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EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS
REFERENCES COMMITTEE

Reference: Welfare of international students

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SENATE EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS

REFERENCES COMMITTEE

Tuesday, 1 September 2009

Members: Senator Humphries (*Chair*), Senator Marshall (*Deputy Chair*), Senators Back, Cash, Collins and Hanson-Young

Participating members: Senators Abetz, Adams, Barnett, Bernardi, Bilyk, Birmingham, Bishop, Boswell, Boyce, Brandis, Bob Brown, Carol Brown, Bushby, Cameron, Colbeck, Coonan, Cormann, Crossin, Eggleston, Farrell, Feeney, Ferguson, Fielding, Fierravanti-Wells, Fifield, Fisher, Forshaw, Furner, Hanson-Young, Heffernan, Hurley, Hutchins, Johnston, Joyce, Kroger, Ludlam, Lundy, Macdonald, McEwen, McGauran, McLucas, Milne, Minchin, Moore, Nash, O'Brien, Parry, Payne, Polley, Pratt, Ronaldson, Ryan, Scullion, Siewert, Sterle, Troeth, Trood, Williams, Wortley and Xenophon

Senators in attendance: Senators Back, Bilyk, Cash, Collins, Fisher, Hanson-Young and Marshall

Terms of reference for the inquiry:

To inquire into and report on:

- (a) the roles and responsibilities of education providers, migration and education agents, state and federal governments, and relevant departments and embassies, in ensuring the quality and adequacy in information, advice, service delivery and support, with particular reference to:
 - (i) student safety,
 - (ii) adequate and affordable accommodation,
 - (iii) social inclusion,
 - (iv) student visa requirements,
 - (v) adequate international student supports and advocacy,
 - (vi) employment rights and protections from exploitation, and
 - (vii) appropriate pathways to permanency;
- (b) the identification of quality benchmarks and controls for service, advice and support for international students studying at an Australian education institution; and
- (c) any other related matters.

WITNESSES

BARROW, Mr David Howard, President, National Union of Students	31
CHAU, Ms Wesa, Honorary President, Australian Federation of International Students	48
DODD, Mr Tim, Manager, External Relations, IDP Education Pty Ltd	10
FALLON, Dr Felicity, President, ISANA International Education Association Inc.	54
FREELAND, Mr Warwick, General Manager, Strategy and Business Development, IDP Education Pty Ltd	10
HUANG, Ms Dongping, International Student Officer, Council of Australian Postgraduate Associations.....	2
LAURENCE, Councillor Tim Singh, Councillor, City of Darebin; and member of the Federation of Indian Students of Australia.....	24
MACKENZIE, Mr Bruce, Chief Executive, Holmesglen Institute of TAFE; and Member, TAFE Directors Australia.....	16
MENGHANI, Mr Amit, President, Federation of Indian Students of Australia	24
PALMER, Mr Nigel, National President, Council of Australian Postgraduate Associations	2
PECHENKINA, Ms Ekaterina, Project Officer, Organisational Development and Research, Council of Australian Postgraduate Associations	2
QUIRK, Mr Steve, Manager, International Engagement, Australian Council for Private Education and Training.....	39
RIORDAN, Mr Martin, Chief Executive Officer, TAFE Directors Australia.....	16
SHAH, Mr Anwar, International Student Officer, Council of Australian Postgraduate Associations.....	2
SIMMONS, Ms Virginia, Director and Chief Executive Officer, Chisholm Institute of TAFE; and Board Member, TAFE Directors Australia.....	16
SINGH, Mr Robby, National Executive Officer, Australian Federation of International Students	48
SMITH, Mr Andrew, Chief Executive Officer, Australian Council for Private Education and Training.....	39
SMITH, Ms Desma Stephanie, Council Ex-Officio Member and Chair, Study Abroad and Exchange Special Interest Group, ISANA International Education Association Inc.	54
SMITH, Mrs Sharon Margaret, Research Officer, National Union of Students.....	31
TSOI, Mr Douglas, National Executive Officer, Australian Federation of International Students	48
WELCH, Mr Russell, Chair, International Education Committee, Australian Council for Private Education and Training.....	39

Committee met at 9.05 am

ACTING CHAIR (Senator Marshall)—On 17 June 2009 the Senate referred to this committee an inquiry into the welfare of international students, for report to the Senate by 16 November 2009. This inquiry was sparked by attacks on Indian students in the suburbs of Melbourne and Sydney. Since then, however, a whole range of matters have arisen, which has drawn public attention to the deficiencies in the provision of education for foreign students, especially in the matter of the quality of courses run by registered training organisations in the VET sector. The committee is also interested in the employment practices and experiences of students and their liability to exploitation and in matters touching on visa formalities and rights to permanent residency. The committee thanks the many organisations and individuals who have made submissions, many of whom we will hear from over the three days of hearings that have been scheduled for this inquiry.

Witnesses appearing before the committee are protected by parliamentary privilege. This gives them special rights and immunities, because people must be able to give evidence to committees without prejudice to themselves. Any act which disadvantages a witness as a result of evidence given before the Senate or any of its committees may be regarded as a breach of privilege.

[9.06 am]

HUANG, Ms Dongping, International Student Officer, Council of Australian Postgraduate Associations

PALMER, Mr Nigel, National President, Council of Australian Postgraduate Associations

PECHENKINA, Ms Ekaterina, Project Officer, Organisational Development and Research, Council of Australian Postgraduate Associations

SHAH, Mr Anwar, International Student Officer, Council of Australian Postgraduate Associations

ACTING CHAIR—Welcome. Do you have any comments to make on the capacity in which you appear?

Ms Huang—I am also the President of the La Trobe University Postgraduate Association.

Mr Shah—I am also the International Students Officer of the Graduate Student Association of the University of Melbourne.

ACTING CHAIR—We have received your submission. Do you have any additions or alterations to make?

Mr Palmer—Not at this stage.

ACTING CHAIR—I invite you to make some opening remarks to the committee.

Mr Palmer—It is a pleasure to appear before this committee again. Each of us has been an international student in our own way. Sally Dongping Huang is an international student from China who is doing postgraduate coursework study at La Trobe University. Anwar Shah is from Pakistan as a research postgraduate. My colleague Ekaterina Pechenkina has much experience in international student issues and has been an international student. I have been an education abroad program student in the United States. I am sure between all of us with our broad range of experience we should be able to field the committee's questions.

The central thesis of our submission is that in the last 10 years Australia has enjoyed significant growth and significant benefits in the export of education internationally. Our contention is that, if we are to continue to enjoy an internationally competitive market, as it were, for international education, we need to perhaps consider moving beyond simply a commodity style approach to exporting education and regard the Australian education system as more of an asset which we would share with students internationally and seriously consider investing in that asset to ensure its long-term sustainability. That is the central point of our submission and I am happy to speak to the detail.

ACTING CHAIR—Thank you. Does anyone else wish to contribute at this point, or shall we move straight to questions?

Mr Palmer—We are happy to move to questions, thanks.

Senator BACK—Thank you very much for the thoroughness of the submission. Any submission that has 52 recommendations contained within it makes me think that we perhaps do not need to proceed further beyond it. Obviously, the emphasis in your case is with postgraduate studies rather than undergraduate, so I would like to focus my questions there. If you read the preambles you would get the impression that there is an absolute crisis. What is the sense of satisfaction or dissatisfaction by international students who are studying at the postgraduate level? I ask the question because I get the sense that for a lot of younger students Australia is a new country. I, like you four, also have the experience of being an international student. What is the sense across the board for postgraduate students? What is the satisfaction with the quality of the courses et cetera?

Ms Huang—Thank you very much for the question. I will start from the dissatisfaction point of view. We found that we do not get access to public transport concession cards, especially in New South Wales and Victoria. This is one point. The other one is the safety of the students. I attended some focus groups. The feedback I got is that they are not satisfied with the security here.

Senator BACK—I ask you about satisfaction with the quality of the programs, though, whether they be by coursework or by thesis. I am trying to get at the satisfaction or otherwise of yourself and your colleagues with the quality of the program that people go home with.

Ms Huang—You mean about the educational qualification?

Senator BACK—Yes.

Ms Huang—I am a coursework student. Half of my classmates are part-time students, so most of the course happens after office hours. By that time—5 pm to 8 pm—a lot of student service support has shut down, so

they find that the student support service is not that supportive or accessible at that time. Also, some of them are not very satisfied due to the special needs of international postgraduate students.

Senator BACK—Of those whom you speak to, would they in hindsight perhaps have preferred to make a decision to go to American universities or British universities in contrast to Australian universities? I do not think I have yet got to the nub of my question.

Mr Shah—Thank you for the question. I would like to add my personal experience. I am from Pakistan, and back in my country I am a lecturer in one of the universities. The perception back in my country regarding higher education, particularly the PhD—I am doing a PhD—is that the first preference for environment is a US university. The second is the UK and the third one is Australia. What is the reason? Maybe most of the people teaching in Pakistan went to either the UK or the US. So the teacher conveys that message to the students. When we were students we were told by the teachers that they got their PhDs from the US and the UK, so we had in mind that they had good institutions.

I will talk about Pakistan. I applied to the US and to Australia. I applied to two universities in Australia: ANU and Melbourne. I applied to one average kind in America: Arkansas State University. One of my colleagues that I came across said to me, ‘It is better for you to go to Australia.’ I asked him why. He told me that after 9-11 there is a kind of bias against Muslims in America as compared to Australia. To be honest, that was a small remark but it changed my whole focus. I concentrated more on Australia. I was rejected by ANU but I got admitted to Melbourne and got sponsorship from my country. I was lucky to get sponsorship. Without sponsorship I could not come and bear the costs.

I would just like to add some points on satisfaction and dissatisfaction. I faced a lot of problems in getting a visa. The website of the immigration department and the Australian High Commission in Pakistan it said that in eight to 12 weeks you would be given a visa. I was a lecturer in Islamabad, the capital city of Pakistan. I had full sponsorship—tuition fees, book allowance, each and every thing. I applied in September or October and I was supposed to get the visa by December, according to the rules on their website. What happened was that it was postponed and postponed. To avoid these delays, I applied through an agent and paid him the extra cost of \$6,000.

Senator BACK—An agent in Pakistan or an agent here in Australia?

Mr Shah—In Pakistan, just to avoid the delays and to make sure that I had submitted all the documents. So what happened? They did not give me the visa until 13 March, and by 27 February here the classes start. When I arrived—

Senator BACK—You were already at a disadvantage, yes.

Mr Shah—I missed two weeks. And this did not happen only with me. This was very big. You know what was the perception? One of the people said to me—and this was a clean-shaven guy—that maybe I was not getting the visa because I had a beard. You can imagine this kind of perception. Others said, ‘You may not be getting one because you are from near Peshawar.’ Things like that are not realistic, but the perception continues. I was not a common student; I was a lecturer with four years experience. So I think there is a gap in this immigration department. When I arrived late I missed orientation. Because of that I could not get the required marks in my course work and still I am facing the problem of late arrival.

ACTING CHAIR—Can we just explore that a little more. Was an explanation finally given about the delay with the visa?

Mr Shah—This is why one is irritated. You cannot contact the high commission. They will not speak to you. I contacted an ex-student from that uni who was working there. He gave me some help and told me where to send an email. One of my cousins was in the army. I asked him to do something—not to do me a favour but just to make a request, basically because I could not approach them—to expedite my file because if I had been given the visa one day late, I would have been messed up because my deadline was 14 March.

ACTING CHAIR—I understand that. So there was no explanation.

Mr Shah—No.

ACTING CHAIR—Did you ask for an explanation?

Mr Shah—Yes. They said ‘You haven’t got clearance.’ But we do not know what is clearance, that was not clear.

ACTING CHAIR—It maybe worth while for us to ask the department using this particular case as an example to get an explanation. We may talk to you about that after your evidence. The other thing is about the actual immigration agent. You said 6,000—is that Australian dollars?

Mr Shah—No. It is Pakistani. They are now charging 10,000.

ACTING CHAIR—What is the Australian equivalent?

Mr Shah—It is \$110. Nowadays it is 10,000 so it is \$150, I think.

ACTING CHAIR—Okay. The purpose of getting that, just so I am clear, was to verify your documentation to make sure that it had been filled in correctly and was not just sitting on someone's desk because there was an unanswered question.

Mr Shah—Yes. It was just to facilitate.

ACTING CHAIR—The immigration agents in Pakistan did have a link directly into the high commission to look at those documents, where you as the applicant could not?

Mr Shah—No, he also could not do anything. He was just for the facilitation and then he sent the documents. When I called him to ask him if he could do anything, he said, 'No, they are saying that you did not get clearance.' When this misperception started as to why they are not giving me clearance they said, 'You haven't been cleared by Canberra.' I asked what Canberra had to do with me because I had not been to Australia. I was in Pakistan and I had not been to Australia before. The other thing was that I missed my timing with America, so this was my last chance. I was making this effort for the last three years. To be honest I do not know whether they expedited it because of my repeated email requests or because of my cousin who was in the army. I do not know what happened.

Senator CASH—Thank you for your submission here today. Could I take you to the automatic deportation on breach of visa conditions and the impact that the 20-hour working week has on that. Do you have any comments as to whether or not the 20-hour working week restriction should be lifted?

Ms Pechenkina—As you can see from our submission we did a lot of research into that and we actually have a lot of feedback from our students as to how this is affecting them. The limitation on work hours has been the reason for a lot of the exploitation that happens to students in the workplace and it happens because employers have this power over students because they can report them if they work extra hours. If there was no limit, students could choose to work for any employer they wanted to and the employer would not have that kind of power to report the students. Students would not be living in this constant fear of being reported.

According to our statistics, a lot of students work over the limits. It is unfortunate that they do that, but how do we monitor that and who has the responsibility to monitor it? Our perspective is that as long as the international students who come to this country study, fulfil all their student requirements, perform well academically, and do not fail their courses that is all that should concern us. If they choose to work and they work an extra 20 hours but they still perform as a student, I do not see the problem there. By imposing limits on work hours we only create extra tension and give employers unnecessary power over students.

What we propose is to lift limitations, not to have any limitations on work hours. If a student is a responsible adult who comes here to study, they have to study. If they do not, if they choose to work and they abandon their studies, it is the responsibility of an education provider to monitor their academic performance and, if the student does not fulfil those requirements, they lose their student visa and should be reported by the provider. What CAPA proposes is not to have the limitation on work hours, to allow students to work as much as they want to, knowing that they will be reported if they do not fulfil their academic duties.

Senator CASH—One of the other submissions obviously also raises this issue. They have put forward a compromise that, if the recommendation was not to have unlimited working hours, that they could at least be lifted to 24 hours because that would equal three full working days, as opposed to having to pick and choose which hours they will work on a given day and employers saying, 'If you can't do an eight-hour shift, guess what? We don't want you.' Would that be an acceptable compromise in the event that your ideal position was not a recommendation?

Ms Pechenkina—If it is more hours that students are allowed to work, we would be happy with that—if there is an extension of the hours students are allowed to work. It is also a matter of who is going to have the power of the students and to report them if they work extra hours.

Senator CASH—That is a huge issue.

Ms Pechenkina—Yes, because currently who is monitoring at? It is not the provider.

Senator CASH—I am glad to hear you also acknowledge that the No. 1 issue is to ensure that you complete the course requirements. That needs to be overarching and then if he worked 36 hours or six hours it does not really matter.

Ms Huang—That is a very good point and also from the student point of view I will feel I failed if I am an international student who is allowed to work only 20 hours if I have the ability and the time management to work more hours, but I pay three times more than my domestic classmate. They can work as many hours as they can but I cannot. I feel that is not based on fairness. It is a kind of discrimination. It makes us different. It is our problem if we cannot manage that as a student. If the domestic student can handle that, for us, I think we can.

Senator CASH—To turn to another topic, in relation to recommendations 17, 18, 19 and 20, the issue was obviously accommodation. Can I get you to elaborate on exactly what the problems are for international students, starting back in the countries they are coming from and the representations made, flowing through to when you arrive in Australia and what is available to you.

Mr Shah—Thank you because once again I have a family and kids as well.

Senator CASH—Are they here?

Mr Shah—Yes, they have just arrived before two months. Back in my country we were being told that that should not be an issue, then as one of my friends said, for the last three or four years it has become a very serious issue. The reality now is that it is very hard, particularly with dependents, if one is to get a house at a reasonable affordable rent. To be honest, I am getting \$1,700 as a maintenance allowance per month. My rent I am paying is \$823. People say, ‘How cheap.’

Senator CASH—\$823 a month?

Mr Shah—Yes, but this is the cheapest one and everyone is surprised—‘How did you get this one?’

Senator CASH—What do you get for \$823 a month?

Mr Shah—It is two bedroom but I was lucky to get this one and once again with some reference. The agent was belonging to Pakistan and he supported me. Otherwise, I had another friend, he was newly married, he has no kids and he was entrusted in a one-bedroom he got after six months. The reason was no references with the agents and when you have no rental record they never give you preference. That is one thing. The other thing is we are completely new to this. This process is totally different from we have back in our country. So we do not know that we have to submit application.

The area is in Sunshine. I have a class in Melbourne. Inspection time is five o’clock. It is very hard for me. I missed the inspection so I missed that one application. Similarly, my friend was one time almost weeping. So because of that I did not bring my family. I said, ‘No, I will not bring my family until I pass from this course. Then there is no class time.’ Even with that experience, my friend supported me and he worked for me in finding out the house. Otherwise when I come to Melbourne I would have to search for house and how will I find? That is the big issue and the reason is that Nigel has a splendid growth of international students. At the same time the service is like, as soon as an international student arrives here, he is left under free market forces. ‘It’s your job to find the house, it’s your job to do whatever you want, to find a place.’ There is no affordable accommodation anywhere at the initial stage given by the universities or even the universities have no intervention authority to the rental agents. Even they will not give some document saying that he is studying with us and getting scholarship.

Senator CASH—Can I also get you to take me through recommendation 18 that international students should be afforded the basic rights of all tenants. A number of submissions have raised issues, they might be state based issues, but you are not afforded equal rights to what an Australian resident would be under residential tenancy acts.

Mr Palmer—The background is, as I understand it—my colleagues may be able to fill in the detail—if you are in the private rental market you are entitled to the same rights as everybody else—it is the same market. But if you are seeking accommodation from a provider related to the university, for example a university college, then a different set of rules appear to apply. From time to time we hear complaints that when things do not work out or they want recourse to the same authority as everybody else, they do not have those options available to them. That is my understanding.

Senator BILYK—You said there appeared to be different rules. Can you give us some examples of that so that we know what is involved?

Mr Palmer—It is probably best I follow that up on notice. Anecdotal stories filter through and that is something which has been suggested to us by a member organisation that we advocate for. I will get some detail to you on that.

Senator BILYK—That would be great. Do you represent universities across Australia?

Mr Palmer—Yes.

Senator BILYK—Including Tasmania, which is my home state?

Mr Palmer—That is correct.

Senator BILYK—I am interested in particular in feedback you might have had from students in Tasmania.

Mr Shah—One thing which I appreciate is this policy for international students. In Victoria, for example, they are giving school fees to dependent children of international research students. For example, I have two school-going kids, so as an international research PhD student they can attend school free.

Senator BILYK—That is Victoria.

Mr Shah—Similar in Queensland. It is too high. It is \$8,000 per case per annum, which is not affordable for any international students. When those international students arrive it would be very hard for international students to bring their dependants, particularly schoolgoing kids. This is the issue which Victoria and Queensland are—

Senator BILYK—That is in the public school sector?

Mr Shah—Yes. But on the other side, the problem in Victoria and New South Wales is that they are not giving concessions, while most of the other states are giving concessions for transport. This is also one of the international students' problems.

Senator BILYK—I think Tasmania gives some concessions for transport.

Mr Shah—Yes.

Senator BILYK—We were talking before about comparisons of the costs of going to either the UK, the USA or Australia. Could you give us those price comparisons? How much might it cost an international student, particularly for visas? I am interested in those costs.

Ms Pechenkina—With regard to the costs of visas, we did the research recently and did a comparison of such countries as the United States, Canada, the UK, some European Union countries and Australia. Unfortunately, Australia has the least competitive visa cost, which is almost twice as much as the next-most-expensive visa. Australian student visas now cost over \$500. You can see the table in our submission. The next visa after Australia is the UK's, and it costs a bit over \$300. Countries like New Zealand and European Union countries have visas ranging from \$120 to \$150. That is just the administrative fee for the visa. That is what the consulate charges you. It is a non-refundable fee. To go to Australia students need to undertake a medical exam which costs around \$300 per person. If you bring your dependants everybody has to take it and it costs \$300 each. You sometimes have to have police background checks, which also cost some money. All together it can add up to \$1,000. If you compare it to other countries, that is the least competitive student visa program we currently have.

Senator HANSON-YOUNG—That obviously does not include the \$12,000 you are meant to have in your bank account as well.

Ms Pechenkina—That is completely different. The money that the Department of Immigration and Citizenship requires students to have does not account for tuition fees. You have to have paid your tuition fees, which are \$10,000 per semester, in advance, plus you have to provide \$12,000 per year in your bank account, plus you have to make all those payments associated with the visa. So that is the most expensive visa.

Senator BILYK—One more quick question. I was interested in one of your recommendations—I think it was 15. It spoke about orientation programs. Do any of the universities offer orientation programs? Do none of them? Do some of them? Can you give us more information?

Ms Huang—We can. La Trobe University has a very comprehensive orientation for domestic students, for international students and for postgraduate research students. Basically, for international students they will inform them by email through a pre-departure package: what you should pay attention to, some hints about

what you should be prepared for and how to pack your things. The first week before the university starts is usually an orientation week for international students. It covers everything about safety, public transport, how to choose a timetable and everything else. But we found out that La Trobe University does not have specific orientation for postgraduate coursework students. These coursework students have special needs regarding timetables, dependants, consultation and maybe part-time jobs. We have orientation specifically for research students, but we do not have orientation for coursework students. The number of coursework students is growing now and we want to recruit more coursework students in higher education, so I think it would be better to pay more attention to those students.

Senator HANSON-YOUNG—Thanks for your quite thorough submission. The fact that you have come up with over 50 recommendations indicates that there are some major concerns, although a lot of the recommendations could be pulled into similar areas. One of the main things that strike me when looking through your recommendations is that a lot of them are based on trying to set some standards for the services that must be provided, whether by the various government departments or the education providers. Do you think that a big part of the problem is that the ESOS Act does not specify what that sufficient level of service is and that the provider determines where that benchmark is?

Mr Palmer—That is a significant factor. If you talk to anybody in the higher education sector, they will probably tell you that the ESOS Act is almost regarded as an aspirational document, not a compliance document. It outlines a whole bunch of things that universities ought to do or perhaps do if the wind is blowing in the right direction and they have enough money. The general view is that it is not really regarded as an instrument for compliance and it is not really used as a tool for raising minimum standards.

Ms Pechenkina—I would like to add something on the vagueness of the ESOS Act. It is actually up to providers to define how they provide services. Like Nigel said, some providers are good at it but some are not very good. Nowhere in the act is it spelled out that universities have to provide specialised services to international students. It is not defined that way. We think that a guide for universities to do that should be spelled out.

Senator HANSON-YOUNG—In relation to the role of universities and education providers, what is their duty of care in terms of looking after students? If students are paying X thousand dollars for their course and have paid hundreds of dollars to get to Australia through the student visa process, what is the duty of care of the university to ensure that it is offering those services and support so that students are actually getting value in the education that they are paying for?

Mr Palmer—‘Duty of care’ is an appropriate choice of term, and the duty of care exists for two reasons. One is to ensure that the experience of being an international student in Australia is a very positive one so that students that study here can return to their home country and tell all their peers that it was a rewarding experience that gave them many opportunities. The second reason that ‘duty of care’ is an appropriate term is that if you say to a student, ‘Yes, we accept you to study in Australia and we accept your fees,’ there is a moral obligation to support those students in the critical areas where they are potentially vulnerable to exploitation and where they get a lot of value out of support, like in the academic area. A document like the ESOS Act should describe the basic standards for those areas of duty of care, in terms of both welfare and academic performance and support.

Senator HANSON-YOUNG—Drawing on the experience that you all have across the table and that you identified at the beginning, which countries do do it well? Is there best practice that we could be pointing to and saying, ‘Maybe they have got it right; maybe we could learn from them’?

Mr Palmer—I think it is very important to emphasise that we all agree that Australia does it well. We actually do a very good job of providing high-quality education which is attractive to international students. I think my colleagues would support me on that. There are areas of best practice that we can identify overseas. I think that is a good exercise and perhaps there is more detail in that than I would be able to give now. But I think it is important to emphasise that Australia does a very good job on the whole. The fact that we are having this inquiry sends a message to current and future international students that we take this seriously and that we are very serious in particular about boosting minimum standards. There are a broad range of international comparisons you could make. I think the view is that we do things pretty well but there is always room for improvement.

Ms Huang—As an international student here for two years I did have very positive experiences in general. I want to make the point that we can improve to some extent things like the working limits and student services and support for international students. We should have an independent ombudsman for either

international students or for all students, instead of one within each university. La Trobe University—and I think all other universities are the same—has an on-campus ombudsman, within the university. But if the students really have a problem they will not get help there. They will get help from a third party, instead of the ombudsman within the university. I think it is very important for students to get support from a third party, such as an independent ombudsman, instead of someone within the university.

Senator HANSON-YOUNG—That leads me to my final question. If we look at all your recommendations, you talk about trying to negotiate between the education department and the immigration department to make sure that things are okay and ensuring that universities and other education providers comply with minimum standards. Even if we were to set some minimum standards in the ESOS Act, how would we ensure that institutions complied and that it was not just an aspirational document, as Mr Palmer has mentioned? If we take on board this idea of a role for a more independent body, what is CAPA's response to the call for an independent education commission that would allow for the monitoring of compliance and provide an avenue for domestic and international students to go to?

Mr Palmer—Again, there is an opportunity for a lot of complexity in this area. From our perspective, particularly with regard to international students, where they may not feel that the complaints resolution process of the education provider has been satisfactory, they are aware that there may be somewhere else to go, but it is very difficult for them to determine where or what that is. I have to confess that I would not be able to tell you where they should go. There are so many overlapping obligations when it comes to state accreditation bodies and the Commonwealth department. I think different people will give you different answers about what the next step is. So, at the very least, having a national commission or a national ombudsman's office would be useful to give students a clear avenue for redress. Even where students are unable to have their issues resolved by that office, at least there is a vehicle for national reporting on the kinds of problems that are coming up through the system and areas which may need to be addressed by government.

ACTING CHAIR—Mr Shah you indicated earlier that one of the reasons you chose Australia was due to a perception expressed to you that in the United States Muslims may be less welcome than in Australia. You have not been to the United States, so you cannot make the direct comparison but how has your experience been, given that perception that you have.

Mr Shah—Honestly speaking, what I heard about the US was that there are some sentiments, in particular passing remarks against a person of Muslim appearance. I did not experience any such thing here. My brother's and my experience in this regard is very positive. There are very good things like saying thank you to the driver and asking if he will stop a little bit ahead. There is no discrimination between local and international students. Personally, I did not feel any kind of bias inside or outside the university.

Senator BACK—I think we could spend the whole day talking to you. I do not know whether there is any tension in relation to people who want to stay on in Australia at the conclusion of their courses. Could you talk us through whether graduate students who actually do want to stay in Australia and find that they cannot are disappointed by that or whether there is not clarity in terms of what their opportunities are when they first come to Australia. I cannot get a sense of this. Is it an issue? I would be very keen to get a view from you.

Ms Pechenkina—I can talk about opportunities after graduation. I think that it is an important topic because it defines what students want from a course when they come here. A lot of students think ahead about the opportunities to work professionally in Australia after they have finished their course. Currently, the options for those students are that they can either apply for permanent residency visa or be sponsored by an employer and get a work visa. A new visa was introduced in 2007 which is a temporary skilled graduate visa for 18 months under which you can work, study or do whatever you want in the country.

The problem with this situation is that there is no generic work permit visa that allows all recent graduates to work. If you look at countries like the United States, Canada or the UK anybody who graduates from university can apply for a work permit and work in the country regardless of what kind of degree they did, regardless of what kind of professional experience they have and regardless of whether they qualify for permanent residency. Not every student may be planning to apply for a permanent residency visa, they just want to work in the country. Unfortunately, any kind of visa that we currently have is linked to permanent residency criteria. If the student as a recent graduate does not have an occupation which is on the skills in demand list, technically the only way for them to stay is to be sponsored by an employer and that is not very likely sometimes. At the moment we think that the situation could be really improved if there is some kind of general work permit visa.

Senator BACK—For a limited period of time.

Ms Pechenkina—For a limited period of time, let's say one or two years. It does not matter as long as it exists for any graduate, just like a lot of Australian competitors in international education do. That would benefit us.

Ms Huang—I want to add something about the work experience of postgraduate students. After they have finished two years of study for some of them, no matter whether they are going to stay or go back home, work experience here is very important for them to find a job back home or here. Also there is a sense of social inclusion. They do not only study here, they get the working experience.

But somehow it is very difficult for postgraduate students, either coursework or research students, to get an internship or some work experience in a company or university or any other organisation, compared to undergraduate students. It is difficult—and the university obviously does not have a specific program for postgraduates where it can say, 'Go for this internship.' But it does happen for graduate students. They have some kind of internship program; they can go and they can pay some fee for the internship. But for postgraduate study that just does not exist—at least based on Latrobe University at that level.

Also postgraduate students, especially international students, do not have access to part-time study, especially the first year, so they find it extremely hard to get used to the uni pressure here. If we could provide them with some part-time opportunities, like making part-time study possible and more flexible for at least the first year for postgraduate international students, that would be more supportive of them. Thank you.

ACTING CHAIR—We are going to have to wind it up there. Mr Palmer, the secretary will be in touch. If Mr Shah is happy—and he should take a little bit of time to consider this—for us to use his visa application as a case study for the committee's inquiry, we will actually put that in place. So we will contact you subsequent to the hearing. Thank you very much for your submission and your presentation to the committee today.

Senator BACK—And it enjoys all the protections of the Senate, of course, in that process.

Mr Palmer—Thank you.

[9.57 am]

DODD, Mr Tim, Manager, External Relations, IDP Education Pty Ltd

FREELAND, Mr Warwick, General Manager, Strategy and Business Development, IDP Education Pty Ltd

ACTING CHAIR—We welcome our next witnesses, from IDP Education. We have received your submission. Do you have any alterations or additions to make?

Mr Freeland—Not to the submission.

ACTING CHAIR—Thank you. I invite you to address the committee, and that will be followed by questions. While you are doing that, could you maybe expand a little on who you are and what you do.

Mr Freeland—Okay. Thanks for the opportunity to contribute to this valuable Senate inquiry. IDP Education is the largest international student placement service in Australia. Interestingly, it is also the largest in the world because of the success Australia has had in bringing international students into the country. We placed 30,000 students in Australia last year and we will be placing about 35,000 in the current year. We have been able to touch the lives of over 250,000 students by bringing them into Australia. We have a network of 70 offices in 25 countries. IDP is also the co-owner of IELTS, the International English Language Testing System, which is the world's most popular English language test, delivered in 500 locations around the world in 120 countries. We co-own this with Cambridge University and the British Council.

IDP's other activities in the education area include research. We have published seminal works in this area. We last published the Global Student Mobility study in 2007. We also support a large database of research and international education. We deliver education aid programs. For example, we are currently bringing 300 scholarship students into Australia from Indonesia. We have a team of 15 people based there to support the program and at the moment we conduct about nine scholarship programs to bring students into Australia. We have several English language schools located overseas. In 1987 we founded the Australian International Education Conference, which brings together about a thousand international educators and is being held in Sydney in October on this particular occasion.

The organisation celebrated its 40th year this year. It was founded by 38 of Australia's universities. Some years ago it made the decision to get private investment into the company, so the company is now co-owned by SEEK, operates on a for-profit basis, pays its taxes and contributes to the Australian economy. That is a bit of background about what IDP's role is in the education space. We very much welcome this inquiry into the welfare of international students. It is at our hearts. The guiding philosophy of IDP is to have a student centred focus, so we therefore put first the students' desires and lifestyle choices. In the two decades or more since fee-paying international education commenced in Australia, the numbers of international students have grown rapidly and become a very significant influence on Australia's international relations, on trade and services and on Australia's access to skilled labour, but for much of the time growth has occurred below the radar. Public debate is very welcome and the public inquiries such as this one are very welcome, because they lead the way to help international education make a valuable long-term contribution to Australia.

International student welfare is one of the key areas for participants in this sector. It stands alongside the quality of education as an issue which matters to all international education stakeholders. Australia needs to preserve its high reputation for ensuring the welfare of international students. We know that in the past year Australia's reputation has been challenged. In our view this has come about mainly because the growth in international student numbers has become rapid in some areas. This growth was stimulated by easy access to skilled migration, particularly in the vocational area, and a number of poor-quality educational providers entered the market that were focused on migration rather than education as a goal. The large growth in student numbers and education providers overwhelmed the ability of state governments to regulate and audit the sector. Governments have recognised this and are acting to increase auditing and other regulatory activity. Some reforms do need to be made by government—we have outlined some recommendations in our submission—but overall the structure of the ESOS legislation, which provides protection to international students, is sound. The problems have largely been in implementing existing regulations.

It should be noted that surveys of international students consistently report high levels of satisfaction with Australian international education. IDP in June 2009 conducted a survey of over 2,000 international students placed by IDP and found that only a small number—6.5 per cent—were dissatisfied with their courses and 7.4 per cent were dissatisfied with their institution. This survey was taken during a period of intense and critical

media scrutiny of international education. We need to ensure that student satisfaction with all facets of living in Australia matches the satisfaction level with the quality of education. We are very happy to assist the committee in any way we can. We have tabled five recommendations.

Senator HANSON-YOUNG—I first go to the issue of the interaction between education agents, the providers and migration agents. A number of the different case studies that I have looked at indicate that that is where right from the word go there is a bit of a blur in expectations for students when they arrive in Australia, the expectations and restrictions on their visas and the roles and responsibilities and where they lie. Of course, this is all caught up in the fact that education agents do not necessarily have to be registered in the same way migration agents do. Could you reflect on that interaction for me?

Mr Freeland—Sure. The first key point is that we are not a migration service. We do not provide migration services and in none of our offices overseas do we do that. We can provide information on what the visa environment is like in Australia; we can provide advice. The core to our student centred focus—we have about 600 or 700 counsellors in our offices throughout our network—is to provide valuable advice and counselling to those students. Clearly, they are trained to do that. As such, providing information about visas et cetera is part of that advice service, but we do not provide that as a formal commercial service to those people. So there is a clear distinction between migration services and education services in our business.

Our interactions with educational institutions are provided at multiple levels. IDP is quite unique in the Australian environment: we have four offices to assist students in Australia and we will shortly be opening up our fifth. That means there is a contact base for students locally within Australia so we can provide on-ground support. We have a client relations team, which is a team of about five or six people which supports all of our institutions in gathering information and assists with any student related inquiries on the ground here in Australia. A long time ago our network of offices started conducting education roadshows which bring, say, 20 Australian institutions together. We have a roadshow that will go to multiple locations around India, for example. We provide all of the infrastructure for that so these institutions can, in a cost efficient way, come and meet with students directly. So IDP has multiple levels and ways that it interacts with educational institutions.

Senator HANSON-YOUNG—If, through interest sparked perhaps by your roadshow, a student goes, ‘I want to go and do a course at La Trobe Uni,’ and they apply and get accepted into the course, at what stage do you provide any advice on to whom they should speak about the different visa requirements?

Mr Freeland—The important thing is we provide a counselling service. Within our offices overseas, typically what would happen is a student would go to one of these roadshows. There they will get a chance to talk to a wide range of institutions to try to form views about which one they think would suit their requirements. They will typically then come and talk to our staff on the ground. That is the opportunity we have to provide more in-depth advice about those particular courses and institutions, about what visa conditions et cetera are relevant to their particular circumstance and also about living and lifestyle in Australia, which is clearly an area that had a focus on it at the height of the media activities. We provide a very formal counselling process to give people advice on what is required to move to Australia. We came out in response to recent events with special booklets and brochures about safety and related issues in Australia, because that was highly visible. The visa side of things is just one of the components that we provide. We would introduce them to appropriate government agencies et cetera at that point in time.

Senator HANSON-YOUNG—In recommendation No. 4, which is in relation to sufficient funds, are you suggesting that the current \$12,000 restriction—which I understand has not been indexed for over a decade—is not a sufficient test?

Mr Freeland—We think it should be higher.

Senator HANSON-YOUNG—How high do you think it should be?

Mr Freeland—I do not have a figure to table for you today, and it varies across Australia. Clearly living in a regional location and living in Sydney or Melbourne are quite different circumstances. The advice we provide to people in our brochures, materials and the like is that this is a guide that is being provided by the government, but we help and advise people about the costs of living in those particular locations. It is clearly a factor that is more important to some students than others. If a student is well off financially, accommodation and other services typically are not a problem. It is when finances are stretched that there is a problem.

Senator HANSON-YOUNG—Even if a student had \$12,000 or an indexed amount sitting in their bank account, where would you see an opportunity for improving students’ work restrictions? What do you think the

government should be looking at in terms of dealing with the current restriction of the 20-hour work week? Could you reflect not just on the fact that the 20 hours has been set but on the fact that in the act there is absolutely no opportunity for discretion in that automatic deportation clause if, say, 20½ hours were worked?

Mr Freeland—We do not have a formal position in terms of a particular number of hours. One of the interesting things in the survey we did recently of students was that 86 per cent said they wanted to work and only 55 per cent of them said they found work. Therefore, the issue is not just hours, if they have a desire to work, but their ability to actually find a job. So a focus on the hours is one aspect but the actual opportunity that exists for them is another issue, because clearly some of them come with the desire to supplement through employment the money that they have to spend in Australia.

Senator HANSON-YOUNG—You mentioned that you have client contact people who liaise with the different providers you work with. What role do you take in monitoring what is going on in the institutions themselves? If you hear from students you have recruited that things are not the way they thought they would be, do you play any role in monitoring that and, if so, who do you hand that information on to?

Mr Freeland—Firstly, do we respond to students' concerns when they arise? Absolutely we do. One of the environmental conditions we exist in is the growth in the number of private providers. In particular, in the last four or five years the sheer number of providers has grown enormously. We actually limit the number of people that we work with and have relationships with. We do not provide a service where we will take you anywhere; we try to be reasonably selective. But there is no doubt that in the growth that has occurred over that period of time there would be some providers that are probably going to be reviewed to be inadequate. Might we have sent a student to that particular institution? Look, we may have; I think that is just an environmental factor. But we do take student complaints seriously and we have a client team that can then address them directly with that institution.

Senator HANSON-YOUNG—But do you pass those complaints on? If you see a regular occurrence of a particular complaint, do you raise it with the education department as a breach of the ESOS Act or do you just liaise with the provider and try to work it out?

Mr Freeland—I cannot give you an exact example of whether we have provided the information directly to the department. There is no doubt we have a close relationship with our education providers. We may have done that. I do not have the facts here to present at the moment.

Senator HANSON-YOUNG—The reason I am asking is because you said at the beginning that Australia's international education reputation has been challenged. I understand that partly this is because we have had an explosion of educational opportunities and that the growth has perhaps outgrown the level of monitoring and compliance and even perhaps the services that need to be stipulated in the ESOS Act. That is what we heard from the previous witnesses. Do you believe that there is an issue with the compliance and the monitoring? If the rules are right, is it that we are not catching problems as they arise and pulling them up there?

Mr Freeland—There is a need for increased auditing and compliance with the existing regulations. We believe the regulations as they stand at the moment are pretty much world class. We have found from the visits we have made overseas that education providers in other countries typically look on Australia as the benchmark, therefore it is effectively the policing of those existing regulations which is the core issue. As to your comment on reputation, one thing that I think is important is that the reputation of the whole sector is effectively being damaged as a consequence of a small number of providers. We are finding the same impact on that reputation across higher education as we are in other sectors, and that is worrying.

Senator BACK—I would like to talk more on that same theme. The statistics indicate that this sector is now contributing three times that of the beef industry and four times that of the wheat industry. If we look at what is in place in those industries—both of which I have a long association with—it seems to me that we are placing the international education market at risk by not formalising more some of the types of issues that Senator Hanson-Young was asking you about. What advice do you have to this Senate committee on how we can better advise government on how we might protect the long-term interests of this industry? I understand that your university members are probably not the ones who are attracting some of the unfortunate publicity that we have seen, but it must be affecting your sector. What advice would you have to us that we should pass forward about better long-term protection?

Mr Freeland—It is at multiple levels. The point I was addressing earlier is the fact that the ESOS environment is a good environment; it just needs to be policed properly. The sheer explosion in the number of providers, which has been driven by permanent residency targets, has infected the whole area. Therefore,

getting that under control is probably the major issue in supporting the long-term reputation of the industry. But then there are the welfare issues for the students. That explosion has flowed over into students looking forward to lots of support services. As we highlighted, accommodation is one of those issues. For any young person living in Melbourne, finding a flat in Melbourne is an issue. If you come from overseas it is doubly an issue. Interestingly, in the surveys that we did, 76 per cent of students coming from India had never lived outside home before. It is the first time you have ever lived outside of home, it is another country and it is hard to find somewhere to live, so it is a complex lifestyle issue. Availability of housing is a major factor. Give students relatively easy places to live. Make public transport affordable for them to use. Make it as wonderful an experience as they can possibly have. They are the challenges. With the growth that has occurred, we need the infrastructure and the environment to keep track. The growth that has occurred is fantastic. It is a wonderful industry.

Senator BACK—Five or six years ago, when I was working in India, I remember seeing statistics that showed that Australia had gone past the UK and was only second to the USA in terms of popularity with students. That is why I am particularly interested. Do you think that all of this would be better coordinated by some form of international education commission that would take responsibility and have a patronage role across the board? It is a \$14 billion industry. Do you think that it is better served through that sort of mechanism, administratively and from a regulatory point of view?

Mr Freeland—Again, we do not have a formal position on this.

Senator BACK—But you are obviously a major player in the game.

Mr Freeland—A variety of organisations exist at the moment.

Mr Dodd—I think that one important point is that international education is now a major export sector but it has never attracted the support from government at all levels that other major industries have which are also major export players. I think that in part that is because this industry has grown up quickly. It has grown up below the radar in many senses, as Warwick mentioned earlier. So I think that, as part of the maturing of the industry, it is time to look at how it is best supported. We do not have a defined view of what is required, whether it is a commission or more support mechanisms or more cooperation between the federal and state governments on this. But it certainly is time to have that conversation and to look harder at it, and I think that this inquiry is a very helpful part of that.

Mr Freeland—It has been incredibly successful. Therefore, you do not throw it away. For example in the media recently there has been a lot of talk about the way Australia is going to position itself from a tourism perspective. Everybody is commenting on how good the ‘shrimp on the barbie’ campaign was versus other approaches. No-one is talking about the way that Australia is going to position itself from an educational perspective even though the revenue generated from that sector would be greater than from the tourism sector. We do not have that kind of psyche but the fact that in positioning education, as you said, against other major competitive destinations Australia has been very successful because it got its act together. The universities in particular drove that activity creating organisations like IDP and saying, ‘It is inefficient for us to all have offices, let’s just have one and club together in the activity.’ Those sorts of processes happened early, happened very successfully and institutions then were able to capitalise on the demand and grow with it. But we have reached the point now where there is an opportunity to check, stop and look at what we need to do to keep growing. We have a limited number of competitive destinations because a primary driver is English language. So we can count them on one hand; therefore we need to understand compared to A, B and C how are we positioning ourselves. Look at the wine industry at the moment—they were on the television this morning—and the way that they are trying to reposition and rebrand themselves as an industry sector. It is that sort of approach that we need to be applying to education.

Senator HANSON-YOUNG—It is about protecting your investment really. I want to ask about the interaction between the different state governments in this. I am from Adelaide and Adelaide has always had this notion of being a university city. Looking at the experience that has happened in Victoria and New South Wales where the international sector has just exploded, the different institutions and the state government there have decided that perhaps they want to learn from others’ mistakes. What role do you have in working with the state governments in this seeing as it is an industry-wide benefit as well as trying to avoid the problems and the pitfalls.

Mr Freeland—We do have close relationships with state governments. We have had meetings with several state governments over the last two weeks to progress this. What is of interest to us is of interest to them. We need to keep progressing it. We have delegations of politicians going over to countries, so we are assisting

there too because we do have people in 12 offices in India that can provide support and infrastructure. It is absolutely in our interest to support them and we do have relationships there. Again, it is very unusual for an agent, which is the classification that we fit under, to have this sort of support infrastructure. There is no other organisation like IDP in the agent space that has this connectivity.

ACTING CHAIR—Are you able to provide the survey results to the committee?

Mr Freeland—We could provide you with the key results, absolutely.

ACTING CHAIR—Okay. Is there a standard sort of slide presentation in the roadshow that you do that we might be able to have so that we have an understanding of what the roadshow actually entails?

Mr Freeland—We can provide you with information on what we provide. At the same time we are really there just to provide the infrastructure for our clients. It is the institutions that are the stars of the show. We can provide you with information on how our event structure works. One thing that somebody brought to my attention to at the office this morning is that we are actually undertaking another piece of research. I am sorry I cannot bring it to you today but at the next AIEC conference, which is on 14 October, we will be tabling another seminal piece of work which is currently underway. We are talking to approximately 4,000 students overseas and the sort of results that will be coming back will help us to understand the drivers from their source country for selection of country, institution and course of study. It will also show how current students in Australia value their experience and how recent graduates evaluate their experience.

ACTING CHAIR—That date is still within our window. We would be happy to receive that.

Mr Freeland—It will be presented at that forum by the researchers, and we will happily table a copy of that report.

ACTING CHAIR—Thank you.

Senator BACK—My question follows on from this discussion. Is there online information, either for those who have attended the roadshows and want follow-up or for those who never heard of the roadshows and missed them? Do you have a website? What sort of online information can particularly parents and students themselves access so that they can get a lot more of the information in advance of making a decision to come to Australia and preparing themselves for coming?

Mr Freeland—It is a relevant question because the propensity to use the internet has obviously grown significant. We have a comprehensive website. We have websites dedicated to each country in the local language. So there is a rich amount of information provided for students. But our primary focus is actually to get the students to come and talk to us, because there is only so much you can get from websites. It is actually the one-on-one counselling session that we think is the valuable interaction. A skilled counsellor can say, 'I know you have read that but, looking at who you are and where you want to go and what you want to do, these other two or three institutions might be a better fit for you.'

Senator BACK—I was thinking as much of the academic side of preparing themselves for many of the questions that we have addressed this morning and will address. Is the website idp.com? Is that where you start?

Mr Freeland—Yes. It is idp.com.

Senator BILYK—I am particularly interested in recommendation 5 of your submission suggesting:

Further changes should be made to skilled migration rules to prevent abuse, to ensure that skilled migration focuses on qualifications and skills ...

et cetera. Can you expand on that and do you have any ideas on how that might be facilitated?

Mr Freeland—I think a lot of this is happening now, looking at the processes that are being put in place. For example, the department put in place increased scrutiny for high-risk countries to check on the financial creditworthiness of applicants for visas. We have seen in the last week the direct effect in certain countries of that, where an increased number of visas are being rejected at this point in time because of that increased scrutiny. So things are already happening. There have been continuous changes to the rules through these programs. Every six months or so there is another set. But there is a need to better focus on the skills that are required. We do not have a specific recommendation but we know that we need to reduce the opportunity for some of these people who are coming at effectively the low end, with lower skills and with a particular focus on permanent residency.

Senator BILYK—Taking it from the other side of the argument, what suggestions do you have in regard to how we can better look after our international students once they come? I know you have answered some of that through the rest of the questions and I think I understand what you do when you go on your roadshows and things like that. But, when they actually come here, what support is offered in regard to cultural differences, learning how to live in Australia, how to get accommodation and that sort of stuff through your organisation?

Mr Freeland—We do pre-departure briefings, for example. So, apart from the literature that we provide, we provide pre-departure briefings so that people can understand some of the nuances of Australia. Once they are actually in the country, though, they are in the care of the institution. We have ongoing contact with that student. It is effectively on an ad hoc basis but, for example—and I do not know whether you can see the brochure picture I am showing—we do a variety of things for students who come here. We provide tours for the students to get together. We will provide, say, in Victoria, tours round the Great Ocean Road on buses. It is very popular with the students because they are new to Australia, it is a chance for them to meet 100 other students who are going through the same lifestyle experience as them and we take them on a fun day's outing. It sounds fairly trivial but it is an opportunity for them to start to bond and have connectivity. Bonding with people going through the same experience, as well as bonding with Australians, is obviously part of the experience. We sponsor a range of events, such as the India Australia Friendship Fair that occurred about two weeks ago. So we try to provide visible ways of connecting with the students, but the primary care provider once the student is here is the institution not IDP.

Senator BILYK—Just for clarification, you mentioned a conference being held on 14 October. Can you tell me what conference that is and where it is being held?

Mr Freeland—It is the AIEC, the Australian International Education Conference. It will be held in Darling Harbour and goes for three or four days. We will have about 1,200 educators there. It is specifically an Australian international education conference, so it is exactly the group of people we are talking about, primarily international directors—

Senator BILYK—So it is private providers and—

Mr Freeland—Everybody. Universities will attend. It is basically to provide a conference in a workshop environment to discuss the sorts of things we are discussing here. We have been conducting this, going around Australia, since 1987, so the community of international educators is actually very strong. If you look at the skills base in Australia from the perspective of individuals, we would have the most skilled workforce in international education in the world in terms of the people working for La Trobe Uni or Monash University or whatever it is who are skilled in understanding the needs but also the marketing of international education. Australia is on a different plane than other countries in that regard.

ACTING CHAIR—Thank you very much for your submission and your presentation to the committee today.

Proceedings suspended from 10.31 am to 10.48 am

MACKENZIE, Mr Bruce, Chief Executive, Holmesglen Institute of TAFE; and Member, TAFE Directors Australia

RIORDAN, Mr Martin, Chief Executive Officer, TAFE Directors Australia

SIMMONS, Ms Virginia, Director and Chief Executive Officer, Chisholm Institute of TAFE; and Board Member, TAFE Directors Australia

ACTING CHAIR—I welcome representatives of TAFE Directors Australia. We have received your submission. Do you have any alterations or additions you wish to make?

Mr Mackenzie—No.

ACTING CHAIR—All right. We invite you to make some opening remarks to the committee, to be followed by some questions from us.

Mr Mackenzie—Thank you, Senator. I will make the opening remarks. Deb Daly, our chair, sends her apologies. She is addressing the Senate regional affairs committee on the Gold Coast tomorrow so she was unable to come down here this morning. TAFE Directors Australia is the peak national body for 58 TAFE institutions in Australia. We have over 1.67 million students enrolled, 27,000 international students, and we have 78 per cent of students who undertake an accredited course at the VET or TAFE level. TAFE institutions deliver international programs both offshore and onshore. We have previously appeared before Senate hearings to raise issues in relation to the damage that private providers have caused in regard to our offshore market in China, and we were disappointed that that led to no response from either government or the officials.

My colleagues are Virginia Simmons, the chief executive of Chisholm Institute of TAFE, one of the largest institutes in Victoria, and Martin Riordan, the executive director of TAFE Directors Australia. TAFE Directors Australia has provided the committee with a response and Virginia and I have written a newspaper article on international education and our concerns about its management. I would be pleased to make that article available if the Senate is interested. Both Chisholm and Holmesglen are very large institutions and have been significant providers of international education, both onshore and offshore, for many years.

We would like to confine our discussions this morning, firstly, to the failure of the policy framework with regard to regulation and, importantly, consumer protection; secondly, to the inappropriate lack of action, followed by what can only be described as an overreaction to the existing situation; and, thirdly, to the failure on the part of those who are reacting to understand the marketplace. We believe that the growth in international education in TAFE has been at a responsible rate. We cannot say the same for other providers in the VET sector. Our biggest concern is the failure of the regulation and registration regime in VET. As the Senate would be aware, the registration process is a state government responsibility. We believe that that has been inadequately understood and that the auditing and resources that have been applied to creating a registration regulation system between the states have been appalling.

International education is a wonderful industry for Australia to nurture and to develop. It is highly competitive. Australia is competing against other significant countries and we need to ensure that our regulations are at an international level; otherwise, we will lose significant market share, and the culture and richness that international students bring to our campuses will be lost because of our failure to act appropriately. We believe that it is a ridiculous situation that occurs in Australia when a private provider for 100 students is regarded as the same risk level as a TAFE institution with 50,000 students which is backed by the state government, has resources of over \$200 million. They are regarded, as far as presentation to the consumer is concerned, as of the same level, and it is that single issue—the failure of the regulation and registration system to discriminate between providers for consumers—that we think has caused the current situation that has arisen.

We also make the point to the Senate that the current situation is not new; this has been going on for many years and no-one has done anything about it. No-one has responded to the continual failure of small, private providers in the international marketplace. We are really looking at the culmination of the failure of regulation and the failure of policymakers to act appropriately when opportunities for appropriate action arose. There are other issues which we wish to raise. I will do that following any questions from the Senate.

Senator CASH—Thank you for that submission. I ask about the lack of auditing and accountability measures for private colleges. What can be done? From your perspective, what is the solution to bring them in line and ensure that they are accountable?

Mr Mackenzie—First of all, I make the point that the current registration process does not distinguish between a government owned institution such as a TAFE institution and a private institution. We are all regarded as private institutions under the current regulation system, so the very first thing that I would do if I were a regulator and if I looked at the regulation process and said, ‘This is about providing the consumers with information about the quality and appropriateness of the educational programs that are being offered and the educational institution that my son or daughter is going to attend,’ is distinguish between the services they offer, the backing they have from the state government and the likelihood there is that they are not going to offer a quality service. The second thing that we would say is that any provider that only offers programs to international students should not be registered, because it is not an international experience for a student who comes into an institution that only has people from their own country or other international students; they do not mix with Australian students. The starting point would be to separate them out, as they have done in other countries.

This is where Australia does not really get it. We are sort of behind the eight ball. Other countries give priority to government owned organisations from visa and access perspectives with regard to international education. The difficulty that we have in Australia is that marketisation principles have been the driving force behind the structure of the registration process. Education is certainly an economic institution but it is also a social institution, and to adopt marketisation principles as a simple solution simply does not work. If I had control of a registration process, I would certainly try and distinguish between robust, strong and well-resourced providers and others. I would probably do it on a sliding scale and I would probably try and make it an aspirational process. If a private provider or a non-government provider wanted to be in the same category as a robust, well-established government provider, it would have to provide the same level of services. If it did that, it would move into that category.

Senator CASH—Does this flow on to a national register to communicate quality of providers?

Mr Mackenzie—It does. We have to understand why we have a registration process. The reason we have a registration process, as I understand it, is to try and give consumers some confidence in the educational institution that they are going to send their young son or daughter to. At the moment they cannot distinguish between good and bad providers. The current changes to the ESOS Act that are being made are a disgrace because they simply say that there is something wrong with all the providers; therefore, they all have to be reregistered. That is not the situation.

Senator CASH—So you are saying that it is a handful of providers.

Mr Mackenzie—I am not saying it is a handful. I think it is a lot of providers. You cannot have 4½ thousand private providers in vocational education and training. There are a lot of them that probably should not operate.

ACTING CHAIR—Are you saying that 4½ thousand are offering international places?

Ms Simmons—No. There are 4½ thousand private RTOs. The number may be 1,500, but I do not have the exact figures. Lots of them are offering just one or two programs.

ACTING CHAIR—That may be because that is what that particular RTO specialises in.

Ms Simmons—It is often in direct response to the MODL, the Migration Occupations in Demand List. Providers set up to respond directly to that and they recruit students on that basis, often with nobody in their administration that has any education background at all. A recent example is one that was owned by a cleaner. This is not uncommon.

ACTING CHAIR—I guess it is true we can point to some bad examples. But I am not sure you have convinced me about the proposition that TAFE providers should be in a special place.

Mr Riordan—The submission that we put forward is also a submission that Virginia Simmons, who is our representative on the NQC, the National Quality Council, more fully articulated in our response to the Bradley review. That is, we have a policy aspiration in Australia towards one tertiary system and it is important to put that in the context of the regulatory experience and regime currently operating for higher education providers and also the happenings in the VET market. In the higher education provider market, where you essentially have classifications A, B and C and a regulatory arrangement that has been built up over some decades, there is quite clear transparency about what is a university and what is not a university. In fact it has become a risk management profiling that agents have worked on in selling their products abroad. In the vocational education market, which is through states and territories, the registration process of 4,500 RTOs, so-called, is a one-market system.

ACTING CHAIR—They are called that. What do you mean by ‘so-called’?

Mr Riordan—We are told, particularly by agents, that it is very difficult for parents and students to differentiate a quality provider or a provider that is relatively financially secure. We have seen many dozens of private colleges fail, to the extent that it is very hard to place their students. That is the reason why TAFE Directors Australia suggested that if we are to have the Bradley vision we also need a regulatory structure, potentially a structure that has synergies between the two.

ACTING CHAIR—I agree. But aren't you coming at it from the wrong angle? Rather than saying, ‘Here are the 4½ thousand providers; these are the ones you can trust and this is a group of the best ones,’ should we not be saying that we have to get rid of all the bad ones, the ones that are not providing proper training? There should be confidence that every provider meets the quality objectives. We should not just be saying that this group do and you can take pot luck with the others.

Mr Mackenzie—I think you need to be able to differentiate, through your registration process, between the range of services that organisations offer to students when they come to Australia and show the sort of backing that an institution has. At the moment we cannot do that. If you walk around Melbourne now—just walk down Bourke Street or Collins Street—you will see a range of educational institutions in shopfronts. I do not think that is a quality education service provision that we can be proud of. It is not the quality education system that I think we should have in this country and that we should export overseas. So it is about the level of services and the resources that back any business or any educational institution. That is what we should be making clear to the public at large. Do they offer student services? Do they have student housing?

Senator CASH—Can I move on to that topic? It is recommendation 3 in your six-point plan: ‘Student housing focus within Education Investment Fund and Infrastructure Australia’. What are the problems associated with student housing and how do you see us going about addressing them?

Mr Mackenzie—Most TAFE institutions in the international marketplace will provide housing for their students or they will organise homestay. You ask why should TAFE colleges be in a separate position. How often have you heard of a TAFE college going bankrupt or letting down a student? You just do not hear of that happening. You do with a private provider. They are different organisations.

Senator CASH—Why do TAFE colleges provide their own accommodation?

Mr Mackenzie—Because it is an essential part of providing a quality learning environment for students, to have a holistic set of services for your students. We believe that if the Education Investment Fund were to make available its resources for student housing—whether that be for international students or local students—that would add to the infrastructure capacity of our educational institutions.

Ms Simmons—We do not provide student housing, but we monitor very carefully the housing that students are sent to through the homestay arrangement. Not every TAFE institute would have its own accommodation, but we would certainly support the notion that there would be some access to funding for us to do that properly, perhaps through the Education Infrastructure Fund. That has been mooted but has not been followed through.

Senator CASH—How do you go about monitoring the experience of students in homestays? A number of issues have been raised in relation to unfortunate experiences.

Ms Simmons—We monitor that through asking the students and making services available to them to assist them to change if they are not happy. We have housing services for students.

Mr Mackenzie—Most institutions have their own accommodation officers who have responsibility for placing students. That is their sole job. We have large numbers of students. That is another reason why we think there should be a differentiation in the registration process. When you have a large number of students you are going to have better infrastructure support for the students because you can afford it. When you have 100 students it is more difficult.

ACTING CHAIR—Can we come back to the registration issue. If we cut to the chase, what you are saying to us is that the 4½ thousand providers obviously have to meet some test and there is state government regulation in this particular area—is that right?—and that some do not cut the mustard.

Mr Mackenzie—We are saying that there are different levels of capacity, which is not acknowledged in the registration system.

Ms Simmons—In Victoria, for example, the approach has been to have a so-called ‘soft touch’ approach to regulation. It is probably for them to explain that, but it appears to mean that you basically take the approach

that the providers can be trusted and that you are not too forensic. We think that applying that right across the board, regardless of the style of provider, is a very risky approach. It has ended up with significant numbers of providers having to be deregistered or to come under closer scrutiny. So a lot of it is about having a high bar right at the very start of the registration process.

Mr Riordan—Conversely, in the higher education provider land, for HEP providers it is through your classification process. Of course, with classification A with universities they are self-accrediting and there is a risk management separation between those groups, which does not happen in the VET market. I guess that goes to how do you differentiate, how do you manage that, without it becoming overly regulated in itself, which is the other extreme.

Ms Simmons—Senator Marshall, you said you were not convinced by the notion that the TAFE institutes are necessarily better.

ACTING CHAIR—Not quite. I think the proposition that has been put is that TAFE should be in this special place and everyone else should fight—

Ms Simmons—No, I think Bruce made the point that it was if they meet certain criteria and that there are some very good private providers who would meet the same criteria.

ACTING CHAIR—But they must meet criteria now. Whether that is too low—is that the issue?

Ms Simmons—That is right. The bar at the beginning is not high enough. And I am not sure that the bar really examines the issue of what we would call the student experience. The student experience, as has been said, would have students mixing with domestic students and with students from other cultures and would ideally have them being exposed to other courses so that they are not just ghettoed in one or two types of courses. Those sorts of issues are really important for a student coming to Australia, possibly with the intention of becoming a citizen. If we bring them here and they are coming with the intention of getting PR, and then we confine them in a ghetto, often with students of their own culture, that is not going to result in them becoming good citizens as quickly as they otherwise might.

We would say that in a TAFE institute we provide: a broad range of programs, a broad range of students, a broad range of cultures, proper support for them to become good citizens, and language support if they need it. All of those sorts of aspects we do provide, and that cannot be said for a lot of the other providers. So the notion of what the student experience really means should be taken into account.

ACTING CHAIR—That is one of the problems, I suspect, because a lot of these RTOs are actually promoted as permanent residency applications, as opposed to getting the education. It is a means to that end, which is not what it is supposed to be about. But I do have a problem with the concept, because if you are a private operator and you do provide a quality service you should be able to—

Ms Simmons—We have no problems with that. We are not saying it is an issue of private versus public. We are saying it is a matter of the range of services that are provided. The situation is urgent at the moment because the market has been damaged, so why not start with the low-hanging fruit and get rid of those that do not—

ACTING CHAIR—I am probably taking up too much of the time here but what I would put to you is that you have indicated this problem has been around for a while, so what representations have you made and to whom to address these problems and why haven't they been addressed up until now?

Mr Mackenzie—The last representation I made on this problem was two years ago to a Senate inquiry—

Mr Riordan—It was actually a House of Representatives inquiry.

Mr Mackenzie—House of Representatives inquiry, my apologies—and nothing was done about it. We raised the issue of the damage private providers have done to offshore provision in China.

ACTING CHAIR—But this is an issue of state government regulation, isn't it? You are funded primarily—

Mr Mackenzie—But the House of Representatives inquiry was into international—

Ms Simmons—We have written papers, we have approached the regulatory authorities, we have in some cases given case studies of certain providers, not necessarily naming names in public, but certainly identifying those providers. It is usually said: 'You're just the public providers. This is all just sour grapes because their growth is greater than yours.'

ACTING CHAIR—Sure. What the committee would like to see are some specific, hard recommendations, in some detail, about what you think needs to be done to get some reform in the regulation area.

Mr Mackenzie—What we are saying to you, Senator, is that we think you need to create a regulation system which gives consumers information about the quality of the provision of education and services that their son or daughter will receive when they come to Australia and that that registration process can be an aspirational process where providers who want to get into category 1 can do so by ensuring that they have the services that we in Australia say are the services that a high-quality provider would provide.

Ms Simmons—And that would be on a public, government website that parents and students could access.

ACTING CHAIR—Yes, but this is where we are coming at it from different points of view, because we should actually have confidence in our own regulation here that every provider meets the minimum standard required.

Ms Simmons—We certainly should.

ACTING CHAIR—So it is not about saying, ‘There are a lot of dodgy people in the market; it’s up to you to go to a website and work out which ones are the dodgy ones and which ones aren’t.’ There should be confidence in our regulation system that everybody is up to scratch, that there are no dodgy providers.

Mr Mackenzie—But you have a different system for higher education.

ACTING CHAIR—Yes.

Mr Mackenzie—You have a tiered system in higher education—non-aspirational, I might add. Other countries do this; we don’t we learn from other countries? I do not understand what is wrong with that. It is too closed.

ACTING CHAIR—Again, I would invite you to provide the committee with some specific examples of what other countries do.

Mr Mackenzie—Okay. I will tell you that now. The United Kingdom give priority visa processing to their further education colleges, ahead of their private providers. It is that simple.

ACTING CHAIR—I am not sure I actually agree with that as a proposition.

Mr Mackenzie—But that is what you are competing against—and that is what is costing us students.

ACTING CHAIR—Again, if you want to provide some more details about how that works, I invite you to do that, or if you think that another country has a good model you should point us to that with some details.

Mr Riordan—Maybe I could just add something to assist. Last year, when Minister Gillard, through the department, commissioned TAFE Directors Australia to host the OECD VET benchmark mission, we held and hosted a panel of public and private providers and government officials, and one of the key issues that were raised—and it was the subject of one of the key recommendations in the mission’s November report on the OECD website—was the lack of transparency in the Australian VET market. This issue, which is what our deputy chair, Bruce Mackenzie, has mentioned, is, we think, a critical issue, and it has now been recognised by the OECD in its review of Australia that, unlike the North American and the EU markets, there is actually less transparency in the VET market in Australia. We certainly would be happy to provide some further evidence, though.

ACTING CHAIR—I think we would appreciate that. Senator Fisher.

Senator FISHER—Mr Mackenzie, in terms of the number of providers, earlier on you said there were about 4½ thousand. I am not sure that these were your words, but I think you said that was not sustainable or not possible, that you cannot have that many providers. On what basis are you saying that? Is it related to demand or difficulty in regulation and registration? Is it about Australia’s reputation for quality of services? On what basis are you saying you cannot have that many?

Mr Mackenzie—I do not think I said that. What I would have said is that you are not going to have 4½ thousand providers that have the same capability—that you need to differentiate capability in order to give the consumers an understanding of what type of organisation they are getting involved in.

Ms Simmons—And you have to invest in enormous resources in order to maintain an ongoing auditing regime, and that has not happened.

Mr Riordan—The NCVET official data shows that of the balance of 4,500, of which 58 are TAFE institutes, there are a small number of enterprise groups like the ambulance service and others. Also, of the private provider groups, some 80 per cent have employees of eight or fewer. In other words, the discrepancy is

vast but the regulation hurdle, as Senator Marshall has mentioned, is little in terms of trying to understand or distinguish, hence the OECD's comment on the transparency.

Senator FISHER—Thanks for that clarification of my misunderstanding of what you had said.

Senator BACK—I have a couple of questions that are not actually related to the area of the discussion today. In your organisations, if you have got both Australian and international students in the same class at the same time, I am keen to know two things. First of all, are they getting an equivalent standard of education, particularly some for whom English might not be their first language? Is it the case that the lecturer is having to spend more time with some of those students and is therefore neglecting others, both international and Australian, who are comfortable with English? Secondly, is there pressure on your staff and your organisations to have different standards in terms of passing students in those courses by virtue of their not having comprehended to the level Australian students may have?

Ms Simmons—I think we are very rigorous about our language standards in the first place, so you would not have students in a class who were unable to understand what was going on. That would be the first point: you would not have a different standard. In the VET system we also have a very strong emphasis on practical application and acquisition of competency, so sometimes language is not the same issue that it is in universities where you are talking about very high levels of written responses and essays and so on, which is less common in our situation.

We also provide our teachers with training in dealing with different cultures. We send them to our offshore programs so that they learn to teach in an offshore environment. There is no better way of getting them to understand the sensitivities of different cultures than sending them offshore. I think we manage that issue quite well and that it is more likely to be a problem in the university sector than it is in ours because we provide them with language studies that are particularly geared to the area in which they are acquiring skills and competencies. Because of our practical approach and the acquisition of competencies it is not a big an issue as it is in universities.

Mr Riordan—And class sizes.

Ms Simmons—And class sizes, yes. We are dealing with 20 to 25 people in a class.

Senator BACK—Do you find yourselves under pressure, though, to pass international students particularly because of the cost that there has been for them to get to Australia and the impact on their visa and other activities if they fail? Do you find yourselves under pressure to actually change or lower your standards in contrast to Australian students or others?

Mr Mackenzie—No.

Ms Simmons—No, because a student can try to complete the competency for a second time.

Mr Mackenzie—What Virginia said is right. The style of teaching and learning in a TAFE institution is different to that of a university. For example, we have students doing bricklaying. There is not a lot of reading and writing in bricklaying. But we also offer programs for international students in literacy and numeracy, so if they are struggling, they can choose to go and do these additional programs if they wish. Some do; some do not.

Most of the students that go to a TAFE institution are pretty serious and will do quite well. Usually in the academic areas they are as good as if not better than Australian students, so they are pretty good. With our IELTS program we would require a good IELTS score level before they could get in. Our IELTS requirement is often higher than for an equivalent program at, say, a university. For example in nursing we have an IELTS score of seven. It is 6.5 at universities.

Senator BACK—Returning to the theme we were discussing, say a student overseas was wanting to do the sorts of due diligence that we have been talking about so that they can avail themselves of all of the information and so end up going to an institution which you could quite rightly say is at a level by which they will get value for their money. How does that person go about that? How do they avoid those institutions which are, by your statement, substandard? How do they identify those substandard providers prior to them committing?

Mr Mackenzie—It depends. Sometimes it can be done through our offshore partners. They do the first year of a program with an offshore partner of ours and then they will come along to the TAFE institution, having already met some of our staff in the delivery of the programs. That is not the case with the majority of students. The majority of students will select a provider by going to a trade fair, such as IDP, which we have

been talking about. They will meet representatives at the trade fair. They will get information from a variety of different providers. They will go to the websites. They will then talk to an education agent and they will make a decision. Sometimes that is based on quality. Sometimes that is based on price. Sometimes that is based on both. In the main students will get their information in their country by going to trade fairs and by talking to education agents prior to coming to Australia.

Senator BACK—Would there not be some feedback from students who are either in Australia in these institutions now or were? It surprises me that the market has not levelled itself out. I am surprised the information about those who are not performing has not got back to the countries where these students come from.

Mr Mackenzie—Word of mouth is important. It is certainly a very effective way of recruiting students.

Mr Riordan—I think the difficulty has been that, because of the close link with work permit arrangements, the granting of certifications in some cases, as has been reported in the media, has alarmed and concerned many of our senior TAFE executives. For instance, in the security industry a relatively large percentage of certification has allegedly been made without indeed any training. From our point of view, we have protection of the brand, even when an electrician walks into a house. Our research has always shown that there are two issues that have been beside the TAFE brand. One is reliability. The other is safety and confidence. Our concern, particularly by appearing today—and this goes back to our recommendations—is that—and we are very concerned—maybe the feedback has been corrupted because of the tie with permanent residency and arrangements and because the points system through the MODL system has been ineffective. It has been a rather poisonous cocktail. Through our consecutive members on the NQC and through our representations—and we spoke in our submission about what we call a culture of indifference—we have said we felt disappointed that there has been a lack of correlation as to the registration process in the states and territories—all electronic and it goes through to immigration and to federal education—given the same agencies have been handing out visas well beyond the registration ceilings and capabilities. Indeed AEI's own data from their website to 30 June shows that from 2005 to 2007 and to 2009 numbers jump from 49,000 to 83,000 to 170,000. Seventy-two thousand of those were in New South Wales in 2009, 57,000 were in Victoria and in TAFE institutions there were just 5,000, in New South Wales, and 9,000, in Victoria. Our executives have kept asking about that and indeed we wrote to the AEI and said: 'Where are these people being registered?' Hence when we hear of these certifications in the security industry we know that they were not registered anywhere.

ACTING CHAIR—Did you get a response to that request?

Mr Riordan—I wish I could table it, Senator.

ACTING CHAIR—We wish you could too!

Mr Riordan—And that is why we spoke in our submission about a culture of indifference. Indeed, when we went in to meetings we were often even laughed at by AEI—'Gee, your international student numbers are low, aren't they? Look at how well private are going; what's wrong with you?' We kept talking about the student experience. Having lived offshore for many years, I used to be surprised when I saw the UK and European colleges promoting very actively, not just an end product to their career certification but also the education experience, and yet in Australia AEI did not do that sort of marketing. So, we agree with the Group of Eight submission that there needs to be much clearer differentiation in government marketing offshore about what is the Australian education market.

Mr Mackenzie—And we would have to say that we would have some concerns about the advice government gets from the bureaucracy in relation to bureaucrats' understanding of the international education marketplace. None of them have worked in the industry, yet they provide government advice. We think the ESOS Act, which you people can influence—

ACTING CHAIR—I have to say, Mr MacKenzie, you have never done the 'How to win friends and influence people' course, have you!

Mr Mackenzie—I have not. You have to forgive me, I am very passionate about vocational education. I have been at the receiving end of a lot of criticism about TAFE over many years. I have seen the international marketplace and my institution suffer because of the damage done by the failure to properly regulate providers. I take it seriously, so I do not apologise for my approach—

ACTING CHAIR—I am happy to hear it, but again I would invite you to be quite specific with some of the things that you think need to be done. In particular, I would not mind you also considering and maybe

coming back to us about the difference in state regulations across the board, maybe pointing out some specific deficiencies that might be in different states, or some good things that one state might have that we should spread across the board.

Mr Mackenzie—Sure, I would be pleased to.

Ms Simmons—You would be aware that there has been this decision to have a national VET regulator. Work is being done at the moment, and the differences between states is being fleshed out through that whole project. The advent of a national VET regulator would probably help that issue, but it is going to take some time, unfortunately, for that to happen. But that is probably what we need, because the situation now is that the state regulators are all in different sorts of arrangements—whether they are statutory authorities or part of government; how much independence they have; how much resources they have; how they interpret the rules. As it stands, Victoria and New South Wales are really the key ones to get right, because that is where the majority of the market is. But, until that whole process rolls out of a national VET regulator, there needs to be some corrective action taken immediately. I refer to the low-hanging fruit. Our approach of saying that, if you do not offer to a wide variety of students, you are going to be deregistered immediately, seems to be a pretty clever way of cutting out at least the very lowest common denominator of what is provided. That would be a start. It is a case of trying, while these other bigger processes are happening, to bite off some of the problems at the bottom end to get rid of the worst issues.

I think the point we also need to make—

ACTING CHAIR—We are going to have to finish on this. I will give you the opportunity to make your final point.

Ms Simmons—We have not made the point about the need for migration policy and education policy to work more closely together—you have probably heard that from lots of other people—particularly in the VET area, where people are coming for permanent residency around skills. This is where things have gone seriously wrong, and it is really only in the last few years that we have reached a flashpoint. The growth occurred once the MODL came into play. The need for that is really very desperate. I overheard the comment about the need for a commission. Maybe there is some requirement to have a body that actually sits above both education and migration, to really ensure these two areas of policy are coordinated—because at the moment it is clear that they are not.

ACTING CHAIR—Thank you for your submission and for your very interesting presentation. Being frank is a good thing, and we appreciate that. Thank you.

[11.38 am]

MENGHANI, Mr Amit, President, Federation of Indian Students of Australia

LAURENCE, Councillor Tim Singh, Councillor, City of Darebin; and member of the Federation of Indian Students of Australia

CHAIR—Welcome. We invite you to make some opening remarks to the committee, which will be followed by some questions.

Mr Menghani—The Federation of Indian Students of Australia was incorporated in 2001. Since then we have been trying to raise the issues of student welfare and problems that international Indian students face. We provide a platform for them to tell us about their issues are so that we can take them on board and speak to the right authorities and people to make our point very clear as to loopholes and the sorts of problems the students are facing. Then they can make their own decisions as to what can be done and how they can solve the issues and eliminate them from society itself.

Over the past five years we have also noticed a trend. The problems that were not there before are there today. There are things going on such that students are facing a hard time right now. It is a very critical point for all of the students out here in terms of employment and job opportunities, housing issues and discrimination at work. And there are many health issues that they have to deal with. There are various problems. Our submission to the committee is all about the problems that the students have been facing. We are not funded by the government; we are not funded by anyone. We are self-funded. It is very hard, because all in the organisation have been volunteers since 2001. Everything that we do come out of our pockets, so it is very hard to keep track of how things can be improved or how effective solutions to the problems can be. It has taken us a lot of time to develop a program, the 20-page document that we have submitted to the committee. It states every single problem in detail from health to settlements and from before students arrive here to after they leave. Students out here are major contributors to the Australian economy, and we should make sure that their stay in Australia is healthy so that when they go back they become brand ambassadors for Australia and say, ‘The Australian education system is much better than that in any other place in the world.’ So far, they have not been able to say that. That is why we have put in the submission. I am here to answer any inquiries that you have on that.

Senator CASH—Your submission says, ‘There is no single point of contact for affected students to seek advice, direction, to have questions answered.’ My understanding is that a number of submissions have caused for basically a tertiary ombudsman. Could you elaborate on that for us.

Mr Menghani—I am talking about Indian students out here. Most of the Indian students think that the system that is in place is not able to help them out in certain matters. It might be because of the social or cultural boundaries. What we need to do in terms of helping them out would be to come up with a one-stop shop, somewhere that they can go to knowing that once they enter that shop their questions will be answered. We need to make sure that the system that is in place, the environment, is culturally friendly so that they can go there, approach people and come away with their questions having been answered.

Senator CASH—And it would not be just for Indian students; this would be for international students in general. They could phone in and know that they would be directed to the relevant provider of the advice.

Mr Menghani—That is right. It can be a one-stop shop for all the international students out here, so that at least they know that once they enter the shop their questions will be answered or the shop can at least advice them of the right people to go to. That would eliminate all the boundaries between networks that are there.

Senator CASH—What is there at the moment? What is the current situation? If I need information, what do I do?

Mr Menghani—From my personal perspective—even I am a student—if I needed information right now from RMIT, for example, and I went to them and told them that I need some information. What they would tell me is to go to the website and that everything is there. What do they mean by that? At the end of the day, I need to be provided with the direction as to where on the website I need to go to search for certain information. Another example is that if I have an accommodation problem and I go to them and say that I need accommodation and ask them where to find it, they will say, ‘Go to the website.’ The website is not the only thing that is available. They should at least tell me to go to housing services and that they will be able to help me out. But even if you go to housing services, they will say: ‘We’ve got a database. Search on the database.’

Searching on the database will not give me the right accommodation. How important is it for the authorities out here to make sure that when students go for particular accommodation it is in the right place or that the house is in a good condition? There is no auditing system so far. Anybody who has a room which is vacant tends to advertise it on the university boards or the university websites and they get students. But we all have a moral responsibility to students to make sure that even if the room is available it is audited as to whether it is in a good enough condition for the student to live in. Right now, we are seeing many students living in rooms with about six or seven other students. The conditions are bad.

Senator CASH—I want to follow up on the type of information that is being provided. In your country of origin, India, what representations are being made about what is available in Australia compared to the reality people find when they get here?

Mr Menghani—This is another issue that we need to talk about. At the end of the day, students are coming from India. When they apply to come to Australia for any of the courses that they are interested in, all they are given is a booklet that contains useless and misleading information. For example—

Senator CASH—Where do they get that booklet from?

Mr Menghani—The education providers; the agents out there. The Australian government should make sure that the agents through whom students are applying are authorised. That would be the right way to do things. At the moment, they can be dodgy people who give potential students misleading information about a lot of things.

A case study that we came across was about a student who applied to one of the universities out here being shown a picture of Federation Square and being told, ‘This is your institute.’ When he landed here, he was totally traumatised to see the real situation. He was forced to go to a campus which was just a building and which had no library and no computers to help in his studies. He was absolutely gone. He said, ‘What can I do now?’ Finally, he went back.

Senator CASH—And this was because of the representations that had been made to him by an agent in India that were incorrect or downright wrong.

Mr Menghani—That is right. They were totally wrong.

Senator CASH—I know that we have limited time and that there are a lot of topics to canvass. What about the current restriction on working hours—the 20-hour working week and how that plays with the instant deportation in the event that you breach a working condition? Do you have any comments on what can be done to improve that situation?

Mr Menghani—The 20-hour work restrictions needs to be looked at again. That rule was made in 1991, if I am correct. Since then, there has been nothing done to evaluate that whole system again. Right now, the problem is that most of the employers are taking advantage of this particular fact and forcing students to work in unhealthy conditions, which means that those students are going through a lot of problems right now. They get traumatised. If they get injured while working, they do not have any insurance, because the employers are forcing them to work beyond 20 hours and after 20 hours they do not have any liability for the students. We have a responsibility to re-regulate that 20-hour work restriction. We can force employers to make sure that they follow the rules and regulations. Then something can be done about it.

Senator CASH—When you say ‘re-regulate’ what are you saying?

Mr Menghani—What I mean to say is that if there is a system in place we need to make sure that we are auditing the system and going to the employers and checking that they are doing things in the right manner and form. For example, we are talking about the 20-hour work restriction, so we need to make sure that every single person who is working at a particular place does not go beyond 20 hours and that the employer is not forcing them to go beyond 20 hours.

Senator CASH—Other witnesses before today’s hearing have said that they would like to see the rule changed so that you can work either as many hours a week as you want to or alternatively 24 hours a week, so a slight increase on the 20 hours. Do you have any thoughts in relation to those proposals?

Mr Menghani—Definitely. There is another factor here. If classes are not taking place and the universities are closed, then they can work more than 20 hours. Students do not have access to this sort of information. They do not know between what days they can work 20 hours a week and between what days they can work 20 hours plus. There is no information available, and people take advantage of that. For example, say a course

is not running this semester. The student will say, 'My course is not running this semester, so I can work 20 hours plus.'

Senator CASH—But you are not able to under the current restrictions?

Mr Menghani—No.

Senator CASH—What are we as a country doing right in promoting international education? I note that there are flaws in the system, but what are we doing right? What can we build on?

Mr Menghani—The system is pretty good. I am not saying the system is not that good. The system is pretty good, but there are no regulators regulating it. If there were a system in place and if things were implemented then all the authorities could come back to us, and say, 'Okay, we have done this, this, this. This is the duration it will take—about two years, three years, for us to eliminate that problem,' we would accept it. But right now there is no sense of responsibility from any government department. All they are doing is passing the buck from one point to another, saying, 'This is not our issue; this is a federal issue. This is not a federal issue; it is a state issue.' So we need a wide body umbrella that can govern that whole problem, and that says: you need to come back to us by saying, 'This is what we have done and we will take it on board. We will tell the student representative bodies, such as FISA, that we have done this, this and this, and this is the amount of time it will take for us to ensure the system is running in a perfect and efficient manner.'

Senator BACK—Thank you for your submission; I found it most interesting. At the beginning of your document you outlined 10 areas that you felt the local Indian community could contribute to. Looking at those I thought they were of enormous common sense, particularly the concept of a couple of weeks welcoming when students first came into a home that was culturally similar to where they had come from. You went on to refer to free legal advice and student hotlines. Can you tell me what has been the uptake from the Indian communities resident in our cities of the ideas that you put forward?

ACTING CHAIR—Councillor Laurence.

Councillor Laurence—I have been working with FISA as a member of the established Indian community and as an elected representative in the northern suburbs, which is a corridor for students from the RMIT in Preston. I am also a member of the Sikh community at Blackburn Temple and Craigieburn Temple.

Senator BACK—I think you were my councillor at one point in time. I am keen to get a response as to how enthusiastically the Indian community may have picked up on what I think are many very good ideas.

Councillor Laurence—The Indian community is very diverse. I will not speak for all but I will speak for those who I am working with, which are in the northern suburbs and eastern suburbs. The Sikh Temple at Blackburn has 10,000 meals served a week. Six thousand of those are to established permanent residents—4,000 are to students. So there is a big uptake because it is close to the station. It is obviously the most established Sikh community. From that we are doing quarterly openings and talking to students. I have lawyers, educators. I go just as a civic leader and we talk to them about issues after they have had a free meal. They have a service in the Guru Granth Sahib and afterwards we always have langgar where people have a free meal. That is quite successful. In Craigieburn Temple the make-up is naturally Thomastown, Craigieburn—Epping is more working class and there are fewer people with social resources. I think 1,000 people or more go there twice a week. Students who are in trouble do go there, so I am also assisting a lot of students who have various problems. They are coming from those Sikh communities, because the Sikh Temple is elected every year. So it is virtually like a community council. Both Hindus and Sikhs come to the temple for assistance.

Senator BACK—The point—it might not be your point—that two weeks of board to welcome each student as they arrive in Australia; is that picked up? What proportion of students would actually have the opportunity to avail themselves of that offer?

Councillor Laurence—I do not know that that is universal. Obviously people look after their own relatives in their own village, just as every migrant group has. A lot of my ward people, my constituents, are cab drivers and they often have people in their lounge room. That is a staging post for them while they look for a house—and of course, they ask me, 'Where's a house?'—and they find a house. That happens informally. The Blackburn Gurdwara have bought several houses next to the temple area, which is next to the Blackburn pub—it is the old east Melbourne mail exchange. So they can put people into temporary accommodation there and they can also billet people. But, again, I would say this is happening with those in the Sikh community, not the total Indian student population and certainly not the total international student population. One thing I

would say is that when cab drivers are trying to help students you are actually asking those with the least resources to try and help out those with no resources.

Senator BACK—Mr Menghani, we heard earlier from IDP representatives. I think they said they are the largest provider of student places in Australia and in the world. They said they placed 30,000 students last year and it will be 35,000 this year, and a quarter of a million over the whole time. They painted a more optimistic picture, I think. I cannot recall the number of offices and officers they said they had in Indian cities, but they represent a number of universities—I think it is 38—and SEEK.com or SEEK Ltd has some equity in them. I am just a little concerned that from the report you give us it seems to be very much more ad hoc, that students in India do not have any access or have very limited access, whereas in questioning the gentlemen who presented we were given the impression that students had access to a wide range through firstly the roadshows and then the inevitable website. I just wonder if you are familiar with who IDP are or whether you feel that they perhaps have not satisfy the needs of students with whom you come into contact.

Mr Menghani—I know IDP because I came to Australia through them, so I know the way they work and other things as well. But to come back to the point of view of the Indian students who come here through all the agents who are there, and the resources that are available back in India, the way they are communicated to the students or the way they interact with the students is more important. I have not heard that IDP goes to every single university or the schools in India to say, ‘We are the people who can provide you with the information if you want to go to Australia.’ I have not heard of that. If that is the case, then definitely I would say that IDP is the right channel or the right source to come to Australia.

We have seen the problems that have been going on. We have seen that a lot of private agents from India are sending students out here. How do private agents come into the picture when IDP is there? That is the question. If they are saying that the resources are there and they are established in every single city of India, I will accept it, but right now we have not heard of it and I have not seen it, so I cannot talk about that.

Senator CASH—If I can pick up on that point, it gets back to that burgeoning number of agents that are misrepresenting the actual situation. Unfortunately, an organisation like IDP, whilst they might do a great job, only get so far and then students are left to their own devices.

Mr Menghani—Yes.

Senator HANSON-YOUNG—I want to tease out some of the issues in relation to the lack of compliance and monitoring and, as you have put it, regulation. Even if we set some quality benchmarks that providers have to fulfil—perhaps to provide advice and support, such as your suggestion for a minimum two weeks accommodation for newly arrived students—how should that be monitored? How should providers be compelled to meet those standards? We heard earlier that the government act that underscores all of this, the ESOS Act, is simply an aspirational document as opposed to a document of compliance and monitoring and proper regulation.

Mr Menghani—There are a lot of ways that the authorities can go. In terms of laws and regulations, at the end of the day, it is the authorities who will need to take a firm stand by saying, ‘Okay, you need to meet these requirements.’ Right now, just by meeting the requirements that does not mean you can open up any particular college or a TAFE and then say, ‘We are meeting these requirements, we can open up a college.’ Right now that is what the full situation is. The crises that has taken place is because of that. Where is the auditing system? Are the colleges and institutes being regulated for those particular categories of courses? For example, we have given a submission based on RMIT’s course, which is the attachment I have provided to everybody. I have been doing that course. I came here by making sure that RMIT stands by the point of giving us a quality education but so far I have been seen personally a decline in the education system within RMIT. RMIT is one of the world’s finest education, but nobody is governing them. Just by meeting the requirements and opening a college does not mean that they are the right people to provide education to the students. There needs to be a system in place which says that, without even telling them, every six months the authorities can go there to check whether they are meeting the standards of the education system in the education being provided to the students. If not, then they should be forced to shut down.

Senator HANSON-YOUNG—We have heard a lot from the responsible minister, the Deputy Prime Minister, Julia Gillard, around issues with a number of what has been tagged the ‘dodgy private providers’. Are you suggesting that the issues of lack of student support, information, and lack of compliance monitoring and regulation is as much an issue as in the more traditional education institutions, like the university sector, as it is in the private colleges?

Mr Menghani—The problem is the same throughout, whether it is a private college or whether it is a more versatile university, for example RMIT or La Trobe, it does not matter. There are courses there which are not run to the standards. They need to be forced to shut those courses down.

Senator HANSON-YOUNG—In terms of the duty of care that providers should be offering and taking into account when they offer places to international students, you have identified the accommodation is a huge issue. I would imagine that for students who have never been to Australia before, perhaps have never lived away from their family before, who are now living in a different country and do not have any references it must be pretty hard to secure private accommodation as an 18- or 19-year-old student from Delhi or wherever else.

Mr Menghani—Yes, it is a problem.

Senator HANSON-YOUNG—Can you expand on how you think the role of both provider and perhaps the government should take in helping to deal with the problem?

Mr Menghani—The education providers should start helping students by giving them on campus accommodations.

Senator HANSON-YOUNG—On campus?

Mr Menghani—On campus accommodation is one of the ways to go through it. And then, if you are talking about housing, the real estate agents who require two or three months of references before giving a house on lease or on rent need to be governed as well. That was not there five years before; it has just started. I have been seeing the system in place where the real estate agents are asking students to give them a reference that you know someone or whatever it is for a certain duration. When I came in 2005 that system was not in place. It is there in place because they are taking advantage of the international students. So they need to be regulated at the end of the day. Everything falls back to the wide umbrella which can take up the initiative and the responsibility to make sure things happen.

Senator HANSON-YOUNG—Something like an education commission which can draw all the different elements together, to ensure that there is monitoring and regulation.

Mr Menghani—Yes.

Senator HANSON-YOUNG—Can I get you to elaborate on the effects of providers who have been shut down. We know there have been issues with various colleges in Sydney which have shut their doors without any warning to students. What has been the experience here in Melbourne? The reason it is important for the committee to think about this is, if the government is going to go on a sweeping tour of re-registering all of the education providers, with those that are shut down because they do not meet the quality benchmarks, what impact will that have on the students who are attending them?

Mr Menghani—The students are basically going through a lot of problems. For example, one of the students at the college shut down in Melbourne was guaranteed a place in the next 28 days in one of the other universities which has a similar course. He also got the course in the other university but the system of education quality was not there. He had to repay to do the same course again in the other—

Senator HANSON-YOUNG—He had to repay?

Mr Menghani—Yes, he had to repay the same course whereas APTEC told us very clearly that if students will be granted a place in 28 days, they will not have to pay for the duration. For example, if they have paid fees in advance, they will not have to pay additional on top. But right now that student is forced to pay that amount again.

Senator HANSON-YOUNG—Who does that student go to to complain that that was not what was meant to happen?

Mr Menghani—Right now, he is going back to APTEC and talking about his problem saying, ‘This is the problem I am going through. Please help me out.’ At the end of the day, they guaranteed him a place. They did not even guarantee the quality of course that he will be enrolled into. For example, if a person is doing a cookery course in one college which shuts down and he goes to another college which provides cookery, they may not have resources. You are talking about a huge number of students are not here.

Senator HANSON-YOUNG—There have been concerns raised from students who attended the Sterling College in Sydney that they could not access their academic records, those who were almost upon completion

of their courses, as well as other information held by the colleges as part of the visa requirements. Are these the types of things that have happened here in Melbourne as well?

Mr Menghani—Yes, they have. They have been happening for such a long time and I think it is a big issue. One of the students does not even know that the university has a kitchen when he can go for hands-on practice for his cookery course. After six months he gets to know that there is a place where he can go for hands-on experience but there are no resources, there are no tools sitting in the university itself. They do not have libraries, they do not have computers where students can go to practice, they do not have anything but they are running a college which meets the certain criteria of the ESOS Act at the end of the day.

Senator PRATT—When you use the word ‘university’ in that context, are you referring to a service provider?

Mr Menghani—Yes, I am.

Senator HANSON-YOUNG—What you are saying is that obviously some providers are not offering the quality of education they should be and that currently there is no real monitoring and regulation. Then on top of that you are saying that if providers are to be shut down there needs to be some mechanism in place to ensure that students know what their rights are and that there is some follow-through, insurance that students will either get their money back or will be transferred to a new course. If that is not happening, there seems to be a lack of understanding about what to do— to complain or to have that issue and addressed.

Mr Menghani—Yes, that is right.

Senator HANSON-YOUNG—It seems ridiculous that this fellow was promised to be able to go into a new course and now he has to pay more money, yet he has nowhere to go to complain about that, aside from a volunteer organisation like your own.

Mr Menghani—Yes. In addition, if they want to change their course to something better they should be given a chance to.

Senator HANSON-YOUNG—This is the issue with the visa restrictions that do not allow people to change.

Mr Menghani—That is right.

Senator BILYK—I presume you are talking about a student that was enrolled in one private RTO, and then ACPET suggested a move to another private IPO. Is that right?

Mr Menghani—Yes.

Senator BILYK—Can you tell us who ACPET are and who funds them?

ACTING CHAIR—They are presenting to us at two o’clock.

Senator BILYK—I am just interested in why they have the role of placing students that might be disadvantaged.

Senator HANSON-YOUNG—They are a body run by the government.

Senator BILYK—By the state department or the federal department?

Senator HANSON-YOUNG—My understanding is they are linked with state and federal.

Senator BILYK—I will talk to them about all of that. I found it a bit hard to find out who funds them.

ACTING CHAIR—I am not sure it is a government funded body.

Senator BILYK—My research certainly did not show that.

Councillor Laurence—At the collapse of MIC, I went with Amit to the offices of ACPET and, for the education side of it, to the offices of the state regulation authority. It was quite clear that they had briefed 195 students when 330 no longer had a college, so there was a big gap. They then came and briefed us after that Dallas Brooks Hall meeting. We questioned them for an hour and a half, so I found out quite a lot about them. When we asked them how these students would be placed with other providers we were told they would be placed into private institutions only. I had three students on an advisory committee at the City of Darebin who were in that college and wanted to go to NMIT to do community welfare courses that are quite good quality, and they would have lost all their money if they had made that move. It seemed that ACPET only acted in the interests of the private industry and did not act in a general way for Australian education or for the students’ welfare.

Senator BILYK—That makes me think that they are not government funded and that they may be working for the private providers.

Councillor Laurence—To add some detail to that, when I asked them, ‘How are you going to get the colleges to place these students in,’ they said, ‘Already I’ve had six phone calls just coming back from Dallas Brooks Hall from six private colleges that will take X amount.’ I got the impression it was an ad hoc network of private suppliers grabbing students off a collapsed college. I got very much an impression of an ad hoc and unprofessional process.

Senator BILYK—On page 4 of your submission you say:

... many educational institutes and universities—

and it is the universities bit that concerns me—

are exploiting this relationship to their malignant and rapacious ways—

in regard to students enrolled in professional courses. Could you clarify which universities are doing that?

Mr Menghani—Could I provide a written response to that?

Senator BILYK—Yes. You talk in your submission about education agents representing educational institutes of ‘questionable integrity’. I presume that you are talking about education agents overseas—for example, Indian education agents—and that it is not agents from Australia that are doing that.

Mr Menghani—Nobody has shown us a report that saying, ‘These are the Australian education agents and these are the Indian education agents,’ so there might be a mixture of them.

Senator BILYK—Could you provide a list of some of those education agents?

Mr Menghani—Of some of them, yes.

Senator BILYK—You also talk in your submission about universities ‘acting dishonestly with and providing misleading and deceptive information onto their websites’, which is my big concern in regard to this. Could you give me a list of the universities that are doing that?

Mr Menghani—Yes.

Senator BILYK—Thank you.

ACTING CHAIR—Thank you for your submission and your presentation to the committee today.

Proceedings suspended from 12.15 pm to 1.15 pm

BARROW, Mr David Howard, President, National Union of Students

SMITH, Mrs Sharon Margaret, Research Officer, National Union of Students

ACTING CHAIR—We will resume our inquiry. Our next witnesses are from the National Union of Students. We have received your submission. Do you have any alterations or additions to make?

Mr Barrow—No, not in particular.

ACTING CHAIR—On that basis we invite you to make some opening remarks to the committee, to be followed by some questions.

Mr Barrow—Good afternoon. The NUS submission is a comprehensive blueprint that aims to fix all of the issues that affect international students in this country. It is an intersection of different issues, spanning issues in private colleges with quality and compliance, migration problems, exploitation in the workplace, exploitation in the rental market as well as a host of smaller allied problems—not to mention safety, which was the issue that sparked off this debate.

The position of the NUS is that enough is enough. We have been campaigning on these issues for over a decade, and currently the plight of international students studying in this country has been brought to light. We are hoping that through this Senate inquiry there will be tripartisan support for what we are trying to achieve. We see our submission as the benchmark for recommendations that can be implemented. We see the role of the Senate around this issue in this instance as being in line with the Baird review and the Deputy Prime Minister's work with the roundtable and we hope that we will be able to get consensus on these issues and push forward.

After eight years of working at NUS in this field, Sharon Smith, the author of this submission, asserts the facts as they present themselves. NUS has countless times put forward the plight of the international student, warning governments and industry bodies of the problems looming at grassroots level regarding violence, dodgy education providers and the lack of pastoral care afforded students. NUS has countless times requested fairer and more transparent complaints bodies for international students, more responsibility for duty of care for education providers and harsher penalties for those who are clearly breaching the ESOS Act. In return the students are painted in the media and in practice, through legislation enforcement and policy, as the greedy, rich benefactors who only want to gain permanent residency, or they are treated as the cash cows stealing Australia students' education places. The ESOS Act remains a tool for catching out the bad and non-genuine students or the education providers and fringe industry raking in the cash. That is the position out there and it is certainly not the case. Our research officer, Sharon Smith, is the expert on these issues. I am going to let her take over and, as the author of this report, she will answer the majority of the questions.

Mrs Smith—Good afternoon. I would like to put forward the key messages from our submission. The first one is that accommodation is a crucial problem for international students. Recently, through another place of employment, I held focus groups with international students from three different education sectors and asked about the main information that international students require as soon as they arrive in Australia. Most of them in the tertiary education sector said that accommodation information is crucial to them. Currently, our education providers do not provide any housing, apart from limited numbers through universities, to international students. We do not ensure that there is availability of housing, and many providers, not in the university sector but possibly in the VET sector, do not provide assistance to the students to gain housing. You cannot study if you do not have a house to live in, and so when a student arrives here and does not have housing organised and they have to live in a hotel for two or three weeks it is pretty scary for them. Housing providers at the moment are protected by out-of-date legislation in residential tenancy acts, and the students are extremely vulnerable because they do not understand the legislation within the residential tenancy acts in every state. A main recommendation in our NUS submission is that there should be a standard legislation that covers student accommodation providers rather than exempting them.

The second point that I would like to convey to the committee today is that a public review of the student visa system is very long overdue. The main focus in the media and in government responses so far to all of the student welfare issues that have been made public recently has been from the education department perspective. Some excellent changes are already taking place that NUS is extremely grateful for; however, the Department of Immigration and Citizenship has remained very quiet despite their crucial role in the enormous industry. The review would need to have public input and be transparent in its reporting process. I would even go so far as to suggest another Senate inquiry be conducted to ensure the transparency.

There are many areas of the student visa system in the Migration Act that cannot be explained, despite me asking questions of people within the immigration department, such as the \$12,000 that students are supposed to show for their living expenses. I still do not know where that figure came from. I have been asking for five years. There is also the mandatory cancellation of a student visa for working over 20 hours a week. It astounds me, given that if a student does not have working rights they could work one hour and not be subject to mandatory cancellation of their visa. Both of these extraordinary sections of the act potentially render international students vulnerable financially and vulnerable in their workplaces.

The assessment level system for students applying for their student visa is inadequate. The requirements do not match the ranking of countries, particularly with regard to English language proficiency. It desperately needs to be reviewed, using statistics and research that demonstrate actual situations in education institutions rather than just visa cancellations and protection visa applications, which it is currently based on.

An important message our submission hopes to convey is that there needs to be an independent authority or ombudsman's office that is responsible for education and students, specifically to receive complaints or provide advice and representation for all students, with particular expertise in international education. This needs to be built into the ESOS Act in some way, such that the authority has influence over the outcomes of students' complaints. NUS has called for this in the past because our office and our member campus offices receive many inquiries and complaints from students and are often powerless to assist students. Such a body would ensure that complaints are able to be dealt with appropriately and without prejudice. The authority would be able to provide information to the regulatory authorities, like the education department, on where and when relevant legislation is inadequate and provide nationally reliable data revealing the types of problems and complaints that have arisen in a period of time to enable improvement across the country in the industry. Additionally, such a body could provide all students with the peace of mind that there is somewhere that they can go if they are in trouble, where they can get help and answers.

Finally, there is the ESOS Act. On this we recommend closer monitoring of education providers—their activities, their duty of care—and education agents, with more stringent enforcement of penalties for breaches. Hopefully with the upcoming departmental review, the Baird review, and the ESOS amendment inquiry currently before the Senate, a large number of problems will be addressed and rectified in that area. That is all I have to say.

CHAIR—I am sure you will have a bit more to say.

Senator CASH—Thank you to your submission. I go to the lack of auditing and accountability measures for private colleges. What changes would you like to see made in that area and why?

Mrs Smith—Basically we do not represent private colleges, so having a large amount of knowledge of what actually happens in private college campuses is not our area of expertise. However, from speaking with international students that have come into our office or approached NUS for help when they have been private college students, there tends to be a clear lack of actually going out to the campuses and seeing whether or not the facilities are adequate. Such as seeing whether or not there is a kitchen, whether or not the students have a library, computer services and other facilities as well as adequate teaching staff. I think that, with the ESOS amendment that is currently before the Senate, hopefully, that will help because, from what I read, every education provider has to re-register so I am assuming that they will follow proper processes and go and look at the campuses before they re-register them and then have regular annual audits.

Mr Barrow—That also leads into the issue of student representation at private colleges. Our view has been that in private colleges student representation could act as the canary in the goldmine in a sense that, if there had been proper representative structures within private colleges, the Sterling College collapse may not have happened because, if the college had been doing what was in the best interest of the individuals, then they would not have been acting in the way they were. You could have caught out that college earlier before it got to the point where it was ready to collapse. We, as the office bearers in NUS, get three or four calls a week from students who are completely lost out in the ether of the private colleges without anywhere to go and that is why we see that an ombudsman's office or a complaints' office at the federal level would assist that.

Senator CASH—In terms of the 20-hour work week, is it your submission that says it should be lifted to 24 hours? Some other submissions argue that there should be no limit on the amount of hours that an international student should be allowed to work. What is the benefit in raising it to 24?

Mr Barrow—The main issue with the workplace area is the mandatory cancellation of the visas. That is the main issue. To live in Melbourne or Sydney you have to work over 20 hours if you are an international student

going to one of the many inner city colleges. The rationale behind 24 was put together by the Australian international students association who basically said that students are here to study and not to work. Full-time study is considered to be four days a week, so you should be able to work the other three. It is difficult finding jobs that fit in with the 20-hour frame, so 24 hours means that you can work three 8-hour shifts, for example. That would mean that a lot of those students would not be in the situation where they have their visas cancelled. I believe that 15 per cent of the cases brought before the Migration Review Tribunal, the MRT, are student cases. There are an awful lot of students in this position. The other thing that you can look at is making it more flexible in terms of when those 20 hours are per week.

Senator CASH—Would your ultimate goal be to see a recommendation that allowed students to work as many hours a week as they wanted to, as long as their study was not compromised? Or would you be satisfied with it merely being increased to 24 hours?

Mrs Smith—It is really about the debate on what the impact of working a lot of hours will have on a student's ability to achieve academically. I am not absolutely certain but I think that there was a limit put on the amount in the first place because of that, so it is really based on education outcomes. However, if you left it up to the education provider to monitor the academic progress and a student could work as many hours as they liked, I think that you would need to be very clear that the education provider was actually monitoring the academic progress. From what I know of how much education providers are being monitored on what they actually do, that may be a little problematic.

We also need to take into consideration what students actually need to live on. Flexibility is the key point to it. If it was 20 hours, 30 hours or unlimited hours, there needs to be flexibility in how a student can work, realising that there are times in the academic year that are very quiet and students could work 35 hours and only attend three lectures whereas at other times of the year they just cannot because they have to be at university, TAFE or college the whole time. The VET and secondary sector students have set attendance requirements so you would not even need to put a limit on it because they just could not work those hours anyway. I have not really thought about taking the limitation way. I know that other organisations have.

Senator CASH—Yours is a very interesting compromise and the reasons you have set out actually make sense.

Mrs Smith—It was more to bring the amount up so that it would allow the eight-hour days and, also, to definitely have flexibility for the students because of the times of the year.

Mr Barrow—What you see at exam time is that local students bring down their work hours to five or 10 hours a week whereas international students have to remain at the 20 hours, so they are at an academic disadvantage.

Senator CASH—I want to pursue an area with you in relation to some evidence we received this morning about the reliability and integrity of information provided at the point of origin for the international students. Some of the evidence has been that the information received about the course was entirely misleading. Do you have any comments, anecdotal evidence or real evidence as to what type of information is being given in the country of origin about the courses that we provide here?

Mrs Smith—For a long time it has been called the 'glossy brochure syndrome'. Many students have received a glossy brochure, when they have been overseas, and they have seen a lovely campus and thought that that was what they were coming to. Then they have arrived and apparently there was not a fountain in the middle of the yard. I have also read recently—I cannot remember where; it may have been in a media article—where students have been advised to do particular courses or they want to do particular courses and then the education provider has said, 'No, you are now going to do this course.' So they are in a course totally irrelevant to their previous training. That is very problematic. Students are often not told how easy it will be for them to gain employment. I ran a booth, in my other role of employment, out at Melbourne airport in February and again in July this year greeting international students. I was amazed at how many students came up to me and asked me to help them find a job. They had just arrived. It was pretty astounding. So I guess that type of thing is also of concern—what they hear overseas or what they are told.

Senator BILYK—Could you tell us if you have any experiences from students in regard to migration agencies versus education agents. I read in your submission that you think they should be separate. Do you have any experiences that would expand on that comment?

Mrs Smith—I met some students a few years back prior to the ESOS review in 2004, which went until 2007. These students were at a private college and they were having their visas cancelled because they had

apparently not met academic progress, but it ended up just being that they wanted to change providers, so the education provider decided to give them a false academic record. They told me that they went to that college because they were told to go there by a migration agent, who said, 'Go to this college because you will be able to do your course and it will be really easy and they won't care if your English isn't all that good, and then you'll be able to get permanent residency.' This was in 2003, I think. That really astounded me, because that migration agent had actually referred them and was connected to that college at the time, and lots of students were going to that college because of that.

I put that recommendation into our submission after consulting with the Law Institute—we had a few meetings about what we were going to talk about in our submissions—and we both agreed that there is a conflict of interest, a very definite conflict of interest, if you have got a person who is working as a migration agent and getting money from a student and then also getting money from an education provider for referring the student to that provider. It is very definitely a conflict of interest. That is where my discussion of this issue came from.

Mr Barrow—As an on-the-ground observation about students, they often say things like, 'Everything you hear in India is a complete lie.' They say: 'It is all lies; when we got here, it was completely different to what we were told. We had the wool pulled over our eyes.' That has come up again and again.

Senator BILYK—Do a lot of students think that they will be granted permanent resident status once they finish their studies here? Have you heard any evidence of that?

Mr Barrow—Just to clarify, we have steered away from the PR issue in our submission, mainly for the reason that it is quite a contentious issue. We believe that our submission addresses a lot of the non-contentious issues, and I think that there might be other witnesses that could give more information on the PR issue.

Senator BILYK—Thank you.

ACTING CHAIR—Your experience really comes from the direct university institutional experience, so is there an issue with the quality of education received by international students at universities, or are they simply in the broader student body and—

Mr Barrow—Quality in the university sector is a matter for AUQA, and I think that they call out the issues as they see them. I think that international students have suffered, as all students have, from the overall degradation of quality, but I would not say that quality is specifically an issue in universities. In the private provider sector, I think it is very clear that there are some massive issues.

ACTING CHAIR—Sure. I just want to make the distinction between private and public providers, because we heard from TAFE Directors Australia this morning—and I am not sure whether this is across all TAFEs—that, primarily, if they are taking international students, it comes as a package and they also provide housing either directly or through a process to ensure that students actually have housing as part of their acceptance into the TAFE system, and there are some other quality mechanisms which are put in place which achieve some of those minimum standards or expectations you would have. What does the university sector do in respect of that? Is a housing package part of the acceptance process for an international student?

Mrs Smith—It is not a guarantee. The student will not be guaranteed housing, certainly not on-campus housing. Most universities have on-campus housing and international students are able to apply to live in it, but there is not a set amount to cover every new international student. Melbourne university, for example, would not have that much housing to provide. But every university, as far as I know, has a housing service. They have people who have housing lists, including online housing lists, of properties that are available. They have people who work in the housing service to help students, but I think at the moment they are very critically underfunded. Even the most highly regarded universities' housing services are running on minimum funding. There is also a limit to how much housing is available in general, so they are facing difficulties even sourcing housing for students.

I have thought a bit about the housing problem because I recently worked at Monash University on a large international student safety and security research project and did a lot on the housing area, so this lack of housing availability became something I thought about a lot. I think, in the end, if we are promising students a place at our university, surely there should be housing available for them to live in.

ACTING CHAIR—That was the proposition that I was going to put to you. Should any provider that is offering places to international students also provide housing? There will obviously be a number who have

already organised their accommodation. But, if they have not ticked yes in that box, should it be such that the position cannot be offered unless there is the ability to provide accommodation.

Mrs Smith—One of the problems that I found, when I surfed the internet and looked at the housing information that international students access on university websites, was that very often it might only be residential college housing or it might have residential college housing and then maybe one other housing provider in the main area near the university. It does not give a broad range of information about the cost of housing. Students will arrive in Australia and thinking that rent or housing prices are going to be much lower than they actually are. If universities are going to offer a place to a student and are going to be able to ensure that they have housing, it should be something that the students can realistically afford. Currently the Migration Act requires students only to show that they have \$12,000 to live on a year. We could not even rent a house for \$12,000 a year. That is where there is a problem with the affordability.

ACTING CHAIR—I did not notice that you went to this issue in your submission but I would value your opinion. TAFE directors also put to us that the private colleges should not be able to offer pure international type courses or be colleges for international students. They said that unless you are actually offering the same sort of educational opportunity to the domestic market, you should not be able to be exclusively international because that then leads to all sorts of exploitation issues and quality issues.

Mr Barrow—I think that would be very hard to implement. I think by implementing the recommendations that we have put forward across the board that accountability level will go up and those issues will be fixed. I imagine that most of those private colleges would shut down if they did not have international students. The majority of their students are international students.

Mrs Smith—I did not realise that they were only able to have international students. I would have thought if they were an education provider in Australia, anybody could enrol in that course. It would just be that maybe that course does not get government funding; therefore the Australian student would have to pay the same amount the international student would pay. That is what I would assume. I do agree that all courses should be made available to all students. However, there are so many private colleges out there in Melbourne, for example, that domestic students would not need to go to. That is why you have that problem that they can only enrol international students and you do not get any of the mixing and the social inclusion benefits that students at public TAFEs and universities are afforded.

CHAIR—Mr Barrow, I know you wanted to steer clear of the permanent residency issue, but I will ask you this anyway. Are you aware of private colleges effectively promoting that to overseas students as the main objective? Education, of course, is the means to achieve that, but the PR is what is being marketed and sold and is, in fact, what people believe they are purchasing. I am not necessarily suggesting that students are being duped by this. I suspect there is an element of students who seek to purchase permanent residency through an education provider, so they are willing participants in the fraud.

Mrs Smith—If you gain a copy of an Indian newspaper anywhere in Melbourne and open it you will see ads that say: ‘This course offers the 900 hours that you will need for permanent residency.’ They are everywhere. The *Insight* program, coincidentally, had one of the education agents on the show who has an ad in one of those papers. Just the day before, I had been reading it and saying, ‘Oh, my God, look at this ad. This is despicable,’ and then she was on TV the next day. They are everywhere. They are all over these papers.

Mr Barrow—Our reluctance is that we feel that the PR issue can cloud the debate and other issues underneath will not be addressed. International students can be seen as PR hungry, people taking our jobs, and things like that, and that is not a debate we want to start in any way. We think it is distracting.

CHAIR—I appreciate that viewpoint, but there is an element of: ‘Why do some of these institutions actually exist?’ It may not be necessary to have constant auditing of the institution, but, if you are able to remove their feed from another source, it might be another way. Anyway, I do appreciate your point.

Senator JACINTA COLLINS—Mrs Smith, I would like you to clarify. Earlier you mentioned the focus groups that you have conducted in your other employment. You mentioned three different sectors. Could you elaborate on the areas you were covering?

Mrs Smith—I do not know whether I should be talking about this, but I will. I work at the City of Melbourne, through the Office of Knowledge Capital. It was a government funded, AEI funded, program to run five focus groups. I have just done them and have not written the report. Students were from two secondary colleges—one private secondary college and one public secondary college in Melbourne—RMIT

and Monash University. There were VET and university sector students in the RMIT and there were only higher education students in the Monash University focus groups.

Senator JACINTA COLLINS—When are you due to complete that?

Mrs Smith—I have to have the final report written by 31 October.

Senator JACINTA COLLINS—Could you consult with whom you are providing this work as to whether that material can be made available to us as well?

Mrs Smith—Certainly. I have to present it to AEI.

Senator HANSON-YOUNG—I have a few questions. I want to ask about the restrictions on student visas for people who perhaps need to change a course for some reason. You have spoken about the need for flexibility in terms of work right criteria and perhaps an average of required hours. Perhaps that would be a better way, rather than setting a 20- or 24-hour limit. Perhaps there could be an average, linked to an ability for discretion as opposed to just: ‘That’s it. You’ve worked 20½ hours. You’re out the door.’ The same type of flexibility, I would imagine, needs to be considered for students who have been accepted in a course and need to change. Domestic students do it all the time: you do semester 1, and sometimes you do not even get through semester 1 and realise that it is not for you. It might not be a complete change; it might be some tweaking so that they can get the education opportunity. What is NUS’s position on that? Is that being seen as a problem?

Mrs Smith—The history behind changing courses is that prior to 2007 there was a student visa restriction. International students were only allowed to change courses if they had been in the country for 12 months and, if they changed courses during that time, their visa could be cancelled. After 2007, through the last ESOS review, NUS’s international student department pushed to have that changed. So that was taken away and it actually became an ESOS Act requirement on the education provider, so not actually on the international students themselves. So the only time an international student would have to go to Immigration if they wanted to change their course is if they wanted to change sectors, because every student visa is allocated a subclass per sector. It is the secondary, ELICOS, higher education, postgraduate or VET sector. If a student came out here and they were enrolled in a TAFE course and decided that they did not want to do that any more, they would have to get a new student visa. They would have to reapply and get a new student visa if they wanted to go into a higher education course. That is the only time the visa would be impacted.

Senator HANSON-YOUNG—So they are able to change as long as they are staying within that sector. There is no restriction on—

Mrs Smith—The restriction is six months. They have to have done six months in the primary course of study, which does complicate things a little. If they come out here to do an ELICOS course and then do a degree and then want to change their ELICOS provider they actually cannot at all because they have to have done six months of their primary course, which would be their higher education course. As far as the six months goes, it is actually the education provider that would be penalised if they enrolled a student that had not done six months in their primary course. So it is focusing on poaching as opposed to focusing on students having a consumer right to change courses. But there is still a problem with students wanting to change education providers at any time and education providers not wanting them to leave and so therefore not giving them the proper—

Senator HANSON-YOUNG—That was going to be my next question. Some of the individuals who have given evidence through a variety of different submissions have said that they wanted to change courses and yet were not given the ability to by their provider unless they paid all those fees again. Even when they were with the same provider but wanted to do a different course they had to pay them twice.

Mrs Smith—That is really problematic. That comes back to enforcing and monitoring the ESOS Act, and it also comes down to giving international students somewhere to go to complain and be represented. Going back to that case quite a number of years ago, the students were reported because they wanted to change education providers. They had done their first 12 months, so legally, according to their student visas, they were allowed to change courses and change institutions. The education provider did not want them to and wanted to charge them money to give them their academic transcripts and told them they had to pay another semester’s fees because it was too late for them to withdraw. It was really ridiculous. Under normal circumstances they should have just been given their academic records and been able to change providers, but they were not. That is when they came to NUS, because before they even got their academic transcripts this education provider gave them their section 20, which is notice to say, ‘You are going to be deported in 28 days if you do not go to Immigration.’ They reported them to Immigration before they gave them their academic transcripts. So the

students came to me and it turned out that the education provider had falsified their attendance records and academic transcripts and given that false documentation to the immigration department. I went to the immigration department with them and we managed to get their student visas back. That was horrendous. And the education provider was not penalised.

Senator HANSON-YOUNG—This seems to be the common theme in what all the witnesses have said to us thus far, even though there are some areas where perhaps the ESOS Act could be improved, such as defining what sufficient support for students actually is, as opposed to just leaving it to providers to determine what they see as the best fit. But even if we did have the best ESOS Act in the world in terms of providing support to students and clearly identifying the rights and responsibilities of the provider, the problem seems to be monitoring and compliance under the act. I guess that is where the idea of having some type of education commission or authority or ombudsman would fit, to try and deal with some of that. If we could have something more overarching and if the compliance and monitoring were actually sufficient, do you think we could pick up on students having an issue with the way they have been treated, not getting the standard of education they perhaps believe they should be getting, and even breaches of their student visa that they need to know who go to and speak to about?

Mrs Smith—Definitely. I am not sure how the TESQA body will work. From what I have read, that is going to come into play in a couple of years time. At the moment it is AEI and the state authorities that monitor the ESOS Act. I do not know that they are necessarily resourced well enough to monitor it effectively. I am sure that there is a resourcing problem because there just is not enough—

Senator HANSON-YOUNG—Through the CRICOS fee, each provider pays a fee per head. That would go into compliance and monitoring, surely?

Mrs Smith—It is supposed to.

Senator HANSON-YOUNG—It is a question I will put to the department, but is that your understanding of it?

Mrs Smith—It is my understanding. It is also my understanding that about \$115 of every student visa application—that is not every student visa that is granted; that is every application—goes to AEI also to enforce the ESOS Act. That is what it says on the student visa application form. I think an ombudsman's office that students could go to and receive assistance and advocacy from would be extremely beneficial for students. I think right now students need something to reassure them that Australia is a place to study where they will be looked after. More than anything else, as a symbolic gesture to show international students and the world that they have somewhere to go where they will be listened to, that is crucial for the continuation of Australia's international education industry. Right now there is just nowhere for them to go. There is an 02 number to call to get the education department.

Mr Barrow—That body would match, and hopefully exceed, what is currently offered in universities, where students can go to internal boards and committees and make complaints and raise issues, keeping it out of the courts and ensuring that all students know that they have those protections. There is none of that in the private sector.

Senator HANSON-YOUNG—We have been hearing about misinformation or a lack of inflation and a lack of accuracy about what people can expect and what services are actually provided. Do you think that these issues are just as relevant in the more traditional university setting as they are in the private colleges? I understand that there are some extra issues with the privately run colleges that perhaps are more VET focused, as opposed to offering traditional university courses.

Mr Barrow—Do not let the universities kid you into thinking that they are going to get off scot-free. They are not blameless in this. The more you dig, the more you find.

Mrs Smith—There are many issues that international students are unaware of when they first arrive in Australia. International students at universities are exactly the same way. I am sure they come here expecting that the English language proficiency that they are allowed to enter their course with is going to be good enough to get them through their course. That is one area that I think our whole industry falls down in. I am certainly not saying that the English language proficiency they need to have should be any higher than it already is. I think that what needs to happen is that education providers—and universities in exactly the same way as every other education provider—need to provide better English language assistance to students—

Senator HANSON-YOUNG—Ongoing?

Mrs Smith—ongoing English language assistance so that students are able to access help writing essays in an unlimited process. I have read research where university students have been told they are only allowed to seek English language assistance three times in one year. I don't think you should be able to put a limit on English language assistance if you have international students or any student from a non-English-speaking background.

Senator HANSON-YOUNG—If you need assistance, you need assistance.

Senator CASH—Recommendation 49 is:

Introduce travel concessions for all international students in line with local students

What are the benefits associated with doing that?

Mr Barrow—If you are on the ground as a student, it is a daily reminder that you are not treated the same as local students, and when these other issues are put in place in compounds the problem. It means that students are trying to get off-peak fares. They are travelling at odd times. The actual cost of the travel is very expensive in Sydney and Melbourne. The situation does not reflect the fact that, while international students may have a lot of money upfront for their tuition costs, the ongoing money is the issue for them, and that compounds the other issues.

Senator CASH—My understanding is that some states do offer travel assistance while some states do not. So you would like to see standardisation?

Mr Barrow—That is right. The Victorian and New South Wales state Labor governments are failing in this regard.

Senator BACK—Can you give me an idea whether there is any difficulty or resentment with Australian students or international students in equivalence of standards, equivalence of assessment, when they are sitting in the same classes and sitting for the same exams? Is there a perception by either group that they are being either harshly dealt with or more easily dealt with?

Mr Barrow—There is frustration across the board, from lecturers and tutors themselves as well as students, that they are not allowed to mark all students at the same level.

Senator BACK—Secondly, I think you mentioned that 25 per cent of students are international. What proportion would be members of NUS?

Mr Barrow—The NUS does not have individual membership.

Senator BACK—Okay. My only other question is this. In the readings and the comments, there seems to have been an expectation by international students, unfulfilled, of integration with Australian students to the extent of visiting homes et cetera. Is there anything that your organisation has done or could do at the peer level to encourage that process?

Mr Barrow—Yes, we do that at a number of levels. On campus, we ensure that our members engage international students in all activities. That is everything from clubs and societies to representation. At the national level we have been through a process where we are re-establishing an international student officer to essentially do just for international students what I do for all students. That is to do with some issues with the national liaison committee that have now been resolved. We are pushing universities constantly to engage students in the context of student life and those sorts of activities. To be frank, voluntary student unionism has affected universities and student unions' ability to do that.

Senator BACK—It is a very complete set of recommendations in the report to us. Thank you.

ACTING CHAIR—Thank you for your submission and your presentation to the committee today.

[2.04 pm]

QUIRK, Mr Steve, Manager, International Engagement, Australian Council for Private Education and Training

SMITH, Mr Andrew, Chief Executive Officer, Australian Council for Private Education and Training

WELCH, Mr Russell, Chair, International Education Committee, Australian Council for Private Education and Training

ACTING CHAIR—Welcome. Thank you for your submission. Do you have any alterations or additions you need to make to it?

Mr Smith—Not at this stage.

ACTING CHAIR—All right. We invite you to make some opening remarks to the committee, to be followed by questions.

Mr Smith—Thank you. The first thing I should say on behalf of ACPET is that we are very thankful for and welcome the opportunity to appear before the committee. Briefly, the Australia Council for Private Education and Training is the peak professional organisation for private providers of education and training. We have approximately 1,200 members across Australia, of which around 700 are engaged in the international education industry. Our members deliver education and training to approximately 170,000 international students amongst their other operations.

A quick word on student welfare: our view, which we have put publicly on many occasions, is that every student has the right to a high-quality education in a safe and rewarding environment. We believe that that is the right of every student. We also believe it is very important to our members' interests as well. Student satisfaction is one of the lifeblood issues for their very existence and their very sustainability. We have a very keen interest in student welfare. We underwrite the student experience for approximately 170,000 students through our tuition assurance scheme that we operate on behalf of private providers and their international students.

We are very concerned to ensure that there is a recognition that the vast majority of institutions and the vast majority of students actually have a very positive and rewarding experience while they are here in Australia but, where there are elements of poor practice, that needs to be addressed.

Some comments on international education: I think it is very important to recognise that international education in Australia is not a cottage industry; it is a vast, diverse and vital export industry that brings capital into every state economy across the country and creates over 125,000 jobs from Australians. But more important are the incalculable social and cultural benefits that it brings to our country, our region and to the students themselves.

As an export industry, international education is greener and safer, we believe, than every other major export industry. So it has additional value from that point of view.

We are very keen to see Australia develop an approach that is about providing a more informed consumer in terms of international education students, so that they have access to accurate information about the experience here in Australia so they can make an informed choice. These are young adults who make choices about their future study options and about the experience that they wish to have while they are onshore here in Australia.

We acknowledge that there is a strong regulatory framework in place at the moment and, whilst there are areas where it could be improved—and we are happy to discuss those—it is a fundamentally strong regulatory framework. However, we are concerned that there is a need for more efficient, effective and consistent implementation of that regulatory framework.

Last week we held a member forum. Approximately 130 of our members gathered together in Canberra to discuss issues surrounding international education and particularly student welfare. We are happy to expand on some of the things that came out of that as part of the discussion today if the opportunity presents itself.

Just to close the opening statement: we believe that policy adjustments in international education need to use a wide lens and to carefully calculate the full potential impact of any recommended change and that they need to be based on evidence and what the evidence tells us about student experience. This is truly a national success story, this industry, but there are clearly some issues that need to be resolved in the interests of students and the industry as a whole. Thank you for the opportunity to be here.

ACTING CHAIR—Thank you. What does a private education provider have to do to become a member of your organisation?

Mr Smith—In order to join ACPET they firstly need to be registered by their state or territory authority to offer courses. That happens under the Australian Quality Training Framework. They need to gain approval from their state or territory under CRICOS and be on the CRICOS register. That occurs under the ESOS Act. They also need to meet our conditions. We have a code of ethics and we have a number of conditions of membership. One of the processes that we put all applicants through is a risk assessment that determines whether or not they are an organisation that we believe meets our requirements for membership. It may be that we accept membership, it may be that we accept membership with additional conditions to protect student fees or it may be that we reject membership. That is a decision that is made by our national board.

ACTING CHAIR—You indicated to us that you are the insurance provider. Does membership then guarantee you access?

Mr Smith—Actually ASTAS is.

ACTING CHAIR—Right, okay.

Mr Smith—I can explain that briefly if that would assist.

ACTING CHAIR—Sure, if you could.

Mr Smith—The Tuition Assurance Scheme is the second level of consumer protection for international students. The first level under the ESOS Act is that an individual institution has a responsibility to provide an alternative place or a refund to a student if they are unable to continue to offer the course. Failing that, our Tuition Assurance Scheme kicks in, and our guarantee is that we will find a student an alternative place in order that they can continue their education with one of our ASTAS or overseas Tuition Assurance Scheme members. Should we not be able to meet that obligation, a student is entitled to a refund or placement by the ESOS Assurance Fund, which forms the third level.

ACTING CHAIR—Would you be able to provide the committee with what I think you described as your code of ethics?

Mr Smith—We can do that.

ACTING CHAIR—How do you audit that? You talked about an initial risk assessment. What happens after that?

Mr Smith—Members have a responsibility to inform us of changes in their operations. That happens during the year. We have annual renewals for our membership where we check the documentation provided by institutions to ensure it is consistent with what we believe to be the case or have been previously told. We also undertake occasional checks of student enrolment numbers and various things to ensure that we are holding our members accountable.

ACTING CHAIR—How many checks would take place? We have 170,000 students across 1,400 members. Is that right?

Mr Smith—That is correct. It is around 700 members with 170,000 students.

ACTING CHAIR—So how often would each member expect to be audited?

Mr Smith—We do not actually undertake audits. We provide internal audit of our own documentation and check it against what is publicly available or available to us as a tuition assurance scheme operator. We are not the regulatory body. We do not undertake audits. It is not our responsibility to do that. We are introducing increasingly sophisticated accountability measures because we believe we do have some responsibility for the behaviour of our members, but we are not a regulatory body.

ACTING CHAIR—To be a member they have to sign up to a code of ethics and I am wondering how you ensure that the people are actually complying with your code of ethics. I have not seen it. Is it a long document?

Mr Smith—Most commonly these issues come to us in the form of complaints, and we investigate complaints against the code of ethics and take action if warranted.

ACTING CHAIR—So if an international student has a problem with a college that is one of your members, you have a mechanism within your organisation that they can complain to and you can address the complaint?

Mr Smith—No. We do not take complaints in that respect. The ESOS Act—

ACTING CHAIR—Where do you take complaints from?

Mr Smith—Against the code of ethics?

ACTING CHAIR—Yes.

Mr Smith—They come from fellow members.

ACTING CHAIR—Other colleges?

Mr Smith—Yes.

ACTING CHAIR—What do they complain about?

Mr Smith—They complain about whether or not the institutions are behaving in line with the code of ethics, which goes to things such as their marketing, the qualifications of their staff and so on. So it goes through a number of the aspects of the operation of the institution.

ACTING CHAIR—I thought you indicated in your opening remarks that you ensure that students are provided with accurate information. We have heard lots of evidence throughout the course of today that a lot of the marketing for overseas students in overseas countries is false, misleading and lies. We have heard about glossy brochure syndrome. How do you ensure that people are getting correct access? Obviously it is not true in every instance. We cannot quantify it at this point in time, but we would hope to by the end of the inquiry.

Mr Smith—Senator, what I was saying was that we believe that students should be provided with more accurate information than they are in some cases. We do not actually ensure that. However, our code of ethics does have a section that talks about the manner in which courses and institutions are marketed. So, again, where we receive complaints against that, we investigate, but we do not have that regulatory authority.

ACTING CHAIR—A lot of industries, through a peak body, take on a self-regulatory framework in order to avoid what might be considered overregulation by various levels of government. But it would appear to me that, apart from some internal process, you do not actually seek to do any of that quality assurance monitoring of your members, apart from a desktop audit and responding to complaints from competition in the market. So really the only option we have to address the problems that are being identified in this industry is through direct regulation.

Mr Smith—This is a very heavily regulated sector. The ESOS Act and the AQTF are very comprehensive regulatory frameworks. But certainly we have a great interest in and are increasingly becoming sophisticated about the manner in which we can differentiate between providers who simply meet the standards and those who exceed the standards. That is an area which we are very interested in working with government on. We believe that there is the opportunity for greater self-regulation in the industry and we believe that that is part of the solution to some of the issues that we are facing at the moment.

ACTING CHAIR—We are interested in which providers meet the standards and which exceed the standards too, but obviously there are some that do not even meet the standard, and that is one of the things the committee will turn our minds to. There are obviously some rogues in your industry—some of them may well be members of yours! What do you think this committee should recommend the government do about this?

Mr Smith—In a general regulatory sense, it is that efficient, effective and consistent implementation of the framework. There are some changes we would like to see made to the framework, but we would also like to see a sophisticated risk management approach taken to the regulation of institutions. We are able, as an organisation ourselves, to look at some of the characteristics that may lead to an institution being considered higher risk than another, and we believe regulatory authorities should be able to do the same thing and use government resources wisely and efficiently in targeting those institutions. But others who have a proven, strong track record of high-quality performance, whose students are happy with their welfare and educational outcomes, should have a different regulatory experience, because they have earned it and they deserve it. That will allow better targeting of government resources.

ACTING CHAIR—Do you think it would be a good idea for us to recommend that, when any education provider enrolls an international student, there has to be accommodation provided—that the student has to have access to accommodation, whether or not it is actually provided by the education provider? It does seem to be somewhat unsatisfactory that international students can be enrolled in educational institutions but have nowhere to live.

Mr Smith—I think that would be of great concern is that were the case—if a student came here and did not have anywhere to live. I think we need to be very careful, though, and remember that these are young adults who make a range of choices, including the choice to travel halfway around the world to study in Australia. They will expect to be able to make choices about where they live, who they live with, where they work and those sorts of things. We have to be very careful that we honour those choices.

ACTING CHAIR—But you can only make those choices from halfway around the world if you are provided with accurate information in the first place, and it is clear already in this inquiry that that is simply not happening to the extent that it should.

Mr Smith—Hence my opening comments that what we need are better informed consumers—young people who are able to make informed choices. If they are getting poor information at the moment—and clearly some students are—that is the area we need to address. Rather than regulating that providers make accommodation available, let us have a look at the information these students are basing their choices on and find every way we can to ensure that they are making an informed choice.

CHAIR—But if accommodation is not available, what do we do? Enrol them regardless? I do not think it is satisfactory. I have heard stories—not on the public record yet but I think it is on the public record—of garages being subdivided into rooms and eight or 10 people living in a two-bedroom house. These are not standards that are acceptable.

Mr Smith—I agree: they are not standards that are acceptable. Whilst it is not my area of expertise, I suspect that we have some very strong local laws about the types of places that people live—their accommodation—and those should be enforced as well. We should not have people living in substandard accommodation or those sorts of situations.

CHAIR—Your members make money out of this area. There are 170,000 international students paying fees. It is an incredibly large industry. Issues like this jeopardise the future of the industry. Why shouldn't the education provider have to take some responsibility for the provision of these welfare services?

Mr Smith—I think the education institutions can, should and do, and in many instances are required to take a lead role in welfare issues. In terms of your comments about the institutions making money out of the industry, some are for-profit, some are not-for-profit, but it is a competitive industry. They compete for these students with public providers as well. We need to be careful to ensure that we understand that these are not people who are taking huge swags of money and walking away with it—if they are high-quality providers—and not taking responsibility for their students. One of the things that separates the good-quality providers from others is that they have a genuine understanding and interest in their students.

CHAIR—I do not want to overexaggerate the problem either. It only takes a couple of rogue operators to give the whole industry a bad name. It does interest me that, being the peak organisation and given some of the issues that have been highlighted, there isn't a more rigorous, self-monitoring approach being taken by your organisation.

Mr Welch—Perhaps I could comment on the accommodation issue. From the Australian perspective, we need to look at that issue for over 18s is right across the board. We need to look at students in universities, under public providers or under private providers having the same set of standards. The ESOS Act creates a framework and, when people are audited, that is one of the criteria to be assessed. So I think it is already there. The accommodation and welfare for under 18s is very tightly tied down at the moment, if you look at the ESOS Act. It is an area in which I work a lot. All of the accommodation for those students is determined before entry to Australia. We are talking about under 18s and over 18s—minors and adults—so we need to consider that. The second thing is that—

CHAIR—I would be horrified if we were bringing minors into the country as international fee-paying students without accommodation provided and a whole range of other services—

Mr Welch—It is accommodation and welfare. Welfare includes the whole raft of services that I am sure you are referring to. In fact, that area is very tightly tied down at the moment. I am sure many of the issues that you are addressing at the moment are in the over-18 age group, because the under-18 age group is fairly well organised. That might be somewhere to look to see the difference within the legislation.

Another comment I would like to make is that, with regard to services and student accommodation, the regulations were thought out at length over a long period of time. Just the recent issues that have come up indicate that 'regulation' is one thing, 'regulator' is another. That is where we probably need to put most of our focus: the implementation. 'Regulation' is a passive word; 'regulator' implies doing something. I think that is

where you are coming from with your comments on what happens before a student comes and when they come to Australia.

Senator BILYK—You mentioned that when a provider closes down, shuts up shop or moves on, one of your roles is to find alternative studies for the students. I wonder if you could talk us through how you might do that. Do you only go to your member organisations? How much say do the students have in going to an alternative provider?

Mr Smith—The way it works is that the Tuition Assurance Scheme is a requirement for private providers. Public providers are not required by the ESOS Act to be part of the consumer protection arrangements that are required of private providers. Private providers have a choice as to whether they use a tuition assurance scheme as their primary mechanism—there are other options under the legislation—but those who use a tuition assurance scheme as their primary mechanism choose which scheme they join. Ours is the largest, so most providers are part of ours.

Senator BILYK—Can you tell me again how many providers you represent?

Mr Smith—Almost 700.

Senator BILYK—How many of your providers would use the TAS?

Mr Smith—That number is how many providers are part of our tuition assurance scheme. We have approximately 1,200 members across the country.

Under the Tuition Assurance Scheme, you take on a responsibility if students are displaced. Provided it is within the regulated numbers and other things that you are required to do under the regulations, you are required to take those students, to honour the tuition they have paid for but not received and to deliver the course that they were studying. So the students are able to complete the course they came to study and to do so at no financial disadvantage. For example, if a student had paid for a full semester and only received half of the semester, the receiving college would need to honour the half a semester that was paid for but not received, without charging fees. Then, once that was done, they would charge fees, as the student would have had to pay at their original provider.

Senator BILYK—The second college would waive the first part of the fee?

Mr Smith—That is correct. You asked about the students and what sort of choice they get. The choice is limited because, for starters, it is only private institutions who have the obligation to take students, and only those who are members of our tuition assurance scheme. From time to time students will ask us if they can attend a particular institution. Sometimes they will ask us if they can change courses. Where possible we accommodate that. We are not required to accommodate that, but wherever possible we do. Our obligation is to ensure the student is able to complete the course they came to study, with minimal disruption and no financial disadvantage.

Senator BILYK—Was Sterling College a private provider?

Mr Smith—Sterling College is a private institution and a member of our tuition assurance insurance—

Senator BILYK—I understand that has closed.

Mr Smith—Yes.

Senator BILYK—Have all the students who were there been placed in an alternative studies?

Mr Smith—Those students are being placed as we speak. We have students in Sydney and in Brisbane who are affected by that closure—quite a large number of them. That process is underway at the moment. Many students have already been placed and accepted offers in other institutions. Some are yet to—

Senator BILYK—In the same areas, either Sydney or Brisbane, where they were?

Mr Smith—Yes, unless the students choose otherwise. Our requirement is to offer them a suitable alternative course. A suitable alternative course is essentially the same course that they were studying in the same locale and at a comparable cost. That is essentially the definition we work to.

Senator BILYK—What is the time frame on placing all those students, bearing in mind that it would be a disruption to their education?

Mr Smith—Yes. We are required as a matter of precedent to do that within 28 days. We have been very successful in doing that on most occasions. From time to time we need a little extra time because there are specific challenges or students wish to change. We have a requirement to provide those places within 28 days.

If we do not, the student has a right to apply to the ESOS Assurance Fund, that third layer, for either a refund or placement by the fund.

Senator BILYK—With regard to Sterling College, how are we going within the 28 days?

Mr Smith—The 28 days just ticked over on Friday, so we have some students who are outside that time.

Senator BILYK—How many?

Mr Smith—I could not tell you exactly, I am sorry.

Senator BILYK—Could you take that on notice, please?

Mr Smith—Yes, I could get that information for you. We are working towards placing those students. We are working with the New South Wales government and with the federal government to ensure that we place those students as quickly as possible.

ACTING CHAIR—If there were comparable courses provided by TAFE colleges would you put people in TAFE colleges?

Mr Smith—TAFE colleges are not required to be part of the consumer protection arrangements, so they are not obliged to take the students. If there were to be an arrangement whereby students did attend a TAFE college, and there have been instances where that has happened in the past—

ACTING CHAIR—So there is no prohibition on your placing someone if they seek to go to a TAFE college and there is a comparable course?

Mr Smith—There is no prohibition from our point of view but on the TAFE side it would generally be a commercial arrangement.

Senator BACK—I am taking up Mr Welch's point that, while there are regulations, it is about the regulator. I would like to explore that if we can for a moment. Obviously, as the peak industry body you want to represent your members but at the same time the community would have an expectation that you would want to make sure that your membership was delivering while at the same time developing or maintaining confidence in the whole sector. The sector is of course now not an unimportant one. It is the third highest export income earner for us. It is well ahead of some of our traditional ones, being beef, wheat and others. My question to you, in terms of the regulator, is: what advice would you give to this committee that it should take back to the Senate? For example, would you consider the establishment of a commission to oversee both the education and the migration sides for international students going into the future?

Mr Smith—I think the first and most important thing that can do is have a single national regulator with responsibility for implementing the AQTF and the ESOS legislation so that we have greater consistency and greater efficiency as many institutions operate across borders. That would be an important first step.

We believe that the industry deserves its own standing in terms of the way it is marketed and represented overseas. That would require a change in the way the federal department is structured. We also think that at government level it is appropriate for there to be, at a minimum, a parliamentary secretary who oversees international education. You referred to the links between education and immigration. They are very important links for Australia's labour market. We need to have a very strategic relationship between education and immigration. The view that we have put forward is that students are welcome to come here and study as international students and that, should they seek an immigration outcome, they should work in their area of study for up to two years. At the end of that time they would be eligible to apply for permanent residency. That is so we have a more strategic nexus or link between education and immigration, and a parliamentary secretary may well be able to manage that process better.

Senator BACK—You mentioned the concept of it being across state boundaries. There does appear to be, in the VET section in particular, a wide range of standards that will allow service providers to gain a licence. Could you give us some idea, from your industry's point of view or from your group's point of view, of the sorts of guidelines that you would put forward as being the minimum for licensing? The chairman has raised accommodation but there are other issues: mixing with Australian students and enjoying that cultural exchange, the existence of a library, minimum sets of standards in terms of resources and equipment and having facilities to be able to deliver. Would your organisation feel comfortable—not right now but in the event that we were to move that way—actually proposing a minimum set of standards that could actually be used across state boundaries?

Mr Smith—In the first instance, I think it is important for us to recognise that there are very clear standards in place now that talk about—

Senator BACK—The only reason I ask is that we do read in the paper about someone who enters a cooking course and after six or eight weeks has not found themselves in a kitchen. It would probably do no harm in my case because I cannot cook and I would be a danger to anybody! But when you read these stories they are either not true, in which case they ought to be scotched because they really do diminish the whole process, or they are true, in which case I guess I would be pleading for your group to be at the forefront of decrying it.

Mr Smith—We certainly agree with you that in recent times much of the reporting in this area has been ill informed. If I could make a couple of comments about the framework that you have asked about to demonstrate that, the curriculums—for want of a better word—which are taught for these training packages are consistent whether they be for a domestic student or an international student. They are set by industry and they dictate the manner in which a particular course is to be taught. The flexibility that is provided within those training packages allows institutions to tailor the way they offer a course, but it is very clear through the training packages what they must deliver. They are very clear about the manner in which they must deliver, and the resources required are generally set down. So we have quite tight rules about what is offered and how it is offered. Then we have within the ESOS legislation the AQTF and we have standards about the facilities, about the quality of teaching and about the nature of the trainers and what qualifications they have to have. Many of these things that you are talking about exist. We believe that there are areas in which they could be strengthened or changed, but they exist.

Senator BACK—So it comes back to Mr Welch's point about the actual regulator rather than the regulation, does it?

Mr Smith—In many cases it is necessary for us to be far more efficient, effective and consistent in the way in which we apply what is generally a strong regulatory framework. As I have said, the set of rules could be improved in areas. We have got experience in this industry that we did not have when those rules were set in 2000 and revised in 2005, and there are still some recommendations from that 2005 review that we believe should be implemented. We welcome the opportunity, through the Baird review, to look at those rules, but what we do need is effective, efficient and consistent implementation of those rules because we have good standards and we have training packages that dictate the courses and so anybody who is not operating within those rules should be held accountable for that. We very strongly believe that.

Mr Welch—I will offer an observation just on that. If I were to look at the issues that we are confronted with at the moment, I would say they are fairly recent in that they are only of the last few years. What has changed? It is that nexus between migration and study. It seems to me that when that occurred we started to get this whole raft of issues. Perhaps when you talk about regulation and you look at providers, and we mentioned a few things there, one of the issues is that if a provider has been in business in Australia delivering to Australian students for a period of time they have proved their bona fides. But to go and set up shop and be 100 per cent international without a history is an issue when you can get accreditation through CRICOS. So I think that, while we are talking about migration and looking at how long they might have to work in the workforce and at tax returns and at things like that, probably when you look at regulation and registration of people who can deliver that is one of the sets of criteria that you might need to look at.

ACTING CHAIR—Would you support a proposal that said international-only education providers should not be allowed?

Mr Welch—I do not think I would support that only because at the moment there are probably some providers out there that are in that category and have been doing the right thing and a very good job for a very long period of time. So I think that once again, as we have said in our submission, you have to be very careful that with any regulation that you think of bringing in you look at the whole impact on the economy. What would happen to their students, for example? Would they need to be placed if they were already in existence? So I think it is about people coming in new. When we are talking about rogue providers, a lot of these people that we are talking about are reasonably recent entries into the marketplace. They are not necessarily your long-term providers. If they have got a history which is long term, if you look at their history, as opposed to their ownership history, you will probably find they have been purchased or bought out anyway.

Mr Smith—If I may add to that, we talked earlier about risk criteria. People should be able to choose the business model that they want to operate under provided they do that within the rules, and the rules allow people to be international-only. But, as Russell has said, if you are looking at some of the higher risk criteria

that might direct your use of government resources, then perhaps recent entries, international only and those sorts of things, might be the sorts of things that help direct your risk management principles.

Mr Welch—And single-market operators.

ACTING CHAIR—We will go to Senator Hanson-Young.

Senator HANSON-YOUNG—As your organisation is the peak representative body for X number of private operators and you touched on the fact that you have a code of ethics, when you do liaise with your member providers and you think: ‘This doesn’t look good,’ or ‘This doesn’t seem quite okay,’ what do you do? Is there a process that you go through, not just internally, to decide whether they remain members? I am trying to get to the issue of you not having a regulator. Who do you go to? Who do you tell? What is the process?

Mr Welch—Andrew can answer from the point of view of what we do technically. I think the issue you raise is a very good one, and that is the communication. When you talk about regulation via the delegated authority that occurs under the ESOS Act in each state, that in itself has caused a lot of cracks and inconsistencies. From our perspective as a national provider, we would probably then have to go to the state authority in the state that the provider was in. That is the first thing. So you are going to a whole lot of people, all with their own different sets of criteria. Andrew, you might like to elaborate.

Mr Smith—I think that you are exactly right. The thing for us is that, where we have evidence that somebody is operating outside the standards, we have the capacity to take action through our code of ethics. There are a range of things we can do, right through to suspension of membership. That is a very heavy penalty, because if you are suspended from membership you no longer access the Tuition Assurance Scheme and your capacity to meet your consumer protection obligations is significantly hindered. That can actually lead to people deciding not to continue in the industry. But if people have evidence of poor practice, there are regulatory agencies, state and territory, who have the power to investigate, to audit and to take action where it is warranted. Presented with that sort of evidence, we would encourage anybody to take that to the regulatory agency so that action could be taken.

Senator HANSON-YOUNG—What I am hearing from Mr Welch is that it is not particularly clear, necessarily, where that complaint should be made.

Mr Welch—It is clear who you can go to in each state, but it may be received differently in each state—as far as action goes.

Senator HANSON-YOUNG—Which is where the idea of having some kind of national authority comes in. I can completely see that if an organisation operates in Sydney and in Brisbane and an issue is raised in the Sydney college, you would assume that you would also want to check out what is going on in the Brisbane college.

Mr Smith—There have been instances where information has not transferred from one to state to another and that has led to issues. The other thing that the lack of a national regulator does—looking at the more positive end of this—is stifle the innovation and operation of the high-quality providers. Last year, one of our providers, through all of their various operations, had 13 audits. That institute is a high-quality provider. It has been through 13 audits and passed them all. I would think that long before 13 it is probably time to stop looking at those guys and use the resources elsewhere. So it stifles at the top end as well as allowing poor targeting at the other end.

Senator HANSON-YOUNG—Can I ask a question in relation to the resourcing of monitoring and compliance. It has been raised by other witnesses that perhaps this is where there is a big problem—taking on board the idea that it would be much simpler if we had one authority or commission that looked at it all. But even with the way the current structure is operating, perhaps the resources just are not being put into compliance, and monitoring in order to ensure compliance.

Mr Smith—It is well documented how quickly this industry has grown in recent years. I would be very surprised if the investment in resourcing the regulatory agencies has grown anywhere near in proportion to the growth of the industry.

Senator HANSON-YOUNG—I pointed out to previous witnesses that, yes, the sector has grown. With that, obviously, the income has grown because a provider pays per head through the CRICOS fee. So it is not as if there has not been a match in the income flow.

Mr Quirk—To take that point, with respect to resourcing we will leave that to the judgement of the committee. However, the other issue that I would put to you is one of consistency of practice in the

interpretation of those regulations and their application. Where there are differences, how are they interpreted and how are audits conducted, down to the level of different auditors. It is a very difficult situation for a provider to face, be it a private or a public provider. It is simply not good practice.

Senator HANSON-YOUNG—Do you have members on your books that are technically private providers but have links with universities?

Mr Smith—We do. Some of the private arms, if you like, of the public entities are members of our organisation. We welcome that because we are of the view that it is actually not as simple as public and private in education in general in Australia anymore, and that is certainly true of international education. So we do have notionally private institutions which are owned by or in some way related to the public institutions, yes.

CHAIR—We are going to have to wind up there. Thank you for your submission and your presentation to the committee today. We will take a break.

Proceedings suspended from 2.46 pm to 3.01 pm

CHAU, Ms Wesa, Honorary President, Australian Federation of International Students

SINGH, Mr Robby, National Executive Officer, Australian Federation of International Students

TSOI, Mr Douglas, National Executive Officer, Australian Federation of International Students

ACTING CHAIR—I welcome our next witnesses from the Australian Federation of International Students. We have received your submission. Do you have any alterations or additions to make?

Mr Tsoi—No.

ACTING CHAIR—In that case I invite you to make some opening remarks to the committee. That will then be followed by some questions.

Ms Chau—First of all, I would like to acknowledge the Federation of Ethnic Communities Councils of Australia for doing a joint submission with us, because we feel strongly that international students must work with the multicultural sector as basically a first step towards social inclusion. We also believe that international student issues are systemic issues. They are not isolated issues. It requires the goodwill of all parties, working in partnership between all the different levels of government, education providers, education agencies and student organisations such as ourselves, to work together to really address all these issues.

We keep seeing it reported in the media that there are increasing issues of safety around international students. Although it is a really big issue, a very important issue, and it is very costly to our economy, we also acknowledge that safety is not the cause of all the issues—it is actually an outcome of all the issues that are there with international students. So we cannot isolate the safety issue as just one issue to tackle.

I would also like to put some priorities on some issues that we feel are very important to international students. We have four of them. The first one is housing. Housing continues to be a problem for international students, especially when they first come to Australia and they do not have references with which to seek tenancy. It is also apparent to us that the \$12,000 financial obligation for international students coming to Australia is very unrealistic. That is a guideline from the department of immigration but it is very misleading for many international students because we know that for any international students to be able to live in Australia they require at least \$20,000 per year. That is just to barely live—that is just a minimum.

Another issue is employment. This is a very important issue for international students because a lot of international students are getting paid lower rates of pay than local students. I also want to make a comment that having exploitation by employers in the workplace means that international students have a competitive advantage over local students because they are getting paid less. So employers are making more profit because they are employing someone for less money. If we remove, for example, work rights from international students then this is not going to solve the problem because they are still going to get cash-in-hand employment. So this is not going to stop, basically. In regard to employment there is also a 20-hour work rule for international students. I want to highlight that that actually includes voluntary work. So for international students who actually want to engage better with the community via voluntary work having the 20-hour work rule include voluntary work does not work well at all.

The other thing I also want to mention is transportation for international students. In Victoria and New South Wales there are no concession cards for transport concessions. This means that a lot of international students feel there is systemic discrimination by the government against them, because they feel that they are not getting the same rights as other students in Australia. I know that is not the jurisdiction of the federal government, but I think it needs to be looked at by the federal government.

My last issue is the welfare of international students. A lot of colleges and education providers do not provide adequate support for international students when they are in Australia. Some colleges request that students have work placements but at the same time they are not supported to seek the work placements. This is a big issue for international students. It may mean that international students need to stay in Australia for a lot longer than the duration of their course because they need to seek placements and they are not able to do so within the time period. I would like to conclude on that point and invite any questions from senators.

CHAIR—Do you believe that having a regulatory obligation on education providers that provide services for international students to actually have an accommodation service that ensures accommodation is made available—and covering some of the other welfare and general services that you talked about, including a proper complaints and resolution mechanism—would actually go a significant way to addressing some of the overall concerns?

It appears to me that people from the other side of the world are making decisions based on information that they have been given at that time without really necessarily understanding the varying costs of housing and other services, which will vary depending on which city and which region you are in. Leaving it to someone halfway around the world to make those decisions about what will happen when they come to what often is a culturally very different place, with different standards and different services to what people may be used to, is probably not always the best way to get the best result when they are here—and it would lead to anxiety and concern about what they have let themselves in for.

I would have thought that there should have been already some moral obligation on the people who are actually recruiting students from overseas to provide some of those services anyway. But, if they are not being provided, would having a regulatory impost resolve some of those issues?

Ms Chau—I think if there were regulatory obligations on education providers to provide that sort of support then that would actually help a lot of international students. We actually had a case earlier this year, which Doug was involved in, where an international student was homeless for quite a number of months—

Mr Tsoi—Yes, it was eight months.

Ms Chau—The student was not supported by their college at all.

CHAIR—Of course whenever those imposts are made in a regulatory way it inevitably will increase the cost of the course. At the end of the day, things will not be provided for nothing. I am just wondering, where do you see Australia actually fitting in the competitive market internationally? Would it be able to absorb a cost increase if the benefits were provided at the other end here?

Ms Chau—I think it comes down to the quality of education as well. I guess the No. 1 criteria students choose on is really the quality of the education. If we have quality education in Australia then I think the additional cost is not going to be a big issue. We also sometimes hear from overseas that because students are able to get into education providers in Australia at a lower qualification back home then they actually do not value Australian qualifications as much as they should or as they could. We have been hearing one or two stories about that.

CHAIR—Could you expand on that for us.

Ms Chau—One person I was talking to when I was back in Hong Kong earlier this year, a human resource manager, told me that they receive a lot of applications for jobs. She will remove all the people who go to local university first from the top of the list and second is Australian universities. For me to hear that makes me quite sad. Working in the international student education sector that it is quite disappointing and depressing. The reason is that a lot of students who cannot get into Hong Kong universities get into Australian universities. To them, it means that Australian universities must not be as good as other universities.

Senator JACINTA COLLINS—What line of employment would they be training for?

Ms Chau—I believe it is finance.

Senator BACK—On your page 3, international student data, you mention the exponential growth of 227 per cent between 2002 and 2008. Would you care to comment on what you think the cause of that has been? Do you think it was educational in the main or in some instances at least migration was the principal catalyst?

Ms Chau—It is quite difficult for us to comment because we have not received any feedback to our organisation as to why this is. Just looking at the growing numbers, they are from Saudi Arabia, Mauritius and Colombia. I believe in the past we have not had a lot of students from those areas. That could be why. Also there has been big growth from the People's Republic of China and from India. As to the exact reasons why, I do not think we can—

Mr Tsoi—That is difficult for us to answer being a body that services international students, looking at their experiences and their issues. It is a little bit out of our expertise.

Senator BACK—I guess I ask it because is with that sort of increase, 46 per cent in one year alone between 2007 and 2008, you would be had pressed not to think that there is going to be disappointment and expectations that could never have been realised if you had to unexpectedly house and provide early arrival assistance, et cetera, when there has been literally a 50 per cent increase in the one year. I wondered whether you had had feedback from students or observations as to why that might have been. If we see it increasingly, we will have a million students before long.

Ms Chau—It is quite difficult for us to answer this one. We got this data from AEI, Australian Education International.

Senator BACK—Sure. I thought from representing the students you might be able to comment. I complement you on the way in which you have presented your report chronologically—pre-departure, early arrival, et cetera. You make mention of information packs. We heard earlier in the day from providers who have permanent staff around the world. Would you care to advise us or give us some recommendations as to how better you think we should be coordinating the provision of information for people whilst they are making their decision as to which institution and which country to go to and, having made it, getting further information. Can you help us there?

Ms Chau—With the undergraduate students, a lot of their parents make their decision for them. So I think it is really about getting the information to the parents, rather than to the students themselves. A lot of students do not get the opportunity to decide for themselves. It is obviously different for postgraduate students. As soon as a student registers or enrolls with an education provider, that education provider should have an obligation to send them the information from the Australian governments so that they know it is official information. It should be presented in a format that is understandable to parents as well.

Senator BACK—If parents or an intending student were to go onto Google to find out what international student services there are in Australia, would they find you? Do you have a website?

Mr Tsoi—Yes.

Ms Chau—We do get some questions from students when they are still overseas around expenses and around life in Australia. I might get Robby to comment on where he got the information from.

Mr Singh—I did not do any googling or that sort of stuff. I just went straight to the person who was responsible for making the file and processing everything. At that time I felt like that was the right way and that this was the right person to guide me on getting a higher education in Australia. But when I arrived here it was a totally different experience. It was a totally different picture. He said I would get more job opportunities and very good studies and everybody would be very cooperative. But my experience is that I do not feel very comfortable. I was in an institute. I finished my first semester. I was living in Sunshine. It took me too much time to travel. I requested my transcripts, because I wanted to change to a city college. They denied me the transcripts. They said they would not let me go because my study material is based on my placement, which is going to start after my first semester. I have a 573 visa, which leads to a degree. I cannot change my education provider before one year.

Meanwhile I changed to a 572 visa, which leads to a diploma. So I said to them, ‘I have a new visa and, under Australian law, I can change my education provider, so you have to give me my transcripts.’ Then they started making excuses. They said, ‘We can’t give you pass marks because you have not done your field placement.’ I said, ‘If I’ve done my placement can you give me my transcripts?’ They said, ‘You have to enrol for a second year.’ So if I had to keep enrolling every year, what was the point of changing? I would have had even more suffering because it took me two hours to reach there and then I had to walk from the station to the college. The whole day I was doing only this stuff. Then I went to one of the lawyers and he helped me out. He called them and asked for an explanation. After half an hour of discussion, they said, ‘Okay, give me the student’s name and we’ll give him the transcripts.’ Of the five or six students I am the only lucky one who got the transcripts. The other students have to stay in the college or change their course.

Going back to how I got the information, I feel that the people who are representing Australian institutes have no control by the Australian government or Immigration. Anybody can come and join as a representing body. I think immigration could start registering those agents sending students to Australia so that they can have a better hold. If you go to India you will find one room and two people working in there. They have contact with the colleges. They say, ‘We’ll send you 400 students; give us this much money.’ They are working on a commission basis. I think if the government can control those agents students might get the right picture and expectations; the laws, rules and regulations; and what all the facilities that they will have are. Then they can decide if they do or do not want to do it.

Senator BACK—My last question to you is how you would have better received the information that you needed to have to be better prepared by the time you got here and which possibly would have led you to choose a different institution. How would that have been better organised for you?

Mr Singh—They could organise the same things that come to the agents. They could give orientation to all students. The agents will show the location of a college. The picture shows a nice college with big buildings, and what we find is two rooms with heaps of students. This is shocking.

Senator CASH—Can you clarify how you found this provider in India?

Mr Singh—Everybody keeps giving a name. For example, I might tell my friend I went through this agent and he was not dodgy.

Senator CASH—But it was dodgy, even though he is a very famous agent—

Mr Singh—He sent me to TAFE college. They told me clearly it is a TAFE college and asked if I wanted to go to the community college or to the private college. I said I wanted to go to where it is more convenient for me to have accommodation and everything. When I came here I was supposed to live with one of my friends. After one week he asked me to find some place somewhere else. Through my friends network I went to the Sunshine Coast—but that is a different story. They keep showing these big universities and big campuses with canteens, gardens and everything in the prospectus. When you see the prospectus you feel that it is a very good university. It looks good, it has multicultural students—

Senator CASH—So they literally have glossy brochures for you to see that have pictures and information that do not translate when you arrive here.

Mr Singh—Correct.

CHAIR—Them promoting a TAFE college would not have been misrepresented, though.

Mr Singh—No. They say it is a TAFE college with a huge campus. But some of the students get the same brochures and same locations but, when they arrive and first go to the college, find that it is only a two-room college.

CHAIR—So it was not your experience.

Mr Singh—It was not mine, but I was not fully supported by my college. That is why I feel bad. It is a TAFE college. I thought they were going to give me more support, but they started pulling me back.

Mr Tsoi—To add to that, I consult students on a daily basis and assist and support them with their issues. That is my role. I find that most of the students with issues fall into the category of having false information before they come and doing their planning based on false information—for example, the \$12,000 guideline. Agents tell them that jobs are easy to get here, pay is high and living costs are very low in relation to the earnings that you can make. Some even tell them they will make so much they can send money back to their parents and family back in their home country. Then these students front up at The Couch, which is the international student drop-in centre in Bourke Street, having all sorts of issues with homelessness and things like that. It really all falls back to that. We have to come up with some more consistent information—maybe something that is regulated by the government and that tells them that they can maybe get by with \$12,000 but shows them the range. We need to show them the median price—a one-bedroom flat in Greater Melbourne is already more than \$12,000.

We need to tell them that they are not going to get transport concession when they come, because that is not made clear in the information. When they come here, lots of students are disappointed when they find surprises like that the living costs are different to what they thought and that there are no public transport concessions. These important things need to be told to them beforehand so that they can make an informed decision about whether they want to come to Australia or not.

Senator CASH—Are you the peak organisation that represents international students? Where do you actually see yourselves?

Mr Tsoi—We are an organisation that services international students, and in servicing them we also represent them and their views.

Senator CASH—Do you have offices in each state in Australia or are you purely Melbourne based?

Mr Tsoi—We have a physical branch office in Flinders Lane at Ross House Association, and we have branches but without a physical offices in the states of New South Wales, South Australia and Queensland.

Senator CASH—How many students would you service on an annual basis?

Mr Tsoi—Too many!

Senator CASH—How do you define too many?

Mr Tsoi—Our permanent membership is 3,500 at this stage, but we often service around 30 to 50 students per night at The Couch who are not our members.

Senator JACINTA COLLINS—Can I just go back to Mr Singh's story. You mentioned that your accommodation issue was another story. Is why your accommodation arrangement broke down relevant to the issues that we are considering also?

Mr Singh—Yes, because when I was in India I was told by my agent to achieve to have my own house and everything, but when I came here I found that it is too hard to get. If you apply as a student I think there is a 99.9 per cent chance you will not get the house. Because you are a student you have to show your pay slips and your bank details.

Ms Chau—I think what it all comes down to is the information provision before students come. A lot of that information is misleading and is not representative of actual living in Australia.

Mr Singh—Students like me are living with six guys in two rooms.

Senator JACINTA COLLINS—It was not your plan when you first came here to—

Mr Singh—No. I was thinking to have my own house or live with one friend in a two-bedroom apartment. That would be good accommodation for me so I could invite my other friends to have a party sometimes. But sharing with six people you are already having a party everyday! We fight over the washroom every day. It is really annoying. You have to do everything on a roster.

Senator JACINTA COLLINS—And then you were also dependent on your own friendship network to find out where other accommodation might be available.

Mr Singh—Yes.

Senator HANSON-YOUNG—I wanted to ask some questions about the student visa restrictions on the time that you are covered once you graduate or once the semester is finished, because my understanding is that that causes some problems for students, particularly if your visa says that you need to leave pretty much at the end of semester, which we know is not a 12-month time frame. It is pretty hard to secure a lease for a property if you cannot even be in the country for 12 months. Can you just elaborate on some of those concerns.

Ms Chau—It is definitely a problem because students have to rely on properties that allow them to rent for six months. It also means that they are basically cut out of a lot of the accommodation that could be available for international students. I suppose landlords by nature will want somebody who is more stable and therefore will want to rent their property out to local people.

Because of the housing crisis we have in Australia at the moment, this is becoming an increasing issue. Because there is not a lot of student housing that is designed specifically for students, a lot of students are becoming homeless and you just cannot find properties. Like Robby, a lot have to rent a whole house and have six, seven or even up to 40 people. Some properties actually host up to 40 students within one house. It is a really poor condition for international students. I think there are also some perceptions that international students are wealthy and therefore they can afford to pay for apartments in the city. But you will also find if you walk into some of these apartments that quite a number of students are actually living there, so it is not just a whole house to international students, it is five or six people to an apartment.

Senator HANSON-YOUNG—There was a recommendation that was put forward by CAPA about the student visa provisions following the completion of a course to be extended to at least 60 days. My understanding is that that is not just to help out with the accommodation issue in terms of being able to secure a lease but also that just because you have handed in, say, your work does not necessarily mean that you have graduated yet. The student visa restrictions would require you to leave and then have to come back if you are going to be present for the graduation.

Ms Chau—That is definitely a problem to students who are graduating. When they do finish their work, as Senator Hanson-Young just mentioned, they sometimes need a bit of time so that they can actually finish off some things that they have to do. Especially if they are planning to move back overseas, they actually need to do the packing, they need to organise all of their submissions, they need to organise things with the universities, they need to organise graduation. We should allow international students to organise these things before they go home. At the moment it does not allow for that.

Senator HANSON-YOUNG—Just jumping topics again, there is the issue in relation to the lack of realistic or actual information that is given to students through education agents. A number of witnesses have raised concerns around the conflict of interest between an education agent who is promoting to students who

come to Australia that they study in a certain university or college because the agent gets a commission for each student they recruit, but then also a conflict of interest if those people are also acting as the student's migration agent as well.

Ms Chau—I suppose a lot of students tend to want to find a place where they can do everything. But at the same time, because some education agents are not really providing the right information, what ends up happening is that students come here, they find that they do not like what they are seeing, they do not like what they are into and want to actually move out of the college, but they cannot do that because when they go back to the education agent the education agent will say to the student, 'No, this is the better college, you can't do that,' because they actually get a commission from their international students. I suppose it is how we actually regulate the education providers and education agents as well as the migration agents so that we can provide better protection for international students.

CHAIR—There is time for one more question.

Senator HANSON-YOUNG—So, even if we got the ESOS Act to include that perhaps accommodation services or access to accommodation needed to be included in the services and support that need to be provided by education providers before they enrol an international student, which is obviously one of the recommendations of a number of different witnesses, something along those lines.

Even if we did those things and we were able to improve some of those minimum standards, as outlined in the ESOS Act, the fear seems to be that the ESOS Act as it stands at the moment is not even being enforced. So it is an issue of monitoring and compliance. Because you cover students both in private colleges and in the more traditional public universities, do you think that they are issues that are relevant to both, or is the compliance and monitoring issue simply a private college issue and perhaps the universities have it down pat? Because you do cover both, what is your opinion?

Ms Chau—I think the issue of compliance is actually an issue in all sectors, but we see that there are more issues and more serious issues in the private colleges especially. In the ESOS Act there are quite a number of items that are not clear as to exactly what the government is requiring the education providers to do. One example would be the 'culturally appropriate orientation'. What does that mean? 'Culturally appropriate orientation' can mean anything to anyone. What we started doing is going to private colleges to do some presentations around Australian culture which equip international students to understand what Australians prefer and how Australians live their lives.

But in terms of policing and compliance I think what also needs to happen is an audit looking at the experience of international students as well as all the other documentation about what education providers need to do as education providers.

Could I add that I think there definitely needs to be some sort of body for students to go to if they have any issues. It could be an ombudsman, a commission—whatever—so that students know that they can go to this one place for any issues that they have. I think that would really help international students.

ACTING CHAIR—We were hoping that would be your organisation.

Ms Chau—If we were well resourced we could do it!

ACTING CHAIR—Thank you for your submission and for your presentation to the committee today.

[3.38 pm]

FALLON, Dr Felicity, President, ISANA International Education Association Inc.

SMITH, Ms Desma Stephanie, Council Ex-Officio Member and Chair, Study Abroad and Exchange Special Interest Group, ISANA International Education Association Inc.

ACTING CHAIR—Welcome. We have received your submission. Do you have any comments to make on the capacity in which you appear?

Ms Smith—I have also been the project manager for the student consumer protection project.

ACTING CHAIR—Do you have any alterations or additions to make to your submission?

Dr Fallon—We have one small addition we would like to make. We could not put it in when we put the submission in because we were still negotiating the contracts, but we are at present undertaking, with money from AEI and in conjunction with RMIT, a project to produce benchmarks for student support and welfare for international students. Part of it will be presented at the Australian International Education Conference in October and the report will come out soon after that. But we were still negotiating the contracts, so I could not put it in the submission.

ACTING CHAIR—All right. Thank you. I am happy for you to expand on your submission and we will then follow up with some questions.

Dr Fallon—International education is not just putting international students into classrooms, and it is not just using money from international student fees to prop up the budgets of universities and schools. There are a lot of cross-cultural issues. Crossing cultures brings with it a lot of issues, and international students must be seen and treated as special needs students. They need a lot of specialised support. ISANA, the International Education Association, is the professional body for those who provide that support and interact with international students in a hands-on way in many capacities. We represent international student advisers in the universities, and people with similar titles in TAFE, schools and English-language colleges, and with private providers; we have representatives from accommodation providers, from the health insurance industry and from many of the other support people, such as homestay people—all these sorts of people are affiliated with ISANA as members.

We provide, for our members and to many others in the industry, professional development. We have undertaken the development of materials—for example, the ESOS online tutorial, to acquaint people with the ESOS Act. We did some animations last year on students' rights and responsibilities under the ESOS Act. And we developed the Rainbow Guide, which is a template for pre-departure orientation, and other materials to be provided along the way. These are provided on our website for everybody; we do not have membership logons and other such things that would get in the way of us providing this. We are here to support international students.

We also have been involved in and encouraged a lot of research surrounding international students, and you will find our conference each year in December has a lot of very valuable research papers in it relating to the support and education of international students. We also cover all sectors, and so we represent the interests of all students, not just the ones who are vocal, like the ones in the TAFEs and the universities, but also the ones in the schools, who have no voice—there is no public voice for international students in schools at all—and the ones in the English-language colleges.

We would like to call for a number of benchmarks to be developed. The national code for education providers—that is in association with the ESOS Act—has some standards to be met. But, as was said previously, they are a bit vague; they are very much left to the education provider to interpret. Firstly—and I am putting this first because to us it is the major thing—we feel that some minimum level of staffing to provide support for international students should be defined in some way. It may need to be different for the different sectors, because it is very complicated. For instance, in schools, the teachers who are already teaching take it on. But some sort of level should be put in place. It should not be left to the education provider to decide what is 'sufficient'—and that is the word in standard 6.6, 'sufficient'—support for international students. We want some benchmarks about safety issues at pre-departure and at orientation. It says that information needs to be provided, but safety issues are not in there.

We are very concerned about the problems that occur when students cross into another culture—culture shock; the development of mental illness. There needs to be some mandating of methods of dealing with these

things. We feel that there needs to be a lot more training required of all people who deal with international students—academics, teachers, support people, accommodation people—on intercultural communication and intercultural competencies. It is not a simple thing, educating international students. It is a very complex and difficult thing, and yet it is often treated as something that is very simple to do. We want to make sure that what is put in place will deal with all the different situations in the different sectors. So it has to be a fairly complex sort of thing.

We feel that there needs to be a recognition and a clearer definition of the role of international student advisers in the higher education sector and of those who fill this role under different titles in the other education sectors. We feel there needs to be government support for research in three areas particularly. One is dealing with critical incidents. These are when something goes wrong and the person who works in this sort of role—the sort of role of the people that Desma and I are representing here today—has to deal with critical incidents. I know Desma herself had one recently. She had to deal with the students who drove their van off the side of the road and killed some fellow students recently. ISANA members who are on the ground have to deal with these sorts of things. There needs to be more research and more training in this area, just as there needs to be more research and training about the development and the prevalence of mental illness among international students and in the area of intercultural competencies.

We think there need to be some more standards defined about accommodation. We believe there needs to be some sort of regulation of the homestay industry. I heard ACPET say earlier in the day that everything is fine for the under-18s and it is all to do with homestays. I am sorry, but it is not. Those who work on the ground and actually deal with what goes on know that, even with homestays, you spend a lot of time sorting out problems to do with those homestays. It needs more regulation. In Victoria, I know Consumer Affairs had a go at doing it and gave up because they felt it was too hard, but it has got to be done at some stage, somehow.

There needs to be a greater clarification of the legislation around supporting and monitoring under-18s. The term ‘guardianship’ has crept into the industry. It was never there in the legislation. People think if that if they appoint a guardian, it absolves them of all the responsibilities that they have under the ESOS Act in dealing with under-18s.

We support what I heard previously about the fact that the \$12,000 is very unrealistic.

We would like to suggest some practical developments. We would like have a national call-out system for dealing with critical incidents.

In the area of employment we realise that there is material up on a website that students could be directed to, but it is not necessarily in the language that the students would understand and it is not necessarily in the form which would grab their attention. Last year we developed—and Desma was very much involved in this—some animations to sit on our website about the rights and responsibilities of students under the ESOS Act. We would like to see something similar to that developed about employment issues, something that will grab people’s attention in a short thing and tell them some of the problems that exist around employment, because they come from very different cultures where they do it differently and so they do not understand our laws well at all.

We would support an ombudsman. I would like to say that the international student adviser is always the first line of call for a student with a problem. I know Dr Michael Wesley said in his Lowy Institute report recently that international student advisers are intimidated within their institutions and will not advocate for students. I think a lot of ISANA members would take issue with that. We are very prepared to advocate for our students. But there are some situations that we cannot deal with and there are some providers who do not adequately staff for people to do the advocacy, and therefore there needs to be something from outside.

As a final thought, there needs to be much better enforcement of the existing legislation about things like the provision of support for international students.

ACTING CHAIR—Thank you.

Senator HANSON-YOUNG—Can we explore a little bit the situation for international students who come here for schooling? No-one else has really spoken about that at all. It has been very focused on the university sector and the private colleges, and yet, being a senator from South Australia, I know we have a number of secondary colleges and high schools that have specific programs for international students. I guess there is also an assumption—I do not know; you might be able to tell me—that if students finish years 11 and 12 here they will then go on to further study in Australia. Can you just tease out some of the issues? You mentioned guardianship. I am not au fait with that.

Dr Fallon—Yes. Obviously, a lot of the students who go into the schools are in the under-18 category, although there are some that are not, and therefore have that rider on their visa that the education provider must issue a letter saying that they will be responsible for their support and monitoring until they turn 18. There has been a lot of thinking in the industry about how to do this, and several of the state governments have decided to do it by putting the student in a homestay and putting the responsibility on the homestay parents, which can work really well. But, as with a lot of things in the international education sector, in some situations it works really well and in other situations it can be disastrous.

Senator HANSON-YOUNG—Can I just clarify. I assumed most of those students would be going to boarding school, but that is not the situation?

Dr Fallon—No, no. There are very few in boarding schools. You will find them out living in homestays; you will find them living with family, which can be anything from ‘my father’s business partner’s second cousin’ onwards; and, once they turn 18, you will find them living in apartments, just like the ones at universities and TAFEs do. The other thing is that there are people who have set themselves up as guardians. Some of them are actually migration agents who call themselves the student’s guardian and often work against, rather than with, the education provider.

Senator HANSON-YOUNG—And that is a requirement for them to get their visa?

Ms Smith—If they are under 18, it is.

Dr Fallon—If they are under 18. But the responsibility sits with the education provider, and there have been a lot of situations where the education provider has not taken that responsibility on board. Some schools do it beautifully. For example, they have buddy systems. They are all required to have an international education officer in the school. Some of them are giving good time allowances and good training and good support; others are—

Senator BILYK—Teachers.

Dr Fallon—Well, a lot of them are teachers. I come from a teaching background myself, and I think that they can do a very good job. A lot of schools have very good pastoral care systems in place, but then some of them do not.

One of the biggest issues is when the homestay situation does not work out well. That can happen for a whole lot of reasons, because you are taking a person from one culture and dropping them into a home in another culture. Things like having maids, whether or not you wash up, the time you go to bed and use of the internet can be very different in different countries, and the expectations about those things. Many, many things like that can cause a great deal of friction in a homestay.

Senator HANSON-YOUNG—What would you like to see happen in that particular sector?

Dr Fallon—I would like to revisit the whole area of students under 18 and what it means for an education provider to take on that responsibility, and to address this notion of guardianship that has grown up which was never in the legislation but is very much misunderstood and misused by people within the secondary education sector.

Ms Smith—A little bit of it has come from the visa definition of an acceptable guardian, and that has to be shown. But then, as Felicity said, it could be somebody’s cousin’s brother’s uncle. In the legislation there is a visa definition of an acceptable guardian, but it can morph into something else in reality.

Dr Fallon—But the legislation does say that the responsibility rests with the schools and not with somebody out there, and I think some of the schools have denied their responsibilities. And then there are some under-18s in the universities too, which creates an enormous problem, because the universities do not have good pastoral care systems in place.

Ms Smith—And the universities are not keen to take on under-18s purely because it does mean that they have the responsibility, and they probably recognise that more than other institutions.

Senator BACK—How are you funded?

Dr Fallon—Membership fees—low membership fees! We are very poorly funded. We have very little money. We also get a little sponsorship, not a great deal, for our conferences and things like that. People like the health cover providers or IELTS or accommodation providers will give us a little bit of sponsorship money. And in the last couple of years we have actually made a little bit of money by doing research projects and

material development projects with government money. But we live on the smell of an oily rag and a lot of goodwill from the volunteers who work within the organisation.

Ms Smith—And at the coalface level of employment in the industry there are a lot of very committed people who collaborate very well, and our conferences and workshops and things are always very much for the benefit of the students and the benefit of the people who work in the industry.

Senator BACK—You are based in Queensland but represented in each state?

Dr Fallon—We are a national organisation with state committees who run professional development at state level and that sort of thing. We have a small part-time secretariat in somebody's house in Queensland, which is why we have the Queensland post office box address. When the secretariat was created, the president was in Queensland at the time, and so it was created up there and that is where the woman who works part-time in our secretariat lives. The national president rotates to whoever puts their hand up wherever.

Senator BACK—Can you tell me what ISANA means?

Dr Fallon—It is a dead acronym. It stood originally for International Student Advisers Network of Australia, which was then expanded to Australasia because we actually have a membership in New Zealand. We work with the New Zealand people. But we have expanded so far beyond that. We have got people from TAFEs, people from schools, people from everywhere, and we have got academics involved who are interested in the education of international students and things, so we had to leave it as a dead acronym, but everyone knew us as ISANA, so we then said ISANA International Education Association.

Senator BACK—This is the first day of our hearings and we have heard from several different groupings, particularly those associated with the welfare and wellbeing of international students. Are there are several groups competing for the same turf and are gaps being left? I think you understand my question.

Dr Fallon—We represent the people who work hands-on. People like ACPET represent our bosses, the administrators. They are at the marketing, the recruitment, the administrative level. We are the people who actually deal with the students. We work cooperatively with the student groups. We have a good working relationship with AFIS, who were here before. We had a very good working relationship with NLC before things got very murky there and we had to cut our ties with them. We are regarded as a peak body and we do get invited to the GISC meetings in Canberra with AEI and with DIAC about the issues. We are the only one that really goes across all sectors. Things like English Australia deal with English language and that sort of thing and the school groups deal with the schools, but we are the only one that actually crosses all sectors that all aspects of that. But we do not deal with marketing and recruitment.

Senator BACK—Student welfare seems to be your core.

Ms Smith—We have many special-interest groups, which has developed because of the breadth of the people who are employed and members of ISANA. ISANA is now getting into its 21st year, so we have been the only body for the workers in the industry for a long period of time. The development of IEAA a few years ago pushed a few buttons for people, but clearly different focuses on the people they are representing, and we do work in affiliation or in consultation with them.

Dr Fallon—We try to work for all of them. For example, last year I ran a thing on student welfare at the English Australia conference on behalf of ISANA. We cooperate and we are passionate people because we work with international students and we love them. We do whatever we can to support them.

Senator BACK—If you do not want to answer this question do not do so, but would you like to give an opinion as to why you think we have had this 230 per cent increase in student numbers? Clearly they are from India and China, if you look at the breakup, a 50 per cent increase. I am trying to think of things from the viewpoint of providing services, and there is no way in the wide world anyone could predict a 50 per cent increase in services. Why have we had this burgeoning?

Dr Fallon—I think there are two things. One is the commercialisation of international education, because the higher education budgets were such that they forced the universities into relying on money from international education; and then we moved away from the more altruistic view where it is all about education—like the sort of stuff that goes on with the Bologna process in Europe. Australia has moved right away from that. That then made it legitimate for a lot of the private providers to exist. Then they loosened up the permanent residence requirements, which they did with the best of intentions and on the advice of international students about wanting to stay on and get experience before they went elsewhere. That has been

used and abused by people as a route to permanent residency, which at times has got very little to do with education.

ACTING CHAIR—You mentioned the National Liaison Council. You said that you had a relationship with them but you do not now.

Dr Fallon—In fact we had a memorandum of understanding with them which involved a lot of things. We always provided a speaker for them at their annual conference. We worked with them on joint research. In fact a number of ISANA members and office bearers are ex-presidents of the NLC. However in the last couple of years the NLC has been taken over or infiltrated or whatever you want to call it by an element that we felt was not appropriate. They are permanent residents—they are not international students. We did not believe that they were representing the best interests of international students. There were some very bad things that happened to do with the national office—some things which certainly were outside the law and others which were very much on the edge of the law. In the end we had to minute that we were breaking our memorandum of understanding with them. We really did not want to be associated with them any more.

I know that NUS has gone ahead now and had a conference back in June to try to reconstitute the equivalent of the NLC and to get that going. We would very much support that. We are not exclusive. We are supportive of AFIS but we are also supportive of NLC. We want to work with them. We always have student speakers at our conferences. We give those organisations registration fee waivers to come to our conferences. We support research with our ISANA bursaries, and every year a couple of them are international students who win our ISANA bursaries to present at our conference on research and things like that.

ACTING CHAIR—I want to thank you for your submission. I just want to take you a bit outside of the submission for a moment. A lot of this inquiry will of course focus on some of the problems, and they are not always completely widespread and it is not pervasive of the whole of the industry. As someone who deals with students who have problems, even with the students who identify problems is the general experience of Australian education actually a positive one?

Dr Fallon—Yes.

Ms Smith—Yes.

Dr Fallon—But, that said, even in the best institution with the best support things go wrong. Things go wrong in life. But, yes, there are a lot of education providers who have done it very well for a long time and are still doing it very well and there are a lot of very happy, satisfied students coming out at graduation and going home and saying positive things.

ACTING CHAIR—So for the students you are dealing with who have a problem, and hopefully those are resolved, at the end of the day does that tar their experience or does it remain a very positive experience even with that?

Ms Smith—A lot of it depends on the support they are given when the problem arises. That is why we are really strong on having the support people either have some sort of training—and having the support they get at things like our conferences, where they can get together, collaborate and work on best practice models for what they do and what they give. For example, a student came to me this morning. She is in her first semester of study. Her mother is unwell at home. Her father is overseas until May next year. She wants to go home. She wants to intermit her course and go home. She is only four weeks into the semester. By national code without compassionate and compelling circumstances we cannot release her in that first six months unless she has an offer from another provider. Her mother does not have a diagnosed illness so there are no medical certificates. But this student is clearly not concentrating on her studies.

So in terms of the sort of support that she got this morning when she came into us there were a number of things that we could explain to her which are possible for her by regulation—but also possible for her within the institution and also possible for her personally. So an international student adviser has to cover all of those things while trying to flesh out with the student the things that are happening. It is not surprising to us but it is quite amazing the amount of external influences that also come into the story. These students deal with a mountain of outlying factors that impact on something they think is the main focus. They do not even recognise that they have such a big problem until you sit down and start to talk with them.

Dr Fallon—And they are very grateful. In fact that is one of the things they say—they are surprised by how helpful Australian people will be about these things, because sometimes they would not get that sort of help from their education providers back home.

ACTING CHAIR—I want to go into that—that was my next question in terms of their overall safety and their acceptance in the Australian community. Clearly there have been some safety issues, particularly involving Indian students. We cannot ignore that. It has sparked this inquiry. But, again just dealing with your experience with students, do you actually get a sense that safety is a generalised fear across the board—or again is it something that has been highlighted recently. We do what we can and I know that the state government here is working very hard to try and deal with some of those issues. Is it an underlying fear that students have?

Dr Fallon—I do not think it was. I think it has been blown up in the media and made to sound like something really big. ISANA was well aware that there were issues with Indian students and their agents, and probably has been for the last six or seven years. They have been coming to our conferences and telling us that. Certainly there has been a lot of dissatisfaction among the Indian students over the whole situation of what they were told in India and what they find when they arrive here. I think this is one of the big underlying factors in the whole safety issue. It is a bit hard for them to talk about that sort of thing. They are much happier saying, ‘We don’t feel safe.’

There are also multiple issues surrounding this about them arriving without sufficient financial underpinnings, the desperation to find work and the difficulty of finding accommodation—for example here in Melbourne—that would be anywhere near their budget. The explosion in numbers that has happened has created a real accommodation issue. I think at some stage we may need to think about capping the number of international students arriving in the country until the accommodation situation catches up with it. If there are no apartments, there are no apartments to be rented to them. Certainly in the rental market in Melbourne anywhere that is not way out down one of the railway lines has a very high rent. So there are a whole lot of issues like that where the sudden explosion in numbers has created these problems.

I think the safety issues have these other deeper roots that are to do with not having the money to live on, not having accommodation that is close to where they study and these sorts of issues. And then there are cultural issues—and the lack of cultural work being done at some providers. Some providers do it brilliantly and some providers do not do it at all, and there is a range in between.

Ms Smith—I would like to just add that the recent safety issues being highlighted make a lot of us cringe because they are not new. I do not think statistically they are particularly more than what we have been dealing with, as Felicity said, for a number of years. ISANA branches in different states—and certainly in Victoria I was involved with the Asian crime unit—have been working with the local authorities on issues as we know that they are happening in hotspots and in areas. We have been getting some good results, some really concrete choices in what sort of things can be done to help, and getting good results with the students and their opinions on that.

But this recent publicity made a lot of us cringe because it highlighted things that were not really factual and things were blown out of proportion. As Felicity said, there are a lot of other issues that the Indian students themselves were dealing with. This gave them a chance to stand up and say, ‘Help us, help us. We have a problem.’

Senator BACK—Is it the case that a lot of these students were actually targeted by other ethnic groups? The question that I got from my associates in India who know Australians well was initially, ‘What are you Australians turning on our people for?’ Then as I investigated it further, as did they, it became apparent that it was not young Australian kids who were targeting them. Can you comment on that?

Ms Smith—When the Indian students had their march in Melbourne to me that was really unfortunate because, when I looked at the news the next morning and the grabs of that, the actual students who had organised that march had already gone home. They had left. The police had to close Young and Jackson’s bottle shop at 10 o’clock at night because a lot of other young people on the street decided, ‘Hey, this is cool, we’ll go and get a bottle, go over and sit with these guys and see what they’re talking about.’ The Indian students felt like they had a voice because someone was listening to them. In the morning on the news there was this guy saying, ‘We need this and we need that.’ All the Indian students around him were saying, ‘Yeah, yeah, yeah.’ He was Greek and I do not think he was a student. They felt like they had a voice and they were gumptioned up, if you like, by some of the support that they had. The police called those students who had organised it at three o’clock or four o’clock in the morning and said, ‘Please come back and disperse these students.’ The march was actually over. It was hijacked by sensationalism.

Dr Fallon—Safety is about more than being attacked on the train or at the railway station. I do have to say that I had a student who was attacked on a railway station a couple of years ago. I think he was from Hong

Kong; he certainly was not Indian but he did what the Indian students did. He stayed late at a friend's place, he came home, he was carrying his laptop obviously and he was jumped at the local railway station on his way to his homestay. But I do not think it was because he was an international student. I think he was there at a bad time; he did not understand local conditions.

As one of our ISANA members who works at Victoria University said to me, 'Would you travel on a train to Sunshine at one o'clock in the morning?' I said, 'No, I wouldn't.' But these students are doing it and they are doing it alone because they have been working in the convenience store or something until that hour of night and then there is the whole time difference. Asian young people do not go to bed before midnight and they do not think it is time to go home until somewhere around there whereas most Australians are home, and their kids would be home and in bed or at least up in their room studying by then. That is not there. There are cultural issues about that sort of thing.

There are also things like fire safety. We work with the metropolitan fire brigade here. There is beach safety. Safety is so much broader—

Senator CASH—What I have heard today and what I am also hearing from you is that there seems to be two fundamental problems. The information that the international students are being provided at their point of origin is incorrect—

Dr Fallon—For some.

Senator CASH—For some and we have had a body here today who say that they provide the correct information and their students' experience is a good one. Then for those students who have been provided with the incorrect information and who get here and find it is completely different there is nowhere to actually go once they are here. There are certainly bodies such as you but they seem to be getting it from both ends. If we could actually correct the perception coming out of the country of origin and then have a voice here as well, we might go some way in part to addressing the issue.

Ms Smith—There is also sometimes a desire on the part of the students to accept what looks like a rosier picture rather than the reality. As an international student adviser I would send students an electronic booklet that had accommodation in Melbourne and it would go from hostels through to top of the range accommodation with estimated prices. It was like a spreadsheet. It had whether food was provided, whether you pay your own utilities and all of those sorts of things. The students would still write back and say: 'Thank you, madam. Can you please find me somewhere for \$70 a week?'

That is the belief they come with. I dealt with a student just this morning who has failed units and has been excluded from his course. As he told me—and we spoke for a long time—this was because he came here last year with enough money for his first semester and thought he would get a job so that he would not have an ongoing problem. He got a job in January and lost it after a month. His friends were paying his bills for him, he was not concentrating on his studies and he failed all his units. He now has a job and wants to continue in the course, but he has already gone through all of these internal processes where they have said, 'I am sorry; you have not given us anything to show us that you have something in place to move on'. But he had literally come knowing that he could support himself for his first semester and thinking he would then get a job and be able to support himself for the rest of the three-year course.

Dr Fallon—Also, some of them want the cheapest even if they do not take it. I had a girl who was backed up against the wall by her landlord who was trying to kiss her and she fled the house and we had to send in another student to get all her stuff out and things. We found her perfectly secure accommodation near Melbourne university that she could afford but she would not take it. I sat in my office and asked her, 'Can you not afford this or do you not want to pay for it?' She said, 'I can afford it but I am not going to pay for it.' This was a 20-year-old from PRC. I asked, 'What are you going to do with the money?' and she said, 'I am going to spend it on clothes and handbags'. You cannot help some of them. She then booked herself over the internet into a share house with four other people from the People's Republic of China whom she had never met. I said, 'Just make sure you have locks on your doors and make sure you get something in writing about the bond money you pay'. You cannot stop them. We had organised it. We had pulled all sorts of strings to get her into what was very safe, secure, good accommodation which was not expensive by the standard, and she would not take it because she wanted to use the money for other things.

Senator BILYK—In your submission you mentioned that a lot of people go and do pre-departure stage information sessions, and we have heard a variety of comments in regard to some of those. You mentioned that at least one person has provided a DVD. Have you seen that DVD?

Dr Fallon—Yes.

Senator BILYK—Do you have a copy of that?

Ms Smith—We can get it for you. It is downloadable from their website too.

Senator BILYK—Okay. Would you be able on notice to give us the details so that we can have a look at it.

Ms Smith—It was done by Victoria University with the Victoria Police. There are good and bad things about it. We can certainly improve on it. It was the same with the animations that we did last year in the student consumer protection project. It is hard to cover everybody—

Dr Fallon—And cover everything.

Ms Smith—And cover everything, because there is so much.

Senator BILYK—And we can see the animations that you did on your website?

Dr Fallon—Yes.

Ms Smith—Just go to our website. It is called the student education project. The two characters that are in the animations are established characters now. They certainly lend themselves to being expanded to things, as Felicity said, like employment and being recognised as such.

Senator CASH—As a point of clarification, under recommendation 5 of your submission, in relation to accommodation, you say that there is:

A tension ... between the importance of providing suitable accommodation for international students close to their place of study and finding ways of having the students live in community with Australians.

You then say:

Some education providers have found creative ways of meeting these needs ...

Is that a positive or negative 'creative'? I need you to clarify that.

Dr Fallon—It was a positive, and the one I was talking about—

Senator CASH—Could I ask you what they are then.

Dr Fallon—The student village that VU has out at Footscray seems to work extremely well having Australian students and international students living together in a community. They have had things like the Western Bulldogs take a bunch of Australian and international students together to the football for free. They seem to have been able to do it very well.

Senator CASH—Who provides that accommodation?

Dr Fallon—Victoria University.

Ms Smith—It is their own student village. Its only negative is for students such as nurses who do late-night shifts at a hospital and have to travel back there, because the tram stop is a fair way out and things like that. But, as far as blending the students, it is good.

Dr Fallon—If RMIT wanted to do it, they really would not have the land nearby.

Senator CASH—RMIT said that was one of the issues.

Dr Fallon—There are big problems about things like that.

ACTING CHAIR—I want to thank you for coming today to deliver what I think was a valuable contribution to our inquiry.

Committee adjourned at 4.19 pm