



**SUBMISSION BY THE AUSTRALIA INDIA BUSINESS COUNCIL  
(VICTORIAN STATE CHAPTER) TO THE SENATE STANDING  
COMMITTEE ON EDUCATION, EMPLOYMENT AND WORKPLACE  
RELATIONS INQUIRY INTO THE WELFARE OF INTERNATIONAL  
STUDENTS**

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## **Introduction**

The Australia India Business Council (Victorian State Chapter) welcomes the opportunity to make a submission to this important inquiry and wishes to congratulate the Senate Standing Committee on this initiative.

The Australia India Business Council (**AIBC**) is a national not for profit business association that exclusively promotes, develops and maintains bilateral trade and business relationships between Australia and India. The only one of its kind in Australia, it is the conduit through which exporters and investors from both countries can make connections and leverage opportunities.

The AIBC operates principally through events staged by its Industry Chapters and by larger scale events.

The Industry Chapters, which give focus to specific industry sectors that provide or have the potential to provide significant bilateral business opportunities, are:

- Information and Communications Technologies;
- Film, Arts, Media and Entertainment (FAME);
- Resources and Infrastructure;
- Banking, Insurance and Financial Services;
- Education and Research;
- Travel, Tourism and Hospitality;
- Merchandising and Retail; and
- Food and Beverage.

Education is a particular focus of the AIBC, given the numbers of Indian students who come to Australia to study and gain degrees that will either enable them to return home with better skills or to integrate into Australian society.

The Victorian State Chapter of the AIBC is at the sharp edge of education issues as there is a preponderance of Indian students in Victoria that has been contributed to by the Victorian Government's keenness to have a thriving international 'education industry' in Victoria.

While the AIBC is concerned about the welfare of **all** international students, its insights and direct knowledge is confined to Indian students and this submission will be tailored accordingly.

## **The Immediate Problem**

The recent focus on the situation of Indian students in Australia was caused by several apparently random violent attacks on Indian students, some of whom were going home after long shifts at work.

There is no doubt these events were played up in the Indian media however the net result was that Australia's reputation as a tolerant, welcoming and peaceful country was damaged and this may take some time to repair. Moreover, there may also be significant collateral damage to Australia's education industry that will need to be repaired.

This Committee will no doubt be aware of the many high level delegations that have already travelled from Australia to India to reassure Government, diplomatic and business representatives there that the situation is being addressed and is in hand.

## **Some Causes of the Problem**

We have seen some of the submissions made to this Committee (as displayed on the Committee's website), that provide useful statistics about student numbers, visas granted, employment conditions and the like. We will not repeat those statistics in this submission.

We do, however, make these (non exclusive) observations that we consider highlight how the problem has developed:

- prospective students in India were misled by commission agents in India about the cost of living in Australia, job prospects, nature of the colleges and campuses they would be attending and the basics of Australia's permanent residency visa system;
- there is anecdotal evidence of potential fraud in relation to substitution of prospective students by other for IELTS testing;
- inadequate work was done at the India end to understand the type of student that was coming to Australia and the financial and societal pressures they would be under to pay for their studies and to perform to expectations back home;
- inadequate work was done at the India end to assess the qualities and competence of local migration agents;
- the visa system (now changed) encouraged students to look for any course as a stepping stone for obtaining permanent residence;
- the growth of vocational colleges that catered specifically for such students without adequate regulation (the collapse of some of these colleges and the failure to perform of several others is well known);
- the lack of an adequate plan for housing students at an affordable rate (cramped living conditions are also well known);
- the honouring in the breach of the prohibition against working more than 20 hours per week;
- inadequate pre-departure awareness of safety issues; and
- the lack of cohesive (if not any) social programs to ensure these students were welcomed into and educated about Australian society to make their stay here easier.

There are, of course, other problems such as the lack of staff at train stations and insufficient Police numbers in the right suburbs that add to the overall mix of problems.

## **The Problem is Ongoing**

Despite recent changes to the visa rules and the Review of Education Services for Overseas Students recently announced by Education Minister Julia Gillard, the issues concerning Indian students are on going ones.

Ms Laura Tingle of the Australian Financial Review in her weekly *Canberra Observed* column of Friday 14 August 2009 summed up the situation:

*"Late last year, the government recast the permanent residency visa system to give priority back to university graduates and the professions. But that has not really solved the*

*problem – or should we say multitude of problems – that the international education bubble has left in its wake.*

*The momentum of students in the pipeline, particularly from India, is such that, despite the fact there is no longer any certainty that a hairdressing course could get you permanent residency, there has been little let-up in the numbers applying to come here.”*

## **Addressing the Problem**

We believe that any plan to tackle the welfare of overseas students must be multi faceted and not be the concern of just the Department of Education, Employment and Workforce but many Departments including the Department of Foreign Affairs and Trade and the Department of Immigration and Citizenship.

Issues concerning overseas students studying in Australia are of a cultural, political, societal, educational and business nature. One cannot be separated from the other.

## **Action being taken by the AIBC**

The AIBC is concerned about the effect on business relations between Australia and India the Indian student problem has had and continues to have; disheartened students, disaffected parents and disgruntled politicians is a heady mix to deal with when trying to promote Australian interests. The growing economic importance of India and the potential that has for Australia needs no discussion.

The AIBC, not being a political or special interest group organisation, is not in a position to advocate for particular Government policies or changes to policies other than the general observations made in this submission.

However, the AIBC places a great deal of importance on the need to build cross cultural understanding and friendship for Indian students in Australia. If Indian students leave Australia with positive experiences of their stay here, this can only benefit business relations between the countries in the long term.

Australians and Indians love their sport. The AIBC strongly believes that sport is the perfect conduit through which bridges between the Australian and Indian cultures can be built. Cricket is clearly the obvious but not only choice; there is a role to play for Australian Rules Football, Rugby League, hockey and soccer.

The AIBC is moving to implement a Friendship Program that will pick up many of these themes. It may assist the Committee if we outline the framework of the Friendship Program.

## **The Friendship Program**

### *Networking and Information Website*

*Friendship* is an interactive website for a “buddy system” for visiting students. The website will accommodate groups and organisations and invite international students to join these groups – maybe at their time of enrolment. It will match the interests of international students and local “friendship” groups. The site will include discussions, cultural and employment information and news.

The basis of the site is that all potential target groups have large membership databases. And that most Australians are warm and very welcoming to visitors. We, therefore, propose to seek an endorsement from all target groups that they will market the “buddy system” to their members. For them, they are making an invaluable social contribution

with potential “spin off” effects of generating leads into India (both via the website and through their Indian buddy, many of whom have good family contacts back in India).

For the Indian students, the online networking means they have an “Australian family” that they can call on whenever required and through this association, learn how to better integrate into Australian society. There is no great obligation on the Australian family – they may go to a few games of football with their Indian buddy, invite them over for a BBQ, help them with any information they need, but above all be a local point of contact that they can “learn” from.

One of the most significant problems faced by students is that they have no option but to take up jobs involving late hour shifts that put them at risk when coming home using public transport. Further, many employers exploit students by paying them under award wages, for instance, many car washes only pay students \$5-7/hour for 8 hour days. The “buddy system” will allow businesses to register to employ a student – if students are given the opportunity to find jobs in mainstream society then it makes it much easier for them to integrate into society and may improve their safety.

To sustain the program for the long term, Indian students and others will be invited to join the website for a small fee – which we would encourage the host educational institution to pay. In addition, the website will seek sponsorships. It is in the interest of the educational institution to support the program since a “happy” student will recommend other students to come here and then there is a cascading effect.

#### *The Gandhi Oration*

The Gandhi Oration would be an annual forum on the meaning of living in friendship and in diverse communities - with a leading global speaker on friendship across cultures. We would seek to involve all educational institutions, plus have a component for High Schools. With media backing, we could invite the best student essays on the topic as a lead-up to the event. The speaker would need to be an outstanding and well-known individual. We believe the first Oration should be by an Indian political leader of significance – for example, Sonia Gandhi, Rahul Gandhi, or Prime Minister Manmohan Singh.

There is a tremendous opportunity in December this year. Melbourne is staging the World Parliament of Religions; Sri Sri Ravi Shankar from the Art of Living Foundation or Satguru Jagi Vasudev from the Isha Yoga Foundation who are both great ambassadors of peace around the world may be visiting Melbourne and if this can be confirmed, inviting them to a Victorian Government event of this type would be very symbolic.

#### *Understanding Cultural Differences*

“Friendship” would include information materials and education programs (including online, DVD, print and other material) which highlight aspects of Australian culture, many of which are not understood by international students. The program will also focus on the culture of India, and longer term could be extended to other cultures. We would consider any possible extension of this program into schools.

#### *Celebrating Diversity*

Celebrating Diversity is a Friendship concept to extend the successful Diwali Festival which is held in Federation Square to educational institutions and to schools. Target groups (above) would be invited to contribute ideas, events and activities under the “Celebrating Diversity” umbrella.

### *Community Initiatives*

The AIBC has been in active discussions with the AFL about engaging with the Indian community. This could include Indian companies sponsoring students to participate in local AFL competitions, allocating seats at select matches during the season for international students, open days at clubs where Indian food stalls are made available and Indian students encouraged attending & supporting businesses who in turn support students. This initiative can also be extended to cricket and other sports. We would also like to extend this to the broader community – thus providing a central focus for those with creative ideas and resources to make the Australian experience a rich and positive one for all Indian students.

### *Diwali and India Week*

We would like to think the range of events could be combined into an “India Week” (though we would want to hold the timing of the “Gandhi Oration” for whenever we can secure the best speaker). “India Week” may only begin in 2010, however, it could culminate with the Diwali celebrations at Federation Square. On this issue, the current Diwali celebrations in Melbourne are supported by the Victorian Government through the Victorian Multicultural Affairs Commission to the tune of \$25,000 – last year the Premier attended and spoke at the event. The City of Melbourne also contributes a similar amount. However, the event costs about \$100,000 to stage and with corporate support negligible in 2009, we are under pressure to raise funds for the event to continue. The importance of Diwali in 2009 is amplified this year because of the student issues and we request that the Victorian Government increase their support for this event which is to be held on 10 October at Federation Square.

The AIBC believes the Government should foster and financially support these types of cultural and friendship initiatives and events as an adjunct to Government policy. Adequate funding is a necessity if the Friendship website and ‘buddy’ portal is to become a necessity.

The AIBC also believes the Government should consider directing educational institutions to register all international students on the portal (for a fee) in order for the portal to gain immediate credibility and utility.