<sup>1</sup> and very little onshore international education occurred in regional Victoria. The research also suggested that international students considering ‘Study Victoria’ may imagine their destination would be in Canada. At the time the agreed approach was to market, ‘Study Melbourne’. With increasing competition from other Australian states and territories for international students, growing demand from regional TAFE providers for a brand that will generate leads to non-metropolitan settings, and rising competition from traditional source countries within Asia for international students, it may be appropriate to revisit the branding in Victoria.

Victoria needs a consolidated, multi-sectoral strategy to maximise its portion of the growing number of students looking to study outside their home country. Common sense suggests Australia’s success in the highly contested international education market will be best served through internal collaborations and partnerships. As noted in the discussion paper, opportunities can exceed delivery capacity and breadth of even the largest education provider. Victoria must coordinate and lead collaborative effort between providers over a longer period, beyond election cycles, to establish the

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<sup>1</sup> PhillipsKPA, Report to the ‘Positioning Victoria’ Working Party, Revised Draft, November 2004

local and international relationships necessary to ensure Victoria's place in the international education market.

VTA members support the role of Government in facilitating linkages, especially in new markets and in markets with centralised decision-making and/or planned economies. Public providers also see a valuable role for government in connecting them to companies with offshore operations, especially Australian companies that may have local (offshore) training needs. In a federated model such as we have in Australia, there are additional challenges to co-ordinate the effort to secure international education opportunities against our major competitors such as Germany, UK and USA. VTA and its members encourage the Victorian and Australian governments to identify and facilitate introductions between our VET institutions and the governments of other nations to provide secure transnational education and training opportunities.

The Victorian Government has commissioned two reviews into VET quality and delivery, s that should positively impact on international education in Victoria. The Review of VET Quality and the VET Funding Review focus attention on high quality VET training and assessment. The VET Funding Review issues paper invites comments on proposed initiatives to quality assure VET training and assessment in Victoria including online learning protocols, a classification system for Victorian VET providers in receipt of government subsidies and improved access criteria for domestic students. VTA has consistently advocated that for Victoria's public providers of international VET to be competitive in international education they must be able to present, with absolute confidence to the world:

- as meeting benchmarks for excellence in training and assessment,
- a picture of having a solid financial footing,
- a degree of stability in offerings and
- the full breadth and depth of services to students.

If public providers of international education cannot be competitive in the domestic market, their competitiveness in international markets will be compromised. The Australian and Victorian governments must be mindful of the impact of domestic policy on international education enrolments in Australia. Changes to governments' domestic VET funding policies to manage government expenditure can impact on the scope of offerings of public providers. We have seen in Victoria a rationalisation of domestic high quality course offerings where courses are not viable due to reduced government subsidies and an unwillingness of the students to pay higher fees for VET qualifications. Many of these courses have been popular with international students where the delivery methodology includes classes with both domestic and international students. Rationalisation of courses for domestic students limits opportunities for international students in those courses and impacts on the public providers' contribution to the international education market. Prospective international students, their parents and agents are able to access news of the Australian VET system. Australia needs to be communicating an impression of stability and certainty in its VET system.

Strategic priorities for the Victorian Government to capture future opportunities include:

- the strategic directions of VET international education in Victoria are cognisant of the outcomes of the VET Funding Review and Review of VET Quality, and vice versa;
- facilitation of co-operation and collaboration between education providers and sectors to win a greater share of the international education export market;
- maintaining a strong line of sight to trends in student mobility;
- continuing to target investment in the global network of Education Student Managers;

- engagement in ‘soft diplomacy’ to secure long-term global education partnerships (for example, as the automotive manufacturing industry exits Victoria, identifying and securing future manufacturing bases);
- building the capacity for Victorian public TAFE providers to compete within cost-effective, digital learning products against other esteemed educational institutions;
- explicit endorsement of Victorian public VET providers to offshore industry;
- creation of a network of industry and educators specialising in the five priority industries identified for future growth: medical technology and pharmaceuticals; new energy technology, food and fibre; transport defence and construction technology; and professional services; to champion Victoria’s VET sector offshore;
- articulating processes for industry to input and advise the Victorian International Education Ministerial Advisory Roundtable; and
- provision of incentives to students enrolling in the other five industry priority areas through scholarships, recognising and encouraging industry in-kind contributions through internships and advocacy to the Commonwealth regarding improved migration options for these students.

## Pathways for international students ELICOS – VET – Higher Education

VTA agrees that a strong high-quality education and research system is fundamental to maintaining Victoria’s international reputation. School education performance in literacy, problem solving and STEM acts as an attractor to international students. While there may be no international comparisons that benchmark VET systems, VET should not be overlooked as a place for strategic action by the Victorian Government to improve access to literacy, language and numeracy in VET programs for the many international students that choose a pathway into the Australian education system via VET. Australia’s schools and tertiary institutions all need to be recognised as providing the literacy and numeracy competencies for future work or education pathways.

## International Education Action Plan for Regional Victoria

Regional Victoria aspires to host large numbers of international students. VTA members contend that the Study Melbourne brand has not helped in creating an awareness of the training options and opportunities in regional Victoria. As mentioned earlier, the current discussion is a catalyst to review whether ‘Study Melbourne’ remains the best brand choice for Victoria. Victoria’s regional and rural TAFE institutes can offer student learning experiences that are highly tailored to the individual and with niche industry connectivity (eg: clean energy, forestry, agriculture, water, power generation) that should be widely celebrated.

Consolidated strategies to increase enrolments of international students can benefit all sectors of regional Victoria and firm up pathways between schools, TAFEs and Universities. For example, existing, co-located TAFE and University relationships already exist in regional Victoria: Latrobe University with Wodonga TAFE, GOTAFE, Bendigo Kangan Institute and Sunraysia TAFE; Deakin University with Gordon TAFE and South West TAFE; and Federation University and Federation Training in Gippsland.

Strategic priorities for the Victorian Government to support international education in regional and rural Victoria include:

- Review of branding/complementary branding for rural and regional settings
- Funding pool for collaboration between rural/regional TAFE providers to grow international student enrolments

- Incentives for targeted TAFE – Higher Education pathways in regional settings for international students
- Scholarships for student choosing school – VET pathways in regional Victoria

## Student Experience

In the context of the VET sector, a positive student experience includes opportunities for international students to learn in an environment that merges domestic and international students. For the international student, an immersion into the Australian culture is facilitated by building friendships and connections with locals, while local students can gain an international perspective by studying alongside foreign classmates. VTA endorses the importance of ensuring a positive and rewarding student experience. The discussion paper targets areas for inclusion that have been priorities among our members including:

- identifying work experience opportunities;
- improving English language proficiency;
- improving access to public transport and health services;
- improving access to suitable and affordable accommodation; and
- increasing community engagement.

VTA encourages continued support for the Study Melbourne Centre and encourages the Victorian Government to identify the critical mass needed to expand the service in other settings – both virtual and physical.

## Intersect between Australian Government and State Government policy

In relation to maintaining competitive visas and strong consumer protections, VTA invites deeper consideration of the policy impacts of decisions in this area. VTA supports a continuous improvement approach to the quality of the educational and living experiences for international students. Of critical importance to VTA members is access to streamlined visa processing (SVP). There are inequities in the current arrangements for selecting providers to access where large, experienced, respected public providers of international education in Victoria have not been able to access SVP. The national system also discriminates against the different governance arrangements between state and territories, so for example whereby one entity (eg: TAFENSW) can gain access to SVP for multiple TAFE institutes under one umbrella application, the same option cannot be provided for Victoria. The outcome has been to create a non-competitive environment for Victorian TAFE providers. The SVP is being viewed by prospective students, rightly or wrongly, as an indicator of quality and sustainability.

The VTA encourages and supports the Victorian Government to advocate on behalf of Victorian TAFE Institutes in relation to:

- Commonwealth visa regulations, charges and processes. In particular further reform of streamlined visa processing (SVP) to ensure the system is sustainable and features equitable and fair access;
- agreed benchmarking between Australian Government, State and Territories including consultation with key stakeholders in international education;
- transparent, free data access for stakeholders planning engagement in international education;
- reduction of red tape without compromising quality outcomes in offshore and onshore international education;

- creating an interdepartmental taskforce (Department of Education, Department of Trade and Department of Immigration and Border Protection) to ensure Australia’s student visa program does not inhibit competition between CRICOS providers;
- establishment of a national plan in conjunction with peak bodies, for offshore market development activities; and
- auditing any proposed changes to regulations for their impact in the international business of providers and thereby the export performance of Victoria.

## Conclusion

What value proposition will an International Education Action Plan support? In 2004 the PhillipsKPA report to the Positioning Victoria Working Party identified three key elements of the value proposition for Victoria as a study destination. Victoria is a clever, cultured and caring study destination. These three elements still ring true in 2015.

“Clever: would be substantiated by the diversity of quality programs and globally portable qualifications underpinned by robust quality assurance .

Cultured: would be substantiated by the offer of access to business opportunity and experience, the experience of high and popular creative culture, sport, lifestyle and Victoria’s multicultural population.

Caring: would be substantiated by evidence of Victorian community and provider commitment to creating a welcoming, safe and secure environment.”<sup>2</sup>

VTA proposes in the current context to add ‘connected’. Victoria as a study destination and in the provision of education transnationally is attractive because it is **clever, cultured, caring** and **connected**. ‘Connected’ would be substantiated by: smooth and established relationships between education providers and sectors; quality assured digital learning and assessment; sophisticated systems and processes to connect to students globally; and strong industry and government partnerships onshore and offshore.

VTA looks forward to working with the Government of Victoria to ensure the key elements of the value proposition are maintained.

## Key contact

Andrew Williamson,  
Executive Director, VTA  
(awilliamson@vta.vic.edu.au)  
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<sup>2</sup> Ibid page 8