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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

Friday, 18 September 2009

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

Participating members: Senators Abetz, Adams, Barnett, Bernardi, Birmingham, Mark Bishop, Boswell, Boyce, Brandis, Bob Brown, Carol Brown, Bushby, Cameron, Colbeck, Jacinta Collins, Coonan, Cormann, Crossin, Eggleston, Farrell, Feeney, Ferguson, Fielding, Fierravanti-Wells, Fifield, Fisher, Forshaw, Furner, Heffernan, Hurley, Hutchins, Johnston, Joyce, Kroger, Ludlam, Lundy, Ian Macdonald, McEwen, McGauran, McLucas, Mason, 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, Fisher, Hanson-Young and Humphries

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.

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Committee met at 9.03 am**BISSETT, Ms Michelle, Senior Industrial Officer, Australian Council of Trade Unions**

CHAIR (Senator Humphries)—I declare open this public hearing. 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 have drawn public attention to the deficiencies in the provision of education to 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, their liability to exploitation and matters touching on visa formalities and rights to permanent residency.

The committee thanks the many organisations and individuals who have made submissions. 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.

I welcome Ms Bissett from the ACTU. Thank you for your submission. We would like to ask you questions about your submission but first I invite you to make an opening statement to the committee, if you wish.

Ms Bissett—First of all, the ACTU will restrict its comments to some limited matters that are before the committee. There are matters in the terms of reference for the committee that we have nothing to say about and do not seek to go there. We do seek to make comments with respect to employment rights and protections, appropriate pathways to permanent residency, quality benchmarks and controls on services provided and the role of migration agents.

The ACTU recognises the contribution of the international education sector to Australia's economy as a major export earner and also the contribution that international students make to the Australian community as members of the community. The contribution to the economy though should not be at the expense of the rights and dignity of those students. The ACTU supports Australia's international education program. We have excellent educational institutions in the main—there are always exceptions—and our standards in education are well recognised by the demand that is placed on our education program by international students.

Our concerns generally and quite specifically go to changes that occurred in the migration program from 2001 onwards that have left the door open, we believe, to unscrupulous practices by migration agents, by some registered training providers and by some employers. These practices have resulted in exploitation of international students tarnishing our education reputation. Even though they might be migration issues that have come into play, it is having a negative effect, we believe, on our education reputation. The migration pathway that has been opened up for international students has led to a growth in training organisations delivering training, not for the purpose of skill development but for the purposes of migration and that is a matter of concern.

Many of the courses that are now being delivered are on a fully institutionalised basis, so vocational education and training, particularly being delivered to international students, is losing the critical link that it has always had to the workplace. By fully delivering training on an institutional basis there is no workplace relationship for those people undertaking the training. The ACTU has long held concerns about institutionalised delivery of vocational training both for domestic students and now for international students.

These concerns are amplified for international students if the expectation is that a number of them will remain in Australia through the permanent migration pathway that is being taken and then seek employment. If the quality of the training they are undertaking is not there, their capacity to find ongoing employment in the areas in which they have trained is much diminished. We reiterate our general concern on the capacity of fully institutionalised training to deliver quality outcomes when compared to those that are achieved through workplace based training.

On training providers, we welcome the recent announcements by the Deputy Prime Minister with respect to the additional standards that are being placed on registered training organisations that are delivering to international students and the requirement for those providers to be re-audited and reaccredited. We do note however that there are some unintended consequences already starting to emerge from those standards that have been placed on institutions delivering to international students.

What we are seeing now is some of those institutes opening their fully institutionalised training courses to domestic students. To overcome the requirement that they deliver to domestic students as well, fully institutionalised training courses are being offered to domestic students. That then raises concerns about the quality of the training for Australian students who absolutely will be seeking employment, most likely in the areas of training. And there are issues about employer confidence in the outcomes of fully institutionalised delivery, and the ACTU and the major employer groups—the ACCI and the Australian Industry Group—share very similar concerns about the quality of outcomes of that training. So we are now starting to see some unintended consequences from what is an appropriate response at the moment to the standards of the training providers.

We believe that critical changes need to be made with respect to this myriad of issues that sit around international students, the pathways to migration and so on, if we are to maintain our reputation as a quality international education provider. We believe that international students need to be made aware of their rights, both as workers and as students, in Australia. We believe that there needs to be a removal of the strong link that currently exists between study and the skilled migration program. We believe there needs to be a commitment to assuring the standards of providers. We believe that Australia needs to work cooperatively with other countries about establishing and maintaining standards for migration agents and education agents who are operating in other countries.

CHAIR—Thank you very much. I want to clarify something. Did you just say that the ACTU advocates the removal of the strong link between study and skilled migration?

Ms Bissett—Yes, we do.

CHAIR—What is the reason for that position? Is it that study should be for purposes that are not directly related to migration, or is it because the structure of study is not properly related to Australia's skill needs? Or is there some other reason?

Ms Bissett—The reason that we would seek the removal of the strong link that exists at the moment is that the migration purpose is distorting the study purpose. What we believe is happening in the market at the moment is that students are coming to Australia, not for the purposes of gaining skills or for education, but for the purposes of finding a pathway to migration. And because of the changes that were made for international students to be able to seek permanent migration on shore once they had finished their study, once that change was made we saw a distortion of the training that was being undertaken by international students, so there was an explosion in hairdressing and cookery. What we are seeing is those students not working as a hairdressers and cooks—mind you, we see the same things in domestic students. The purpose of the study is to gain a migration pathway, not to utilise the skills that they are gaining in their studies in Australia. So there is a bit of distortion happening in both the training sector and in the migration sector and they are affecting each other, if that explains it.

Senator BILYK—Just in regard to that issue, in Australia there is obviously a lack of skilled employees in a number of specific areas—for this conversation we will talk about hairdressing and cookery—so would it not be appropriate to have people who came to study those skills, but maybe have them, for lack of a better word, 'bonded' or something like that to ensure they actually went into those areas of work? Otherwise, aren't we still going to end up with a lack of skills in those areas?

Ms Bissett—It is the conundrum of the problem that we have. If we just look at hairdressers and cookery at the moment, and they do seem to sit as a particular issue, we do not believe there is a shortage of people who are skilled as hairdressers and cooks in Australia. There is a shortage of people who are prepared to work in those jobs for the wages and conditions that are being offered to them, so there is actually a labour market problem, not a skills problem.

Senator BILYK—So there are two arguments to the fact that there is a list of skilled migrant entrants for training, and as to why 'citizens', for want of a better word, are not taking up the call to work in those areas.

Ms Bissett—Yes.

Senator BILYK—With the tightening of regulations and the way courses are run, for example if they were not institution based, would you still have the same view in regard to those courses linking to the skilled migration list?

Ms Bissett—There are a couple of things to say, and I should also answer the question you asked about 'bonding', if I can use that term. Generally, our view is that it is the link between education and independent skilled migration that is primarily the problem. Employer-sponsored migration for international students onshore is another pathway of permanent migration for international students. Employers obviously have confidence in the skills that people they are prepared to sponsor have because they are prepared to sponsor them, they are prepared to offer them a job. It is those students who are seeking independent skilled migration where it is the problem. The issue then is how you gain confidence, or how employers might have confidence

in the skills that international students are acquiring. The critical issue is the lack of a workplace focus while those students are in training. If that problem could be overcome, then certainly it starts to address some of the concerns that we would have about the quality of the training that is being delivered.

I should say that we acknowledge that the vast majority of providers out there are doing a good job and are delivering the sorts of programs that we want to have delivered. What we seem to have are rogue elements in the system that have cropped up that are causing the problems, but that does not obviate the need to address the concerns that are being raised. I just want to make it clear that we are not tarring everyone out there with the same brush on this.

CHAIR—In your submission you point out cases of students being exploited by employers who rely to some extent on the fact that because they do not have the same residency rights of Australian workers there is a sense that they can be exploited without them being likely to complain about it. You then go on to say that there is evidence to suggest that many international students work beyond their 20-hour limit during semesters. Is there a sense of the system working by virtue of both employers and employees ignoring the rules and depending on that sort of ‘we won’t complain about your breach of the rules if you don’t talk about ours’? Should we break that cycle in some way, for example by lifting that 20-hour limit so that students are not so constrained about the sorts of conditions they might find themselves in where they would be reluctant to complain about adverse working conditions?

Ms Bissett—Again, it is not an easy problem to solve because primarily the students are here to study and we need to be careful that we do not inadvertently open up another work migration program, a temporary migration program that is associated with work. Our concern would be that if you limited the 20-hour limit and did not have a limit on the number of hours that could be worked, what we will find is another pathway for temporary migration where those people are actually working and not doing what it is they are here for, which is studying. Having worked to try to overcome the problems of exploitation in the 457 visa system, we would be very nervous about opening up another pathway that would enable exploitation. There is a question about whether you lift the hours that an international student can work from 20 to 24 hours, for example. I think that was proposed by the National Union of Students. Twenty or 24 hours, I do not know where you draw the line, except that the line has to be drawn somewhere.

We believe that international students need to be provided with more information about their rights as workers so that they are not exploited in the work that they are undertaking, that they are not being exploited by employers, that they be given information about their right to complain about back work practices and unscrupulous employers and that they be given confidence that, in complaining, they are not going to lose their education student visa. That often is the concern. With their lack of knowledge they are told by unscrupulous employers that if they complain their visa will be cancelled. The reasons for not complaining are not that they are getting a bit more work, so the employer and the employee are both hiding a bit of law breaking, but they are being told that they will lose their visa. The reinforcement of their rights and knowledge of their rights are critical in that respect.

Senator BILYK—Thank you for your submission, which I found to be very insightful, and obviously someone has put a lot of work into it, so congratulations on whoever was responsible for that. Dot point 68 in the submission talks about an independent agency being responsible for

receiving complaints by international students. Presuming that and following on from Senator Humphries, is that where you would see an independent agency fit in, separate from government, in regard to having somewhere for the students to go?

Ms Bissett—There are two aspects of where students need to be able to go. We believe that the Fair Work Ombudsman has a critical role to play and has done some good work in identifying high-risk areas and doing audits and education programs in those areas. But in terms of visa holders, having someone independent that they can go to when they have issues about their provider and the training that has been provided to them, or about the work that they are being required to undertake as part of a training program or about what is happening to them in the workplace, we think an independent ombudsman type arrangement would be useful and appropriate for international students.

Senator BILYK—How would you perceive students actually finding out about being able to access that sort of program? Have you had any thoughts about whether they need to have a whole range of things explained to them before they arrive or when they get here?

Ms Bissett—There are two critical points when an international student can be provided with information. One is at the point of granting the visa, and it is useful if the international student is provided with the information at the time the visa is granted. The problem of course is that, if an agent is used, you cannot be 100 per cent confident that the agent will pass on the additional information on top of the visa. The other point of the provision of information is through the training provider, so the university or the vocational education provider, who do have some obligations under the ESOS Act and the code for providing information to students. We think that that is another point where information could and should be provided. Again, with an unscrupulous provider, you cannot be 100 per cent confident that they provide the information, but a requirement that they do so and building that into the registration and audit standards for the provider is a way of encouraging them to do so.

Senator BILYK—We have had suggestions that there should be a separation between migration agencies and the education provider. It appears that some migration agents receive some sort of top-up funding from some education providers. Have you any views in regard to that suggestion?

Ms Bissett—We absolutely agree with the separation of migration agents and training providers. We too have heard of migration agents receiving kickbacks from the providers—that is, getting a fee for however many students they send. That encourages bad practice. There is no question about that. Training providers should not be allowed to operate or have a company-to-company relationship with any particular migration agents, in our view.

Senator BACK—I support the comment about the thoroughness of the inquiry. I would like to go to the question of the 900 hours of work experience—I think that is points 20 through to about 24. I can see this from the points of view of both the person providing the work experience and the student who requires it. Very often a domestic student but certainly an international student may have all sorts of language difficulties in a workplace. They might have difficulties fitting into that workplace. Should they be remunerated? Is there a point from when they commence that work experience until they have actually got something to contribute to their employer? I am trying to look at it from both sides. Having had a lot of experience taking work

experience people on board, they cost you a lot for a period of time, obviously—not just because they do not contribute anything but because you have to delegate somebody else to oversee them. Naturally that changes as their skills develop, if they develop, and then of course there is the time when they are a net contributor. I must admit that as a veterinary student I spent far more than 900 hours opening farm gates and things and the concept of ever receiving anything, other than a few beers and lunch, was an anathema. Could you give me your views on how that whole process ought to occur?

Ms Bissett—We appreciate the difficulty in this area as well. First of all, we are concerned about reports of some international students being paid \$5 a day for the work experience and being treated like a high school student who comes in to do a week in your office.

Senator BACK—Observing industry?

Ms Bissett—Yes. I expect that senators have had experience of that.

Senator BACK—Sure.

Ms Bissett—We think that there needs to be a very clear delineation for international students who have finished a course of post-secondary education—we will quibble about the quality of the course, but they have completed a course of post-secondary education, so they are different to the high school student who is coming in. They are certainly entitled to be remunerated appropriately for the skills that they have. Our concern is that in some cases students have to pay to do the 900 hours. They are playing the employer. I am positive that is not appropriate. It is unlikely that they are operating at the full skill level of the training outcome that they have. Even if they have their certificate III in commercial cookery or cookery, it is unlikely that they are capable of operating as a fully-functioning cook because they have not had the work experience that goes with it. Part of the 900 hours in terms of the skilled migration program is ensuring that they are actually working in the occupation that they have trained in. So the question is: do you pay them as a cook, which is probably around the \$600 a week mark at the moment, or do you pay them as a kitchen hand, which is \$400 a week? There is probably some point in between where they need to be paid that recognises they do not have the full workplace competency. The problem with the training system is that, because they have the qualification, the training system says they are competent.

Senator BACK—That is really the nub of my question.

Ms Bissett—It is the problem of institutionalised training. That is what causes it, because we know they do not have the workplace experience. We see a need to restructure the training that is provided so that there is work experience built into the training as it is provided—at an appropriate salary level. That certainly will not be the \$600 per week level that a fully qualified cook might earn, but recognises that they are in training. The best solution is to build the work experience into the training program and not to have it as 900 hours at the end. Even if you resolve the question of the right rate of pay for the work, the issue is what the 900 hours is proving really. Again, if it is about having confidence that the skills they have been given in a training course are real, then we say it is a problem with the training and we need to fix the way the training is delivered and not try and sort the work issues out. If the training is delivered

properly then their productive capacity in the workplace will be much easier to assess and the right rate of pay will be much easier to determine.

Senator BACK—Yes, because the concept of work experience does suggest to me some form of supervision. The point you make, of course, is that if someone is a cook and they have the actual competence as well as the training then presumably in that environment no-one is standing over them and therefore they should be entitled to appropriate pay. That is where my difficulty comes in. Supervision does take time and effort. You have got to take a person away from whatever other task they are doing. As you say, if someone is actually at the kitchen hand level, presumably the level of supervision required to be a kitchen hand is very close to nil, I would imagine. I am just wondering if it is not possible to link it in some way to the amount of effort that the employer, acting responsibly and acting sensibly, does in fact allocate to this person. If they allocate none, then they ought not be in that work experience environment at all.

Ms Bissett—There is a national training wage award which specifies rates of pay that are payable to individuals while they are undertaking workplace based training. Most people who are undertaking a traineeship that is workplace related will be paid against the national training wage award. It sets some percentage levels of the trades' rates and other relevant rates of pay out of the parent award, if I can call it that, applicable while the training is being undertaken. It might be that those sorts of training rates are appropriate. They are designed to recognise that the person is not fully competent in the workplace to do the work that results from the training they are undertaking. That might be an appropriate place. Those rates are around—this is from memory, so they would need to be checked—80 per cent of the trades' rates if the training is trades related and around 80 per cent of the below-trade rate if the training results in that below-trade qualification.

Senator BACK—Thank you for that.

Senator BILYK—We have had suggestions in regard to how many hours a student should be able to work. At the minute it is capped at 20. The suggested amount of money that students need to be able to live is \$12,000 a year. There have been suggestions that the hours should be raised, varying from 24 hours or 25 hours to even uncapped. What is the ACTU's view in regard to that?

Ms Bissett—We would not support no cap on the hours. As I said before, whether it is 20, 24 or 25 hours, it is an argument over a couple of hours. The issue is balancing their study with work. We recognise that many students need to work to support themselves. The issue with work always is ensuring that they are completing the study requirements for the training. We note it is an obligation of the training providers to monitor students to ensure that they can complete. I do not know that there is any argument for lifting it to 24 hours. But are we going to quibble over whether it is 20 or 22 hours? No. What we do say is you have to balance the study requirements and you have to recognise that the purpose of being here is study and not to work. We also need to be careful that they are not seen as fodder for bad jobs.

Senator CASH—How many hours an international student should be allowed to work has been canvassed over many hearings. One of the issues that were also raised was that, if they have not been provided with the correct information in their country of origin as to the actual costs of living in Australia, they come here totally unprepared. A lot of it goes back to that; hence

people make the argument for absolutely having no cap of, 'I didn't have enough money when I got here.' If right back in the country of origin we address the costs of living within Australia, the 20 hours might then become more realistic. Do you have any comments on that?

Ms Bissett—We absolutely agree with you on that. The information that is provided to students at the time they apply for visas needs to be improved. This goes to the issue of the role migration agents are playing. Migration agents are not in the business to look after the interests of the students or those seeking visas. They are in the business of making money. We have all probably seen the photographs from India—members of this parliament have been over there in recent times and the department of immigration sent a delegation over there recently—of streetscapes of signs of migration agents offering to get student visas for anyone who wants one. We need to do some very serious work with other countries in terms of developing standards for migration agents and finding a mechanism of controlling the behaviour of migration agents overseas. We should be able to do that to some extent, because ultimately we are the ones who decide who gets the visa or not and the basis on which the visa is granted. But we need to be aware of the competing interests of the agent and the visa applicant. But I absolutely agree with you.

Senator BILYK—You raise concerns about e-visas in point 75 of your submission. You recommend:

... that DIAC make greater use of its e-visa programme in order to regulate the behaviour of education agents offshore.

I was wondering if you could expand on that concern.

Ms Bissett—It is just that the process of registration for access to the e-visa facility enables DIAC to actually put some controls over the behaviour of the agents. If it is saying to the agents, 'You can only access the e-visa program if you behave in certain ways and if you meet certain criteria and certain standards,' it is a mechanism of putting some standards around the behaviour of the agents. If you say that the use of the e-visa system is the primary mechanism of granting the visas, then you are starting to force migration agents down a particular path of behaviours. So you can improve the behaviour of the migration agents by saying e-visa is the mechanism that we will primarily use for the visa process.

Senator BILYK—So that might be one way to get rid of those not-so-honest people.

Ms Bissett—Yes.

CHAIR—Thank you very much for that useful evidence.

[9.40 am]

BARTLETT, Mr Andrew John, Research Fellow, Migration Law Program, Australian National University

CHAIR—It is my pleasure to welcome Mr Bartlett, late of the Senate, to this inquiry. Thank you for being here and offering your submission. It is good to see that after so many years of contribution to the Senate committee process on this side of the table you still have the desire to make that process work well. Thank you very much.

Mr Bartlett—Thank you. I know how seriously you take the job. I am always happy to contribute.

CHAIR—That is good. I am sorry I cannot offer you any more familiar faces on this side of the table—they are all new ones on this committee at the moment, but they are very good despite being freshmen senators, I can assure you. Would you like to make an opening statement before we ask you some questions?

Mr Bartlett—Any comments I make today are my own views and do not necessarily reflect the policy of the university. I thank you for the opportunity to present today. My submission is reasonably brief, but it speaks for itself. For the benefit of the committee, the work I am doing with the ANU is particularly focused on researching migration agents and how best to prepare migration agents but, through engaging with the Migration Law Program, I delve into other areas to do with migration. As at least you would be aware, Mr Chair, I have had a fair bit of involvement in migration issues during my time in this place over 10 years or so. Whilst I am appearing today in regards to my submission and my ANU capacity, I also do work for the Ethnic Communities Council of Queensland, which is the peak body for migrant and refugee communities in Queensland. I am involved with the Multicultural Development Association in Brisbane, which is a major refugee settlement and migrant support organisation and I am also on the management committee of the Refugee and Immigration Legal Service, which obviously provides legal assistance to people on migration issues. So, to some extent, I am engaging with this issue through a range of different avenues.

The main thing I want to re-emphasise in my submission is that I had a few recommendations there, which I can expand on if the committee wishes. I would like to re-emphasise the final point I put in the submission which was not a recommendation but I think is nonetheless an important point, which is that whatever changes are made—and a lot of people are arguing that changes need to be made—it is important to try and make them in a way that does not change the rules midstream for students who are already here. Certainly, some of the feedback that I have had in other capacities, which I have just mentioned, is that the real problem for students is that it costs an enormous amount of money for them to come here with expectations of the opportunity for permanent residency or other things. If they put all that investment in and the rules change midstream, it is obviously unfair for them. If you want to look at our own self-interest, those are the sorts of things that can damage the brand as well.

The only other point I would make at the start is the issue of work hours which has come up a number of times. There is the potential for people to be exploited, and the reality is that some people do get exploited in work situations. I argue that we should be expanding the amount of hours that students can work, particularly their spouses who are here with them. They also, as secondary visa holders, have the same restrictions of only being able to work 20 hours a week. I know a number of incredibly qualified people who are here whilst their partner is doing higher studies as an international student and they are prevented really from being able to contribute as much as they could to the Australian economy and the community by having that restriction on their work hours.

I would also make the broader point that, whatever the issues with regard to exploitation—and there certainly are some—you do not remedy the potential for exploitation by employers by preventing people from being able to work in the first place. It seems to me that sometimes that argument is made by some. The CFMEU, for example, are very strongly arguing about restricting work entitlements, not just for students but for people on 457 visas, and certainly there are issues there about exploitation. But, as I say, you do not stop exploitation by preventing people from being able to work; you address the exploitation. I think that is an important thing to keep in mind as well.

Senator CASH—You would have heard Ms Bissett discussing the issue of information given at the point of origin in relation to the cost of living in Australia and the reality that is borne out when they get here—and then the number of hours that they are able to work. Would you care to comment on how you see the information at the point of origin.

Mr Bartlett—Certainly people need to get as much information as possible about everything.

Senator CASH—Correct information.

Mr Bartlett—Yes, good clarification. To some extent, I suppose, there is an onus on the individual to make sure they are fully informed, as long as they are not being misled, of course. But I think, whether we are talking about the Australian brand or the brand of our education system, the broader interests of our community are not just benefited by the dollars we get through our education exports; it is the contribution we get from all those people here connecting with Australian society, whether they become permanent residents and citizens or leave and go elsewhere. If they have a good experience here, that is going to benefit Australia down the track, undoubtedly.

On the issue of how much information you give, to some extent I think we need to look at ways to ensure that people can get easy access to independent information that is not connected to the education provider. I am not saying they will all fib about it, but they are obviously keen to get the people here and they are going to emphasise the positives and not necessarily emphasise some of the difficulties. So we do need to look for ways for people to access independent information regarding housing, ideally before they make their decisions and certainly before they get here—and not just the cost of housing but their rights with regard to housing, accessibility, availability and all those sorts of things.

Senator CASH—I think that is the key, and it was raised in some of the other hearings—access to independent information and the role of the federal government in ensuring that that

information is actually provided so that I can go to a migration agent and obtain information from them but I have a means of then checking to see that that information is correct.

Mr Bartlett—Yes. The Austrian government at the moment is putting in a fair bit of effort, particularly targeted at India for obvious reasons. It is going to cost money, obviously, but I think it is money well spent in our own interests. It is an investment worth making, whether it is paid straight from government level, through some sort of extra levy on providers or whatever.

CHAIR—Had you finished your opening statement, Mr Bartlett?

Mr Bartlett—Yes.

CHAIR—Senator Bilyk, do you have questions?

Senator BILYK—Thank you for your submission. Your recommendation No. 4 mentions the prescribed living costs. Would you like to expand on that.

Mr Bartlett—Because of the work I do, not just researching what migration agents do but speaking with them, it is something that has come up a lot through them. Migration agents have a negative reputation which sometimes is fair and perhaps sometimes is not, but I do say that they are amongst the best people to talk to when you want to hear about the flaws in the system, because they deal with it on a daily basis. Something that comes up a fair bit is that that \$12,000 figure has not shifted for a long time. Certainly in some parts of Australia it is really not adequate, and that creates the risk of people perhaps needing to work longer than they otherwise would, with the risk of breaching their visas and the like. I think there is an issue there. Obviously it is simpler if it is the same everywhere, although I think arguments could also be made that in different parts of the country different costs are involved.

Senator BILYK—That is true, although I suppose in some areas of the country you might pay a higher rent but food might be cheaper and in other areas, conversely, food might be more expensive and rents might be cheaper—things like that.

Mr Bartlett—Yes, and transport costs.

Senator BILYK—But you obviously see that \$12,000 is not an adequate amount of money? That is what I gauge from your submission. Is that correct?

Mr Bartlett—Yes. That is based on agents and others who work with students fairly regularly saying that.

Senator BILYK—Do you have a recommended amount? Have people mentioned an amount to you?

Mr Bartlett—I could pluck something out of the air, but I think you would want to have people who know. I actually do not know why \$12,000 was settled on initially and what factors were assessed in regard to that. There are people who do that sort of number crunching for a living.

Senator BILYK—I think it has been at that level for a few years.

Mr Bartlett—Yes.

Senator BILYK—We heard previously that it was due for review about now.

Mr Bartlett—Yes, it does need to increase.

Senator BILYK—It might be good timing for it. We have certainly heard from other people, too. Your recommendation 2 suggests that the federal government could establish a funded program to provide some advocacy and support for people. Obviously you have some concerns in regard to those issues for students?

Mr Bartlett—Yes, it goes to the same sorts of issues I was raising in response to questions from Senator Cash of people having access to independent support workers. The education providers under their contract, as I understand it, in the ESOS Act are meant to provide welfare services for students. Some of them do it better than others. Most of the larger institutions, I think, do reasonably well in having support offices for international students. But, again, I think there is still merit in having independent people available and obviously students being aware that they are there for their access. Often times it is just that lack of knowledge of what to do when something is going wrong that often, not always, can sometimes be fixed relatively easily if people know who to go to right at the start.

One of the real problems with the immigration side of how student visas are administered is that there is not a lot of flexibility when people start going down the wrong path. If they have worked too many hours, there is almost no discretion—that is automatic cancellation. If they are having trouble with their course, they have a little more flexibility for raising special considerations, but it is still pretty hard, and most students that end up running into visa trouble do not get out of it. When you look at the extent of the penalty they wear, if you have a visa cancelled, it is not just like getting a parking ticket: you are tens of thousands of dollars down the drain and often in a lot of trouble when you get back home as well. To some extent it goes to that, I guess: people having access to support straight away that can assist them through that. What form it takes, I do not especially have a strong opinion. The main thing is the principle. I have noticed in a number of the different submissions that I have scanned through people have raised things like a student ombudsman or things like that. Something along those lines: someone who is independent that people can go to for support, assistance and basic information to help deal with issues that might arise.

Senator BILYK—Have you had feedback from people in regard to the quality of training they are getting in courses or have you mainly dealt with ANU students? Universities seem to do a much better job than some of the other providers.

Mr Bartlett—Broadly speaking, the work I do through ANU does not necessarily have me engaging with international students, although some who do the Graduate Certificate in Migration Law and Practice are international; it is more through the various contacts I have and engagement with different organisations and groups and all the different roles that I have. It is fair to say as a general point that there is a view that a lot of those smaller institutions, the smaller providers, the new ones that pop up in response to the distortions within the systems,

cause the most problems. But, having said that, I don't think you can just sweep aside all issues regarding larger institutions; I think there is a feeling certainly with some universities that rely very heavily on the international student dollar that it is pretty much a sausage machine, or a cash cow, whatever term you want to use. I do not think that is fair in terms of quality education. It also means that Australia does not get the benefit we could from that.

An example of one of the wider issues is the huge number of international students living in the centre of Melbourne but having virtually no engagement with the wider community, which was in some research I mentioned briefly in my submission. That is ideally part of the wider educational experience. Again, it is to the benefit of Australia that we have better engagement and that people get more direction. We need to look for ways to make sure that institutions do that, and that includes some of the universities. I note the witnesses from TAFE that you heard from in Melbourne suggested you should not be able to register a provider if they only provide a course to international students. There is a lot of merit in that sort of approach, but you could even take it a bit further than that and require providers to demonstrate what they are doing to enable greater contact between the international and the local student bodies and the wider community.

Having said that, there is a responsibility on wider society and institutions. For example, the Brisbane City Council, which perhaps has more resources to do this sort of thing than some councils because of its size, tries to do welcome days at the start of the year and that sort of thing for international students. Some of the migrant associations, ethnic communities, councils and those sorts of bodies could look at ways to do that more specifically. You cannot force people to engage if they do not want to and perhaps not every student would want to, but we can all look at ways to do that more and it would benefit all of us if we did.

Senator BILYK—Have you had any concerns with regard to student housing and accommodation brought to you?

Mr Bartlett—Yes. If I can be slightly parochial for a little while, the situation in Queensland in regard to violence towards international students does not seem to be as much of an issue as it is further south, but certainly there are problems in regard to housing and overcrowding. There was a report yesterday or the day before about a house in Sunnybank Hills in Brisbane that had about 37 people living in it at one stage. That is not a sole occurrence, unfortunately, and it is not just in that part of Brisbane. I have heard of it in a few different parts, with very large numbers and people hotbedding and that sort of thing. Perhaps sometimes people do that willingly to save money et cetera, but I think a lot of the time it is just because that is where they find themselves. The issue of housing is a big one and the wider debate on housing affordability, availability and appropriateness has been the subject of a separate Senate committee inquiry. Ensuring that is available for international students is an important issue. The TAFE people, again, talked a bit about that in their evidence. Again, there are different ways you can do it, but it is important. That is an area where it is not just a matter of giving people independent information about what the housing rates are. It is about that support to find places.

Senator BILYK—Do you think there is some responsibility on the training providers to help ensure there is appropriate housing?

Mr Bartlett—Ideally, yes. This whole area is one where part of the administration of it is handled by the education department and the other part of it is handled by Immigration, and there are bits that fall down the hole in the middle that are too hard or that people do not worry about and just say: leave them to fend for themselves. To some extent, everybody has a responsibility to sort things out in their lives, but it is in our interests to provide more support for people, because the better the experience people have the better it is for Australia long term. All of this engagement that we have is part of the benefit that migration brings to Australia economically and socially.

I feel we have had a bit of a problem with the large growth in the number of international students, as we have had with the large growth in other forms of long-term temporary migration, such as those on 457 visas. Because they are still seen as temporary, any issue of settlement support does not apply because they are not seen as settlers, even though well over half of them end up becoming permanent residents. I am not arguing that all temporary visa holders should have all the supports of permanent residents, but I think there is a principle that there should be some basic assistance. There is the issue of having independent people available who can provide support. I do not think you would need to a whole army of people and I do not think it would be massively expensive. It would be a relatively small investment. Obviously it would cost some money, but it would provide a lot of long-term benefit for Australia as well as assistance for the individuals. When they first get here is often when they need just a bit of extra support to be available. Most people will not need it, but some people certainly do and it is often not there when they need it.

Senator HANSON-YOUNG—It must be a bit strange for you to sit on that side of the table on this occasion, but thank you very much, Andrew, for coming in. Your submission sums up a lot of the key issues that have come out throughout the inquiry. I have two questions in particular. There is recommendation 1 around the need for further scrutiny and review of the education agents who operate offshore. I will also have some questions about the visa restrictions in relation to work rights and so forth. Could you expand on recommendation 1? You have identified that you think it should be DIAC that is responsible for that as opposed to DEEWR. How would that interaction work? When we are talking about education agents who are based overseas, is it about ensuring that it is the provider who takes the responsibility for that? How do we ensure that we can scrutinise and ensure that there are quality standards for agents based overseas?

Mr Bartlett—Agents offshore, whether they are migration agents, education agents or just people who give themselves the title ‘agent’ to make themselves sound knowledgeable, are always a bit of a problem. It has been an issue with regard to the regulation of migration agents for as long as we have been trying to regulate migration agents. Having said that, it is an area where DIAC continues to examine possibilities. They have explored things like only receiving visa applications through people who basically register with the Australian government or from individuals directly. Exploring things like that is a way to go—some sort of preferred provider type of status, when people demonstrate either a capability or a record of reliability. I recommend having a look at the submission from the Migration Institute of Australia, which is like the industry body for migration agents. They have a couple of recommendations relating to regulating people who are acting as education agents. They are worth looking at. I have a bit of concern, given the work I do, about examining how migration agents are trained and how best to prepare them.

There have been a lot of continual changes—lifting the bar higher and higher, I guess, with regard to migration agents. They now have to get a graduate certificate if they are not lawyers. That is about to change to a diploma. Some people are even talking about making it a full degree. Personally, I do not think that is justified. The main point I am making is that the migration agents themselves have had a lot of focus on what they do and what they need to do to comply to be registered and to be regulated by the MARA—Office of the Migration Agents Registration Authority. One of the reasons I made that recommendation in my submission is that sometimes we have that focus on migration agents because they are the easiest ones to focus on and people can feel like we are doing something about the problem because we are making it harder and harder for migration agents. I am not saying migration agents should be let off the hook, but I think there is a whole array of other people who are not regulated at all and are left alone—particularly education agents. Personally I feel that education agents should be required to be registered and should be overseen and regulated to some extent. As to whether that is to the same extent as migration agents, people can have that discussion.

Senator HANSON-YOUNG—There have been some concerns raised—and I think the Migration Institute’s submission touches on this a little bit—in relation to the conflict of interest of education agents recruiting students offshore who are ultimately linked to the providers they are recruiting for and, in some cases, also acting as the migration agent once the student has said, ‘Yes, I do want to come and study at this institution’. Have you seen any evidence of those types of concerns?

Mr Bartlett—Yes, I have certainly seen some. I think there is always going to be an issue about it, whichever way you regulate it. Contrary to some people’s presumptions, I am not a huge fan of excessive regulation, so as little as possible is usually better. I think we have a disconnect at the moment where we have quite heavy regulation for migration agents and nothing for education agents and others. I think there need to be some ways of removing conflicts of interests. There are similar sorts of issues as we have seen in the financial advice. It is fraught and it is hard to get precisely right, but I think you have to at least try to make an effort to reduce those potential conflicts of interest or vested interests that are not declared.

Senator HANSON-YOUNG—What type of responsibility do you see should be transposed to or enforced upon the providers to ensure that students are given accurate information before they come to Australia so they know what they are getting into, aside from just the course information?

Mr Bartlett—I responded to a similar question from Senator Cash before you came in, but ideally you would have a mechanism for independent information to be provided. Even with the best will in the world, education providers have a built-in incentive for encouraging people to come to them, so they are inevitably going to accentuate the positive and reduce the emphasis on the potential negatives. I think there is an argument for having much more easily accessible information provided independently.

Senator HANSON-YOUNG—In recommendation 3 of your submission—and I apologise if you have already answered this question—in relation to lifting the existing restrictions on the number of hours that students can work, it has been suggested that perhaps we could go with a 24-hour working week, because then you could fit three days into that. It seems to me that the issue is actually the restriction that puts students in a situation of being exploited. The employer

is able to hold that over their workers' heads, so to speak, and say, 'If you don't do this then I will dob you in to the immigration department.' The way it currently stands, there is no discretion there for the immigration agent to explain why that person worked 22 or—if we went with 25 hours—26 hours. How do we get around that issue?

Mr Bartlett—I guess there are two aspects. Even though I have suggested in my submission lifting the amount up to 25 or 30 hours, my personal view is that the restriction should be removed altogether. Locally based students do not have any restrictions on how many hours they work; they just have to pass their course, and the same should apply to international students. In my view, they should have the freedom. It would also remove an area that people need to worry about monitoring and regulating, so it would free up the time of DIAC officials to do other things than going around checking people's wage slips and those sorts of things. Personally, as I said in my submission, I think that, in removing it and removing it for any spouses or partners who are on secondary visas, the more scope we have for migrants to be able to work here the better for our economy, our society, long-term linkages and all of those sorts of things.

I noticed in the evidence from IDP Education at your Melbourne hearing that they said in their surveys that about 86 per cent of students wanted to work, but only about 55 per cent of them found work. Obviously it is generating some income for them, which people like, but they also see that as part of that experience of coming here, that it is not solely for study. The implication is there in some of the submissions—I mention the CFMEU in particular as being vociferously anti migrants being able to work wherever possible—that suggests that they should just be studying and that is it. I do not agree with that at all and I do not see there are any economic reasons why we should be prohibiting people from being able to work if they are here and living here, contributing to the economy anyway. It is a long-winded way of saying that one way of removing that problem is to remove the limits on hours to work. I did not say that in my submission, because I did not think it is going to happen, but even if we can increase it a little bit, that is desirable.

The other thing is for there to be a little bit more discretion or maybe even a two-warning type system or something so that the consequence—if you do breach that visa condition, the punishment is really quite extreme. If you look at the overall consequences across the board—they lose all the money they have put in their education to date, they have a black mark on their visa for being cancelled, they have all of the problems that might apply with having borrowed money back home et cetera—to some extent that is their obligation and responsibility, but it is still far too large a consequence or cost to them if that breach has no discretion at all, and that is even without issues like people ending up in detention. That does not happen as much as it did, but it still does, and obviously that also has longer and broader problems.

Senator HANSON-YOUNG—It seems quite contradictory to me that a student who is given work rights under their visa for the 20 hours has no discretion if they work 20½ or 21 hours, yet a student that has no work rights under their visa who works one hour has the ability to explain the exceptional circumstances as to why and there is discretion. Even just in the way those two different groups of visa holders are managed, it would make sense to allow that type of discretion.

Mr Bartlett—I think so; we are overly obsessed with enforcement. I will take the opportunity to emphasise some of those examples and case studies that have been provided. I am not so sure

about this inquiry, but the legal and constitutional committee inquired into the operation of the Migration Act in a report that was tabled in 2006. A submission was provided to that inquiry by Michaela Rost from Melbourne about thousands of students who had been in detention as a consequence of visa breaching. As I said, that is not as common now, but it does happen. I do not know if members of the committee are aware of the current case with Japanese law lecturer Megumi Ogawa. This is one of those examples where a glitch with respect to the interpretation of her visa conditions—not with respect to work rights, but with respect to her not completing her PhD in the appropriate time—has, for a whole bunch of wider reasons, led to a really terrible outcome where she was put in detention. Clearly she had mental health issues flowing out of that, and then she was jailed for contempt of court for inappropriate behaviour in courtrooms and the like. This is a highly skilled, highly capable person with a PhD achieved from a university in Queensland—I think she was a law lecturer at Southern Cross University. We should be able to do better than that. I am sorry if I have gone slightly off from your question, but it is important to emphasise the sorts of negative consequences that can happen from excessively rigid enforcement.

Senator BACK—Could you respond to this thought, and it relates really to transparency across the whole process, particularly concerning expectations: the true expectation or hope of young people before they leave their country of origin, is it to genuinely come to Australia for a period of training and skills development and then return to their home country to pursue that career, or are they open to the notion that they might possibly aim to continue to reside in Australia, or is the absolute objective to get to Australia for permanent residency et cetera? I ask this question in the context of whether we in Australia should be more open to give advice as to the possibility of each of those three scenarios. I know from my own experience in Asia and India, one of the first questions a lot of business people, parents and others will ask you is, ‘How do you help my son or daughter get to Australia?’ Obviously there is the possibility, if and when they become established, for the older generation as well. I wonder whether we do not get ourselves into difficulties by not clearly delineating in each of those three. Based on your research, would you care to comment?

Mr Bartlett—Based partly from my research and partly from all my other activities and experiences, obviously we are talking about hundreds of thousands of people a year now, so there are different expectations and different intents. People might come here with one thought and then change their mind, positively or negatively, after they get here. But your general point is a good one—that is, we need to do as much as we can to give people accurate information about what their prospects are so that they do not feel they have been duded. I emphasise again the point I made at the start: it is really important that whatever changes are made, whether in the current context or at any time, we do not change the rules midstream for people who have already come here. That is grossly unfair; it has happened and it is not good.

I am unashamedly someone who supports very high migration levels, I think it is beneficial for Australia for all sorts of reasons, which I will elaborate on if you want to but I will not unless you ask. But whether you support high migration or low migration, or anywhere in between, you need to make sure you give people the full facts about what their options are and what they are not. We do that okay, but this is one area where we could do better. It is partly because the rules do change all the time. I know there are valid arguments for continual modification and tweaking of all of the different rules so that it matches immediate needs and all that sort of stuff, and we do have to put the national interest first overall. But we change the rules too often and all the

time, and frankly this is one of the reasons why it is so difficult in that migration agent area. It is incredibly complex and it is continually changing. And it is not just the changes in the laws or the regulations, you can have changes in internal policy and sometimes you can just have changes in rigidity of interpretation that shifts. It is pretty hard to follow, even if you are a migration agent who does nothing else with your time, and a lot of those who are in the legal profession do not just do migration, they will do other things as well. It creates problems when you have extreme complexity. I know the current minister has spoken a few times about his desire to make it a little bit less complex. I am not sure how well he is going with that, but I am sure he has a desire—

Senator BACK—Do you think this committee should address this question as part of its comments and recommendations, that those alternative paths should be clarified even more strongly? Where, for example, the allocation of a certain visa would not lead to the possibility or the prospect of permanent residency, should we actually say so? Do you think this is an area where unscrupulous agents are having a field day?

Mr Bartlett—I do not know about a field day, but it is certainly an area where some people are given mistaken impressions. I think we need to make it as clear as possible that, no matter how positive you are about large permanent migration intakes, you have to make it crystal clear to people that it is not automatic: ‘If you come here to do this, you will not automatically go to permanent visa status unless particular things occur.’ I understand the reasons why it has been done, but I think it is problematic to have extra opportunities applied if you pass your cooking course or something, because it distorts the education marketplace pretty badly. It also creates a circumstance where the training itself is not the main goal; it is just the hoop you have to jump through, which I do not think helps the like quality of your training. We need to try and move away from that and look at other ways to deal with ensuring that we can meet skill shortages other than by tying a particular course to a migration outcome. As I said before, the more independent and accurate information you can give to people the better. You can never predict the future of course but you can certainly give people a better chance of knowing the consequences.

Senator BACK—We saw some figures in Melbourne of a 40 per cent increase in one year, which is an absolute distortion. If there is a 40 per cent increase you have to ask yourself the question that it cannot have suddenly been the quality of our postgraduate or graduate courses. Therefore it leads you to the question of whether a number of people have woken up to an avenue that otherwise they were not awake to or that previously had not been open to them. Obviously Australia’s interests lie well with migration of skilled people particularly, but to what extent do you think we have some sort of a moral obligation, in fact, to not be adding to the brain drain from countries like the Indian subcontinent et cetera where they really desperately do need people trained, for example, in the medical and related health sciences et cetera? To what extent do you think that we actually should be encouraging these people, having got their graduate and postgraduate qualifications, to not go back and assist in their own countries?

Mr Bartlett—That is a point that is often raised. People from poorer countries should have just as much right to get qualifications abroad as do people from Western countries.

Senator BACK—Absolutely.

Mr Bartlett—I think suggesting that we should be trying to push back people from India or African countries or wherever is not reasonable for that purpose. But the more avenues and opportunities that there are for people from poorer countries, such as India or African countries or wherever, to achieve by getting higher qualifications is good. If the better pay opportunities are in Western nations, as they are, then what you will actually do is provide more of a pathway and more of an opportunity for people to see that there are ways out and see more opportunities for them to make something of their lives. A lot of people, even if they end up settling in another country, still maintain links back to their country.

There is a lot of wider debate at the moment about the value and impacts of remittances back to poorer countries and whether that is actually a more worthwhile form of development assistance, if you like, than the traditional overseas aid. There is a whole wider debate on that too, which I will not go into. I understand why people use the idea of a brain drain but I do not think it is as simple as that. People do not disappear off the face of the earth once they leave India or wherever. They maintain their linkages, they often will go back, they provide scholarships and they do all sorts of things. I think it is just another way of opening up opportunities for people in economic education and socially. It is really a valuable development activity, I think, and one that actually creates revenue rather than costs.

Senator BACK—Thank you.

Senator HANSON-YOUNG—I have a follow-up question. One of the suggestions that people have made is that there could be a clearer pathway once a student has graduated for them to be able to work for a year or two in Australia to actually get experience and then to go home and put that experience into practice in their home communities. That seems to be one of the things, particularly for those students who are coming through the university sector as opposed to perhaps the VET sector. It is difficult at the moment even as an undergraduate student, let alone as a postgraduate student, to be able to do your studies and then go through the process of having to apply for a work visa, just wanting to get that practical experience in the same country you got your education in so that you can go home and be recognised as qualified and that you do not just have a piece of paper. There needs to be a more formalised link between the student visa and the work visa.

Mr Bartlett—If you can do it in ways that do not create market distortions. That is the only thing to be careful of. The other thing is that people's goals or whatever can change along the way. For all the problems that people are highlighting, I think that Australia does pretty well in most respects in the migration area and the opportunities that it offers. That does not mean that we cannot do better. From my point of view, the less bureaucratic you make it and the less complicated, the more freedom of opportunity for people. It reduces compliance costs; it reduces some of the terrible personal stories that can happen when people run foul of things. The more people can move around based on opportunities as they arise is better for them and better for us.

Senator HANSON-YOUNG—The point was that a lot of these young people do not want to become permanent residents. They just want an opportunity to work in Australia, put their education into practice for a limited amount of time and then go home. They are not interested in PR. At the moment the only option for them to really do that, the way they are being advised, is through the PR stream when that is not necessarily what they are looking for.

Mr Bartlett—I understand the point you are making. Again the more flexibility we can provide, the better. I think we have way too much fine-tuning, nitpicking, 150 different visa subclasses and stuff. I think it is absurdly and unnecessarily complicated because we still have a bit of a control freak mentality when it comes to migration for a bunch of reasons. Even if people do get permanent residency, we are not forcing them to stay here. I do not think it necessarily matters greatly. People's minds change anyway. They can stay here, they can go back, they can bounce backwards and forwards which goes a bit to what I was saying before. People maintain those links with their countries of origin. I understand what you are saying. It is not something I would put at the top of the list of things to be addressed anyway.

CHAIR—You mentioned in your comments to Senator Bilyk that you saw potentially a role for bodies like ethnic communities councils or other organisations. Do you think there is some scope for governments to fund such organisations such as migrant resource centres, ethnic community councils or even directly particular ethnic organisations such as Indian-Australian associations and so forth for the role of liaising with new students to provide them with information, particularly in the early period after they first arrive in Australia?

Mr Bartlett—Noting what I said at the start that I currently work for an ethnic communities council and I am on the board of a migrant settlement agency, I could perhaps be seen as having a little bit of a vested interest in encouraging government to fund those agencies more and more. Putting that to one side, I think that is one potential avenue, that idea that I have floated in my submission and talked about, for some people who are available, independent of institutions, that people can connect with. I think you could do it through range of different ways. I am not wanting to be prescriptive about that.

One of the key problems for international students is that, because they are not seen as settlers, even though in some cases they are clearly coming here with permanent residency in mind, there are virtually no resources provided for any sort of contact, even basic stuff, as I mentioned before—welcome events and that sort of thing or people who can plug them into some of those sorts of associations, whether ethnic specific, like Indian associations, or broader migrant multicultural organisations. For a relatively small amount of money you could employ a reasonable variety of people through those sorts of agencies and others, and sometimes through local councils. For example, for a while in Hervey Bay they had this welcome idea for anybody who arrived, more often for 457 visa holders than for students, although I think they had some international students. It is just that idea of making sure people are connected to somebody, because that is often the biggest issue with new arrivals, particularly those on temporary visas: in effect, their settlement support is provided by their educational institution or, in the case of 457 visa holders, by their employers. Even leaving aside the issue of dodgy providers, that is not necessarily their area of expertise. Having people independent of that who have some expertise and knowledge of what support services are around and can plug people into the wider community could have a lot of benefit for not a great cost.

CHAIR—Thank you very much for your contribution today, both in your submission and in your oral evidence. It has been very useful.

Proceedings suspended from 10.31 am to 10.47 am

MOORE, Ms Ainslie, Assistant Director, Policy, Universities Australia

WITHERS, Dr Glenn, Chief Executive Officer, Universities Australia

CHAIR—Welcome. Thank you both very much for appearing today and thank you for the submission that you have provided to the committee. I invite you to make an opening statement.

Dr Withers—We wish to affirm the great importance of this inquiry that the Senate has chosen to pursue. It is important, of course, for the international students at the very core and focus of what you are looking at, but it is important for domestic students, because many of these matters carry joint benefits if improvements can be obtained and assurances put in place for the student experience. It is important for Australia's sense of self, as to how we regard ourselves in terms of our social interactions and arrangements. It is important for the economy, given the rapid growth of international student relations for Australia. So for all those reasons it is a very important inquiry.

Universities have long recognised this importance, 'long' meaning from what was essentially Colombo Plan aid activity with international students in the fifties and sixties and into the seventies. But from the eighties onwards, there was dramatic growth beyond that base of international student engagement in Australia, such that Australia has the highest per capita number of international students of any country. Therefore, it is a dramatic change in the way we have operated—especially universities, as much of that early growth was in universities. More recently in the VET sector there have been even higher rates of growth that have been experienced in the university sector.

We were very proud across all the tertiary sectors to the outcomes, broadly, as we saw them. We were creating an industry that, as educators, we thought was a wonderful industry for Australia to have whereby domestic student activity worked hand in hand with international students so that we gain that benefit of the joint experience of the two. It also meant we were spinning off in university into areas like research integration, alumni relations and increasingly moving the engagement into a wider array of disciplines and higher levels of activities such as postgraduate activity. We were looking forward very strongly to what we saw as a third wave of international education, a richer, deeper and more creative phase, than one that had become increasingly seen in some quarters as a cash cow, economically driven activity.

That is not the way most educators ever see it. You are not in tertiary education because you are driven by profit motives and cash cow incentives. You can be driven to seek revenue for your good purposes and, indeed, in relation to international students, contrary to some local perceptions that they take places from domestic students, it is actually factually the opposite. They cross-subsidise domestic students and save domestic taxpayers significant further contribution. That became increasingly imbalanced, and our aspirations to move to that third phase were a little challenged, particularly as the rapid growth in the VET sector piggy-backed on the growth in the university sector and the growth rate was very high. So growing pains come with growth rates of that kind, and a number of problems in the international education sector were, therefore, exposed.

We were anticipating a number of issues. In the university sector we were aware, from feedback from our students and from ministers in China and India when we made visits, that they were worried about a number of concerns, and we were working on a number of those concerns. We tried to work much more closely with COAG but that was resisted. A good old Australian attitude that the universities were a Commonwealth responsibility and the states had nothing to do with them prevailed such that we could not get a number of matters included on the COAG reform agenda, which ranged from travel concessions to pathways between VET and universities and so on, which we saw as helpful ways of dealing with emerging growing pains. I guess in some ways it was not an inevitable consequence but an unfortunate and, in hindsight, a predictable consequence emerged of significant turns over the welfare of international students around this rapid growth.

Soon after the number of student incidents arose in Melbourne, we very quickly condemned that because of the unfortunate injury to the students concerned and the issues of fear and concern that had been raised amongst other students and their families and friends back home. We put out a 10-point plan that represented the universities' way of trying to go further and improve the situation for our students, those under our duty of care and responsibility. These were mainly on campus, but our campus procedures were not an issue at all. I do not think there has been a single incident of an adverse safety issue brought to attention on a campus in the last two years that we are aware of from our own security services or from public or police reports or anything else. We have 24-hour security, we have very significant provisions of assessment of the safety of campuses such as lighting and everything else you can think of including escorted travel at late hours after libraries close, that sort of practice.

Senator BILYK—Sorry to interrupt you. When you say 'we', are you talking about all the universities that you represent?

Dr Withers—We represent all universities.

Senator BILYK—Thank you.

Dr Withers—There are 39 in Australia. As of last week we had 38 members and we now have 39, so we now represent all universities in Australia.

Senator BILYK—Thank you. I just needed to clarify that.

Senator BACK—When you say there have not been incidents, there have been, haven't there? Curtin University has suffered some. I am not discriminating whether they are international students or not, but certainly they are Asian students. So when you say there have not been any, do you mean since the events that drew our attention in Melbourne and Sydney?

Dr Withers—Yes. Nor were any of those incidents in Melbourne and Sydney on campuses.

Senator BACK—No, that is right, they were not. The ones in Curtin have been.

Dr Withers—But in a few instances those incidents off campus have involved university students. We had taken our responsibilities for the student experience on-campus very seriously, and the exit surveys from international students indicated very strong support for their Australian

education and their regard for it. The areas that they most indicated some concerns about were those not completely within university control. Australian employers and state government travel concessions were in fact the two most common complaints in our exit surveys. We sought to have things put on the COAG agenda because, in the case of the travel concessions, they are a state responsibility. We also sought to work with business on employer relations through developing structured internship schemes in preference to casual employment, for instance, because it could enhance the education in a direct, designed manner that brought credit transfer from the work experience.

One important feature that emerged was the need for much greater attention by our universities, as well as other education providers, to the off-campus situations. While they are not our immediate responsibility or in our immediate control, as a stakeholder there were important things we could have done and would wish to do, such as working with landlords and state governments over accommodation conditions. That is not our formal responsibility, but it is something we have knowledge of, information for and would wish to capitalise on in assisting. Similarly, with employers and work experiences that sometimes become disadvantageous, universities have just written an agreement with the ACCI over an internship program and the group that call themselves the Innovative Research Universities Australia. The idea is to provide more structured, more monitored and more appropriate work experiences for students, rather than having them find their own work. That is a very constructive way forward. So we are trying to assist with the off-campus experiences.

There is also a strong push to provide more university accommodation as international student numbers grow. Domestic students are much happier living at home. They have that home experience of us living in Australia, in a very large share, in large metropolitan cities where you live at home and commute to a university, which is a little different to the US and British experience, where students often shift locations for their university. Rural and regional students, of course, often do that, and we have traditionally had an adequacy of accommodation. But in recent years with international student growth the universities have been seeking to increase accommodation on and near campuses that is convenient, safe and well attested.

The GFC has put a problem in the face of some of that. For instance, there was a wonderful project that Monash and Grollo were about to initiate in Caulfield, a very large urban knowledge precinct, but even parties as reputable as them were not able to get the funding to proceed. A number of universities have found similar difficulties, though others are still managing to raise finance for expanded accommodation. Here in Canberra are good examples. The University of Canberra and the ANU now can guarantee accommodation for all first year students through their own auspices, and that is the time many students want it. They often choose to move out of provided accommodation after a short experience of a semester or so. But that is the period where they get to know local networks and local circumstances. So that has been a big advance locally, as an example.

We are moving on those things in accordance with the 10-point plan we put out. We have been updating that plan and checking progress on it. It ranges from things that are immediately within our control, such as the information we provide to students before arrival and upon arrival, across to things we are seeking to do in conjunction with other stakeholders. That has been our principal contribution. We have put out best practice guidelines for our members. We have been putting out, in conjunction with TAFE and ACPET, guidance to social inclusion best practices.

We have committed ourselves very recently to subscribe to a new International Student Barometer, which is an independent cross-country assessment procedure, as well as the existing materials we have in Australia that survey and check progress of students and their experience. The International Student Barometer is an international, independent way of testing how well your experience is going in certain areas compared to the experiences of students in other countries, and universities have agreed to subscribe to that. We are seeking to continue to improve our progress and outcomes, are pleased to be able to contribute through these hearings and are looking forward to the outcomes of your deliberations.

CHAIR—Thank you very much, Dr Withers.

Senator BACK—You say earlier in your submission that Universities Australia considers it very important that travel concessions be immediately available to all international students in all states and territories. We have heard a bit about their unavailability. What are you aware of that the universities might have done in New South Wales and Victoria, particularly, to persuade governments in those states to extend concessions to international students?

Dr Withers—As I indicated before, our attempts two years ago to have that on the COAG agenda was unsuccessful. However, we have been working with, for instance, the National Union of Students, the Council of Australian Postgraduate Associations, making joint approaches to state governments. I even buttonholed John Brumby in these corridors to put to him these matters. We undertook a series of approaches writing directly to premiers and relevant education ministers, especially New South Wales and Victoria. One reason we did so was that, as we indicated before, the students themselves in talking about their experiences—and in the surveys even well before the heightened focus on these matters—had drawn attention to this as something they found offensive essentially. It was not a big money deal; they just saw it symbolically as being treated as cash cows, and they would have been made to feel more welcome if they had had those concessions.

We understood the state arguments, and, indeed, were frequently provided with their evidence as to what it would cost state taxpayers. That is a reasonable point. What they often tended to forget, though, was that the students themselves are taxpayers—that is, those students are paying GST; their families are paying GST when they visit; when they work they pay income tax, just as domestic students are. So in a sense there is a simple equity. And they are not staying on to take pensions. If they do, they become citizens and they do so as an entitlement. They are paying a lot of money in taxes, so in that sense they are no different from domestic students.

But we also pointed out, as we spoke to our own experts inside the universities, our transport economists, that we thought the state governments actually were not doing their homework properly—that is, their transport advisers were not as proficient as they could and should be, because in economic terms this is probably a budget-neutral concession. If you afford travel concessions to allow a price reduction of 30 per cent, you are likely to get of that same order in increased traffic off-peak. Students would do much more travel to libraries at different times or go and visit friends at times that are not the peak travel times. They already have to travel at peak time and they are doing that anyway. But they would simply add more travel if they had lower prices to pay. So, in fact, the budgets of the transport agencies would not be reduced substantially. We were challenging them to go and have their own transport analysts look at this behavioural analysis—not just a spreadsheet which says, ‘If we gave concessions it would be

this amount,' and we got different amounts and they vary over time. Do the subsequent knock-on analysis as to what the subsequent behaviour of international students would be. Our advice from our professors of transport economics was that it would not be a significant net budget cost to state treasuries. So for the symbolism issue, this was a false economy.

Senator BACK—Did state transport authorities take up this offer?

Dr Withers—No, we have not heard back. The transport economists issue was put more recently. That is only in the last three months.

Senator BACK—It is a shame we did not know about that when we were undertaking the public transport inquiry because it would have been a very interesting one to have picked up on.

CHAIR—It would have been a brave thing for the transport departments to say that they knew better than the university economists who did the analysis of that.

Dr Withers—We would like to think so, given that many of those economists were their advisers in other guises. But they had not been asked to analyse that question, we were told.

CHAIR—Interesting.

Dr Withers—Their own internal people may or may not have.

Senator HANSON-YOUNG—I thank both of you for coming along. I know that Universities Australia has been quite vocal on this issue of late. It is important for us to recognise that things are being done, as you have outlined, that relate directly to the immediate concerns that have been raised publicly in relation to international students. Having said that, I still think that we have a long way to go. The evidence that has been put forward to us to date suggests that there are things that we need to do in the university sector as well as in the VET sector. My first question is in relation to funding. One of the things that has been raised with us—and you have mentioned this yourself—is the issue of cross-subsidisation of domestic students through international students. Is that in your view one of the reasons why we have had such an influx of international students over the last five or six years, because of lack of funding for perhaps other university services that would be provided by the Commonwealth?

Dr Withers—Yes. We have a regime that is not fully rational in that we do not fund domestic undergraduate full-fee students the full cost of their education through Commonwealth payment. It is about 80 per cent of the full cost of delivering services to domestic undergraduates through the Commonwealth payments. In one sense I can make that as a bipartisan statement because it was Paul Keating who began that problem and it continued under the coalition, mainly through inadequate indexation of Commonwealth payments for domestic undergraduates. The natural incentive for universities to do the right thing by their undergraduates is to find other sources of money when the Commonwealth is not adequately providing for them. So what we saw over the past 15 years was a massive growth of postgraduate coursework masters of both domestic and international students and international undergraduate students and, for a short period, domestic full-fee students. The universities play a funny pea-and-thimble trick with that and their research, because, as is also evidently clear, research costs of Commonwealth funded grants are not full cost. That is, if you receive an ARC or an NHMRC grant, it covers the costs of some associated

costs, but the principal investigators cost, the laboratory costs and so on are covered in other ways. So universities go around trying to find areas where they can generate surpluses that will cross-subsidise the areas that are not fully funded. The growth of international students has to be seen as partly driven by that. That is by the university managers.

The average academic, of course, has no such motivation. The average academic is simply trying to provide a good education for all students who attend their classes, and for people inside a university that is mostly what international education about: a great opportunity to work with an interesting bunch of mostly young people and, these days, mature-aged middle-career people as well. But it is an interesting group of people, and the international edge to that is a wonderful resource for a better education. But at the university strategic level, yes, there is some revenue motivation—not profit motivation, since universities are not-for-profit institutions—to deal with inadequacies in some of the funding settings that universities have imposed upon them.

Senator HANSON-YOUNG—You might have to take this on notice; I am not sure. I am interested as to how many of the 39 universities have links to stand-alone business schools or colleges that traditionally seem to be targeted towards the international student sector. I understand a lot of the business schools take on MBAs, so you are perhaps looking more at the middle-aged career movers or people up-skilling, but there does seem to be evidence suggesting that a lot of those are targeted towards the international student sector as that extra income stream. They are not necessarily on campus; they are stand-alone business schools or colleges. Do you know how many of your universities have those links?

Dr Withers—We will have to take that on notice. It is certainly a phenomenon but not a very dominant one. The nature of the public university has changed very substantially—that is, just about every university has some form of linkages to private providers. They can be as large as the Kaplans and Navitases, providing foundation studies, for instance, and pathways into universities through that component of the private provider sector. It can also be their own foundation colleges. Monash College, for instance, is an RTO of Monash University but it is not the university itself; it is an associated entity operated by Monash University. Some simply have arrangements with everyone from TAFE within VET and private providers for pathways into the university whereby they will recognise certain prior studies for entry to university. That distinction as to how you work with these private providers in your business schools and so forth is actually a spectrum of engagement. Clear-cut cases can be counted.

Senator HANSON-YOUNG—I guess that highlights the issues I have had throughout this inquiry and throughout the public debate about wanting to look at the way the international student sector is regulated, monitored and complied with: this suggestion that it is easy to split the traditional university sector off from the rest. I am not convinced of that for these exact reasons. I think there is a lot of cross-fertilisation.

Dr Withers—There certainly is. An economist would call it ‘a gap in the chain of substitutes’—that is, there are strong linkages and relationships but universities still regard themselves at their core as quite distinct. The distinction there is their comprehensiveness across what they offer plus the research driven nature of their academic activity. Those two things are not characteristics of most other educational—

Senator HANSON-YOUNG—No. But, in terms of their responsibility to international students, in my view, surely they have to be the same. I do not think we can say that we accept a lower level of service provision for students in a business school than we do from Melbourne university.

Dr Withers—Not really. I think there is a bit of myth making about some of the smaller entities of the universities about the extent to which they provide student support. Even a smaller city campus away from a major campus elsewhere, if you compare it with a cookery or school or something, has very serious provisions of the right kind that the parent university absolutely insists upon in terms of mentoring, accommodation advice, employment advice, security services and so on. I think you find that there is a point where there is a gap between some education providers and universities. The simple reason is that universities are large institutions.

Senator HANSON-YOUNG—And are able to provide it.

Dr Withers—They have significant resources and significant capacity. They have human resources departments. Every campus has its own security service that costs a lot of money to run. Those same security advisers look at every dimension of a university's delivery, whether it is on the main campus or smaller campuses elsewhere. That is a tremendous advantage compared to a very narrow focused, small provider.

Senator HANSON-YOUNG—I accept that. What I am saying—and this leads on to my next question about the current standards within the ESOS Act about providers being able to determine on their own what 'sufficient service' means—is that if we are to go down a track of setting what those minimum standards should be, which seems to be the recommendation coming from a lot of the witnesses that we have heard from, and the university sector can do above and beyond that, that is wonderful, but this bar needs to be met by everybody.

Dr Withers—We have absolutely no problem with that and indeed with analogies in quality assurance areas. We think the nature of and enforcement of that should be much stronger, and universities would not have the slightest problem with it. We very happily accept in universities now the suggestions of the Bradley review on reaccreditation. We do not think we have an eternal entitlement to our privilege, as it were. It is something that should be tested and examined. Similarly, on simple matters such as the ESOS immediate amendments that have been made about revealing your agents, all universities have compiled lists which they make public. Of the two that did not make them public—they were there for anyone who asked to see them—they will now make them public. All universities have not the slightest problem in providing lists of agents they use for international students and these being fully publicly attestable and available. With that sort of standard of requirement, there are no suggestions we have heard for minimum standards that we would object to in the slightest.

Senator HANSON-YOUNG—Good. Would you agree with the suggestion that we do need to define what those minimum standards under the ESOS Act so it is not up to the provider to determine?

Dr Withers—Indeed. The only qualification I would make, however, which is important, is that that would certainly be appropriate for international students, but we must never forget our domestic students in this process. Rural and regional students, students who do not live at home

and even those who do live at home have in many cases overlapping problems and objectives that these amendments should address. This is a great chance for addressing the broader student experience and not simply using the international student experience and forgetting domestic students' experience as well. We should be doing both at the same time.

Senator HANSON-YOUNG—Would you agree, then, with the suggestion that the introduction of voluntary student unionism has had a negative impact on the experience and service delivery, particularly for international students?

Dr Withers—Universities Australia is very clear on that view, yes. We feel it has cost the student experience substantially. The proposals for a student amenities fee, we feel, would help the student experience substantially, particularly in the core areas of health, sports, employment advice and accommodation advice. We know that those services are particularly used by students more away from existing living networks. Ones who are away from those networks draw on them more.

We have just seen a study—nothing to do with us—that the National Bureau of Economic Research in the United States has released in the last three months. I think it was released by Ronald Ehrenberg, a Cornell professor working through the National Bureau of Economic Research. He studied across all US universities the provision of student services expenditures. He has found that increased levels for the US universities—and he calculates if you give \$500 more to student services per student—what you do is increase graduation rates substantially and you particularly increase the persistence rates and completion rates for lower SES students. They benefit massively from student services support. This is the US; it has nothing to do with our political debate whatsoever. It is not an ideological issue in any way; it was just research on different forms of university expenditures and how they influenced graduation rates. It turns out that the student services support is a big determinant of graduation rates alongside direct teaching and learning.

Senator HANSON-YOUNG—The key element of service that seems to be missing in the international student sector is advocacy and representation of those student concerns. You mentioned that Universities Australia has been working with NUS, CAPA and so on and so forth around the concession cards issue. It is amazing that that issue seems to be so simplistic and yet we can understand why it is so much more complex in terms of the types of issues that could be avoided if students did have access to that. But there just seems to be a lack of advocacy for those student concerns and experiences. I think it is fair to say that—and please feel free to disagree with me—the negative reports of frustration that we have heard of late in relation to the international student sector could have been avoided if those concerns were being channelled through an appropriate and well-supported and -resourced advocacy group.

Ms Moore—There is a point worth making. A lot of international students that you find outside of the university sector do not have those advocacy avenues of any sort. There is no history of that. The providers are often too small, they are here for short-term periods, and finding a student voice for English-language students and short-term VET students is quite difficult. But in the university context we have a long history of union representation, student supports services and such for both domestic and international students, so the opportunities for those students are much higher. It is certainly something that we are all finding troubling.

Dr Withers—Certainly the vice-chancellors have strongly committed themselves to the principle that student voice, domestic and international, is crucial to effective educational operation of the university. The appropriate way in which that is done we regard as a matter for individual universities, but all universities adhere to the principle of the great value and importance of student voice in understanding and contributing to the education mission.

Senator BILYK—Dr Withers, you were talking about migration agents earlier. One of the questions I had, which you have answered, was: do most universities use migration agents? The answer being yes, do you think there should be a separation between migration agents and the education providers so that there is no payment between the two to entice particular students to particular courses or universities?

Dr Withers—Our position is that transparency is the most important element of that, so commissions should be a known factor, if they are a factor. Of course, you realise that the universities established the major global marketing agency for international students, IDP, and are half-owners of it. That is a totally transparent activity. How it operates and the terms and conditions under which it operates are clear, and it is now the model for the US entry into the agents system. For the first time the United States is allowing its universities to begin to adopt agents, and it is using the IDP model, which is the principal vehicle by which universities use agents. But, around that, they have many other agency arrangements, which they are very pleased to make transparent, partly because in some cases there have been assumptions made about the commissions that are totally out of line with reality. They have been myths circulating about some university commissions, so universities are now seeking to make all of that transparent and public.

Senator BILYK—On the public record, you mean?

Dr Withers—Yes.

Ms Moore—It is important to note the difference between an education agent and a migration agent. An education agent only sells education, and that is the relationship the universities have. A number of our members refuse to deal with education agents if they have a migration function as well.

Senator BILYK—So you do not use migration agents; you use education agents?

Ms Moore—We use education agents.

Senator BILYK—That is an important clarification.

Dr Withers—We are also very interested in and have been working with—indeed, well before recent problems—the Indian government to seek a precedent for how we would work across countries to have mutual comfort in regulation of agents, in this case overseas in India. We were providing lists of all the agents that were working through Australian universities with Indian students. We provided those details about 18 months ago to India as a basis for an attempt to regulate the Indian end of the Asian market because we think that is really crucial here—not just the agents in Australia but the agents who put students forward. That bilateral set of agreements could also be a major way forward to help improve the situation. All of us are familiar with those

advertisements that show Flinders Street station and say, 'Your university will be in this location.' It is not quite inaccurate, but it is somewhat inaccurate. They think they are studying at Flinders Street station university rather than a small shopfront somewhere for their cookery classes.

Senator BILYK—Yes, we have heard that sort of evidence quite a few times. Living costs for international students are currently \$12,000 a year. What are the universities' views regarding that?

Dr Withers—We wanted that reviewed. It has stayed like that some time.

Senator HANSON-YOUNG—I do not think it has been changed for a decade.

Senator BILYK—I do not think it is a decade, but, however you look at it, it has been a while.

Dr Withers—What we wanted was a simple review, however, to revisit that to make sure it was the appropriate level because, from anecdotal evidence and student representative evidence, we were increasingly worried that students were having to work hours that were inappropriate for their studies and living in accommodation that was inappropriate for them and by community standards and that one reason for that was that perhaps the savings requirements for migration visas were themselves not adequate, hence bringing in people who really were not able to live adequately and conduct their studies in an appropriate way. So we wanted that revisited. We did not know what the right number was; it required a review and a study.

Senator BILYK—This is my last question because I am aware that time is getting away from us and other senators have questions. In your opening speech you mentioned the International Student Barometer. Can you explain what that actually is and how it works?

Dr Withers—Ainslie is the expert.

Ms Moore—It is a tool developed by i-graduate, which is a UK company. It is a survey of international students that benchmarks their perceptions of their students support services and academic services against other students in Australia and internationally. It provides universities with a way of determining whether they are meeting their student expectations and the areas where they can lift their game or where they are exceeding expectations. It has been established for some 30 years.

Senator BILYK—Is that public information? Can the public access that or is it only for the universities to access?

Ms Moore—You pay for access to the data that is relevant to your students' responses and where you fit on the spectrum. I can give you the contact details for i-graduate and they might be able to give you more information.

Dr Withers—It would be up to the individual university.

Senator BILYK—If you could send that information to us, that would be really helpful.

Dr Withers—A number of our members are subscribers. What we have done most recently is agree as a sector that all universities will be subscribers.

Senator BILYK—Just to clarify for the information of the committee, the universities will be able to access their set of questions—is that how it works? They answer the questions—

Ms Moore—There are multiple sections to determine what is most relevant for your students and—

Senator BILYK—And then there are some graphs or something similar to show where you fit in the scheme worldwide—is that right?

Ms Moore—Yes—worldwide against the universities that participate, and that number is growing every year.

Senator BILYK—How many countries would be using it at the moment?

Ms Moore—I believe it is over 27. I will clarify that and get back to you.

Senator BILYK—Thank you.

Senator BACK—Given the fact that it is our third-largest export income earner, do you think it is at the stage where it should have a commission overseeing all aspects of international students and, at the parliamentary level, at least a parliamentary secretary who would have parliamentary carriage and responsibility? Is the industry at that level?

Dr Withers—It is certainly worth looking at those options. The Bradley committee gave one recommendation, which the government has not responded to. It recommended Australian Education International, which in some ways was such a body but it has changed a lot over time. Its resourcing has altered and it essentially now operates as part of the department of education, not as an arms-length entity, like Austrade, Tourism Australia or whatever. It is to be reviewed. The committee recommended that it be restructured such that a new marketing body is established but with regulatory functions held elsewhere—whether that is a stand-alone regulatory body and a stand-alone marketing body or whether the marketing body is best co-located with Tourism Australia and the regulatory body is immersed in the new TEQSA—the Tertiary Education Quality and Standards Agency. Because there is so much change in the regulatory structure for the sector post Bradley, we as the universities do not have a view on the final location for that, but we do think that, for the reasons you mentioned, it is important that we get right the regulatory and marketing arrangements for tertiary education. We do not think we have necessarily got that right at all now. The importance of it—

Senator BACK—Are you moving towards developing a position?

Dr Withers—Yes. We have commissioned consultancy work, in fact, that is to be considered by our universities, as to what their position will be. We have the consultant's report—

Senator BACK—At the parliamentary level, where do you think it should sit? How should its status and its growing status—

Dr Withers—That is what we have not decided.

Senator BACK—But you are addressing it?

Dr Withers—Yes.

Senator BACK—My second and totally unrelated question is: can you respond to the comments that are made in relation to different standards in the same class, with domestic students and international students—the pressure on academics to pass international students who clearly are not at the same level? I will give you an example. I personally know of a situation where pressure was on the academic staff to pass a number of students in journalism when in fact they were quite basic in their understanding of English. Indeed, they passed journalism. There are plenty of examples of that. What is Universities Australia's response? How do you think we move forward on that?

Dr Withers—Obviously the position is that it is not sanctioned or supported and should not happen. Where some individuals seek to do that, even for what they may perceive as being in the university's best interests, that is not endorsed or sanctioned. Indeed, it is condemned and we do not wish it to happen. To come back to a question asked by Senator Bilyk earlier, the best way of solving that is not to exhort human behaviour to always understand and appropriately interpret what the right thing is; it is to give incentives that mean you do not have to do anything like that. That comes back to the fact that, if each component of university activities is fully funded in the right way, it means you do not have to do it. So, if domestic students and research are fully funded at their proper cost, we can charge international students what they cost for the services they receive and there are no incentives for these silly unintended consequences to occur. We can go about the business of education properly with a fully funded, proper management system.

In Australia at the moment, for instance, we have a system where 40 per cent of university funding is government funding. Half of that is for research—ARC and NHMRC. Direct grants to universities are only 20 per cent of our revenue. This is about the lowest government funding of any in the OECD. We in Australia would not wish to suddenly go back to the old system—the French and German style of 90 per cent government funding or whatever. We actually do not want that. What we think is that a proper balance of funding, properly directed at each tub within the system, would allow us to get rid of these distortions insofar as they affect the universities. Our goal, indeed, is fifty-fifty public-private funding, as opposed to 40-60 public-private as now. We think that would allow us to balance how we deliver education properly in this country and avoid unintended consequences and distortions.

There are other distortions we would worry about. As an incidental comment, I might just say that we regard the overall quality assurance in the whole of the tertiary sector as very problematic. The government's framework for addressing that may well be the way around that problem. The other one is the migration distortions, of which we cop the unintended consequences in various ways. But at present DIAC seems to be reviewing that in a highly constructive way. We think the blow-out of the MODL—the occupation listings that in turn carry benefits for migration for permanent residency—has in the last four or five years created crucial distortions that helped encourage migration-driven education decisions rather than properly educationally founded entry into Australian education. We would hope that that can be cleaned up as well—along with many other activities, but we think those two, in the quality assurance

area and the migration area, were quite important in the sudden breaking out of problems we had.

Senator BACK—Thank you.

CHAIR—Thank you. We are out of time. Dr Withers, you mentioned before a set of guidelines which Universities Australia makes available to universities in relation to the treatment of students. Is it possible to get a copy of those guidelines?

Dr Withers—Absolutely.

CHAIR—Great. Thank you very much. Thank you for your evidence today.

Dr Withers—Thank you.

[11.33 am]

KNIEST, Mr Paul, National Policy and Research Coordinator, National Tertiary Education Union

CHAIR—Welcome, Mr Kniest. You have been sitting through the proceedings so far today, I notice. Thank you for your time and for the submission that you have made available. Would you like to make an opening statement for the committee before we ask you questions?

Mr Kniest—Yes, I will take the opportunity to make a brief opening statement, if I could. Firstly, I point out that the NTEU represents the professional and industrial interests of about 25,000 staff working in Australian universities, so that is where we are coming from. Like Universities Australia, we welcome this inquiry—in particular because our members are concerned about the educational experience as well as the welfare of their students, including the international students that they teach. We believe that some of the recent developments are also doing enormous damage to the reputation of Australia's higher education sector, which then has the capacity to harm the entire sector and the reputation of our members at work within that sector. So that is why we are concerned.

I will very briefly talk about what our submissions focus on. The focus of our original submission—we have also put in a supplementary submission, which I believe has been received, and I am happy to talk about both of those in more detail later—is the regulatory framework under which international education providers operate. If you look at the data—we provided some data on what has happened in the sector in the past four or five years—there has been a substantial growth in the number of VET students and the number of students enrolling with private providers. Therefore, we think it is essential that the regulatory environment in which international education takes place in Australia is really capable of sustaining high quality education that will ensure the students have very positive educational experiences in Australia.

Just briefly, our submissions highlight the lack of clarity of the responsibility between the Commonwealth and the states in terms of regulation and who is responsible for monitoring and enforcing breaches of regulations within the ESOS code and the national code of practice associated with the ESOS code. We have also recommended that there should be a single national regulator for post secondary higher education providers. We believe there needs to be tighter regulation and monitoring of those providers that provide education to international students. One of the other recommendations we have made is that, as is the requirement in New Zealand, all the people who provide education to international students should be direct signatories to the national code of practice that is associated with this. This would be a very important educative tool as well as providing some sort of moral imperative that people follow it. Having said that, we believe that aspects of that national code could be strengthened, and I am happy to talk about that in more detail.

Where an education agent is in receipt of a commission from a provider, that provider should be the person who is held responsible for the actions of that agent and the advice given. We also emphasised in our submission the important of all students, international students in particular, having access to independent advice and support, so we would support some of the comments

made by Universities Australia in the previous session about the importance of student services et cetera. We also believe there needs to be a lot more information and clarity given to international students about their employment rights et cetera. Students have the potential to be exploited, and some of the stories you hear and some of those that have been reported in the press indicate that is happening in terms of the employment arrangements that students are involved in.

In our supplementary submission—again, this is something that occurred to us as a result of evidence given in previous hearings of this inquiry, particularly those in Melbourne—we have addressed what appears to be a great deal of confusion about the student insurance mechanisms within the ESOS Act and the tuition assurance mechanisms. Again, I am happy to discuss that. We have also said in our supplementary submission that we would support the introduction of an ombudsman that would cover international students, perhaps all students, as a source of independent support and advice. I am happy to take any questions.

Senator CASH—Thank you for that submission. I want to explore further with you ‘Standard 2—student engagement before enrolment’. I do not know if you were here for the previous evidence, but there seems to be an issue with the information that has been provided at the point of origin so that when the student arrives here their expectations are just not being met. Can you explore further how you see the right information being delivered at the point of origin?

Mr Kniest—I think our recommendation 5 addresses that in particular. From our point of view I think it is a timing issue. A lot of the information that providers must give to students does not happen until they have actually enrolled. We believe a lot of that information needs to be provided at the time they make the initial inquiry before they enrol. Recommendation 5 says that there needs to be information about the education provider, what its status is, perhaps how many students it has, what its background history is, what the courses are, some information about the regulatory environment in Australia and student grievance procedures et cetera. We have a whole list of things that we think should be addressed by that. How do you ensure that that information is accurate?

Senator CASH—That is the bit that I would actually like to get to. Suggestions have been put forward that it needs to be neutral information, perhaps preferably from the Commonwealth government.

Mr Kniest—I think if there is a standard set of information that all students will require, we would support the idea that that would come from an independent body, be that the government or a regulatory authority. We would support that.

Senator CASH—In relation to the issue of working hours, do you have any comment in relation to whether or not it should be increased by four hours, whether or not there should be a complete lift of the cap on working hours and how the amount of hours that a student works relate to the fulfilment of the No. 1 criteria which is that they are actually here to study?

Mr Kniest—We have not addressed this specifically in our submission and I know it has come up in a number of earlier hearings. We need to be conscious of the fact that the students are here on a student visa and not a working visa, therefore it may in fact be appropriate that some limit on the number of hours that students are allowed to work is imposed upon them. In a sense

that does apply to domestic students anyway, particularly those domestic students who might be in receipt of some form of student income support, as there is a limit to how much they can earn. I do not think we have given a great deal of thought about whether it should be 20 hour or 24 hours, and I am not an expert on how that operates, but as I understand it, it is 20 hours per week. It seems to me to be a very sensible suggestion that at the minimum—this may already happen—there should be some sort of pooling arrangement whereby you can work so many hours over a certain period. So one week you may be able to work 30 hours, if it happened to be nonsemester, and then during teaching times you may only work 10. If it is applied at a very strict 20 hours per week that seems a bit curious. Those sorts of arrangements do apply to domestic students in terms of income banks. They may have some notion of greater flexibility in how that should be applied. It is apparent from discussions earlier today that we would support any idea that a simple breach of the working hours leading to a cancellation of a visa almost automatically is highly problematic, which needs some flexibility, and students need to be given some too.

Senator CASH—Which would go directly to one of the areas that has been raised, which is the issue of exploitation.

Mr Kniest—Yes.

Senator CASH—If you are going to be deported for breach of one hour, there seems to be an issue.

Mr Kniest—Yes, that is right. We think that is highly inflexible and inappropriate, and students should be given a chance. I suspect some students have had this explained to them, but probably would not fully understand the implications of working that extra hour when the boss has said that they really need them to do a bit extra. Then, if somebody is upset with them, they report them to the relevant agency. I think that is problematic.

Senator CASH—I know it is not canvassed within your submission at large, but do you have any comments in relation to the provision of accommodation for international students?

Mr Kniest—Our view would be when we talk about the standards, in particular in part D of the national code, I think representatives from the Council of Australian Postgraduate Associations have also said that the way that the code is currently written seems to be aspirational rather than a requirement. Again, we have said that we do not have any expertise on what the nature of a lot of those services should be or what the minimum standards of those services should be. We think they need to be specified but that needs to be determined by people who have the expertise and the appropriate knowledge and those sorts of things. We think that should be strengthened within the national code. If the question is: should providers be required to guarantee students accommodation—

Senator CASH—Which is one of the issues that has arisen, yes.

Mr Kniest—I think that is problematic, not necessarily from the provider's point of view but from the student's point of view. If the type of accommodation being offered by the provider does not suit the requirements of the student then there is an issue. If you are a research student with a dependent family that is coming out with you, staying in on-campus accommodation,

which is a bedroom that is tiny, is probably not going to suit you. Having said that and having read through Universities Australia's submission, a number of universities are clearly going out there and making contact with real estate agents, pre-arranging deals for students, acting as guarantors and all those sorts of things. From the anecdotal evidence I think the providers need to do more than simply say, 'Our accommodation service is this, here is a list of the local real estate agents from the Yellow Pages,' for example. We think that the providers could do a lot more to assist students in finding accommodation, making some pre-contact with people who may be interested in offering accommodation to students, assessing its suitability et cetera. We think there could be a lot more done. I do not think we would recommend that there should be a guarantee that all students be provided with on-campus accommodation, primarily, because we do not think that would suit all those students.

Senator BILYK—You have made a recommendation that the capacity for education agents to also act as migration agents be re-examined. Could you expand on that for us?

Mr Kniest—I think it has come up in a number of other discussions. I think there is potential for conflict of interest. The reason we have said that we think it needs to be re-examined is because we do not have the expertise particularly about the way that migration agents operate, clearly that is a fairly complex area. We think that the whole relationship needs to be examined in terms of whether there is a conflict of interest and whether those two roles need to be kept distinct and separate. It is a sense of what is happening that we just thought needed further examination.

Senator BILYK—You did mention this in your opening statement but I was wondering if you had any further views. In your supplementary submission, you talked about the establishment of a student ombudsman or similar body. Do have any more information in that area that you would like the committee to hear?

Mr Kniest—As I said at the beginning we think it is really important that students have some independent support and advice.

Senator BACK—You heard the question I asked the representatives from the Universities Australia with regard to domestic and international students in the same classes. From your perspective, would you like to comment on the question I asked? Are your members coming under pressure to perhaps pass international students who may be getting towards the end of their visa periods or whatever? Can you comment on that? Is it an issue? Are you satisfied with the response that was given previously that this should not be countenanced and should not be accepted?

Mr Kniest—We certainly would not countenance it. We do not accept it and we do not believe it should happen. Maybe it is worth mentioning that prior to working for the NTU I taught economics at University of Newcastle for 12 years and I have done offshore teaching et cetera, so I do have some experience of having large first-year classes with lots of international students. I think it is less problematic for students who are studying on campus at an Australian university because those students are part of the broader student body. As a lecturer I do not know whether someone is an international student or a domestic student to be honest. In a sense, there is not that sort of pressure.

Senator BACK—But when you are assessing them you would, though, wouldn't you?

Mr Kniest—It is all blind assessment, so we do not know the names of the students, although I could find out the information.

Senator BACK—If it is an essay that they are presenting, from the way it is written you would have a fairly—

Mr Kniest—You do, and clearly English competence is an issue. It depends on the nature of the course you are doing. I guess your English expression is not as important if you are a physicist—although I might be wrong—whereas if you are doing English literature clearly that is a really important aspect. So that may vary from discipline to discipline. The issue probably comes when there are arrangements made whereby the international students are treated as a separate group. The NTEU has done a considerable amount of work in the past about the risks to reputation et cetera that Australian universities face in providing offshore international education as opposed to onshore, which is the focus of this inquiry. When I was at the University of Newcastle it was embroiled in a bit of a scandal, and cases of plagiarism being remarked went to ICAC. The university was clearly put under pressure, because of financial reasons, to reassess the marks those students got. That was not the original academic assessment—they actually failed them—but pressure at a different level.

Universities Australia addressed the relationship between universities and private providers. Dr Withers indicated that most universities have such relationships, so universities should not be absolved of all blame in this. There are a whole lot of arrangements whereby private providers offer a University of Newcastle MBA in Sydney, for example. One of the problems is that the university, through the contractual arrangements, does not take any responsibility for the student services. They provide the course material and they may provide the lecturing staff to deliver lectures, but when it comes to student services et cetera the deal, as far as I understand it, is that they are left to the private providers. If I am an overseas student looking at a University of Newcastle MBA in Sydney and I end up with a private provider, where are the library and all the other services? Universities need to examine things like that in the nature of the contracts and the relationships they have with some of those private providers. I know I am wandering off the point.

Senator BACK—No, you are not, but I want to ask you a question from your perspective of representing who you do and your past. We have heard a lot from international students and service providers. What is your perception of Australian students' views towards the whole movement of international students? Presumably it is not something that is going to level out or decline. It is probably going to increase. Do you have a feel for the views of Australian students? Are they positive, negative or neutral, or do they not care?

Mr Kniest—It is difficult to generalise, because different students will have different feelings. I was certainly never aware of any negative reactions to international students. Students saw them as fellow travellers in the educational experience. There was not any underlying resentment—as far as I could gather, anyway.

Senator BACK—Thank you.

CHAIR—You remark on the need for a student ombudsman role. The key question in such a body would be the status of a student who complained to it where they themselves might be complicit in some kind of breach of their working arrangements—for example, a student works beyond their 20 hours, gets underpaid and makes a complaint to the student ombudsman. Have you got any views about how such a role should operate vis-a-vis any offences a student might commit themselves? In other words, would they have to come with clean hands to such a body in order to make a complaint, or should there be some sort of saving provision?

Mr Kniest—In terms of them getting independent advice and support, there would not be a problem in saying, ‘What is my position? What sorts of processes need to be followed?’ Clearly a person would not say to them, ‘If you’ve clearly breached the regulations, you will not get away from this scot-free.’ When we were talking about the ombudsman, we were probably talking more about the education aspects than the employment aspects, but in some cases they are tied. This is in our supplementary submission. The way the tutorial assurance scheme works took us quite some time to try and unpack. As to our interpretation, our understanding, we are not 100 per cent certain. There are some questions we still do not know the answers to. It just shows you the unnecessary complexity within the system, where the role of an ombudsman or an independent advice body would be quite useful.

At the moment, as I understand it, if you are a student at a private provider, that private provider is required to be a member of a tutorial assistance scheme. Those tutorial assistance schemes are basically a group of private providers—universities and TAFEs are excluded because they are funded by the government—who get together and form a tutorial assistance scheme. If I as a provider go out of business for whatever reason and can no longer offer the program, it would be up to the tutorial assistance scheme to find that student enrolled in my course a place in a comparable course with another provider, at no additional cost to the student. There is one problem with that: the choices that students are likely to be given will be limited to the members of the tutorial assistance scheme. There are three or four tutorial assistance schemes. We had previous evidence, I think in Melbourne, where people gave examples of where a provider has gone out of business and the students wanted to go to the local TAFE college. The provider, or the tutorial assistance scheme, has basically said, ‘We can’t offer you that place at that TAFE college. If you want to go there, you will have to pay the additional fees yourself.’ As I understand it, it is only when that mechanism fails that the ESOS Assurance Fund kicks in, which would then provide someone with the right to apply to have their fees refunded.

We were trying to find out exactly how those two mechanisms fit together and whether the student has the right to apply directly to the ESOS Act or whether it is only the tutorial assistance scheme, which is the lower level one. We rang the appropriate government department; I sent an email to the ESOS Assurance Fund; we tried to contact at least one tutorial assistance scheme. We have been unable to get answers to things like: is a student able to access the ESOS Assurance Fund; what are the mechanisms by which that is triggered? We think there is a strong and important moral to that story. There are three or four of us in the NTEU who spend a lot of our time analysing higher education policy and we have a fairly good understanding of that regulatory framework. If it is difficult for us to get an answer to that easily and simply, what chance does an international student have who has English as a second language? We think that is a strong thing.

There are suggestions that there be a one-stop shop for international students. As to whether that is an ombudsman or some other body, we have not formed our ideas on the best structure for that mechanism, but we would certainly support the idea that it is really important that international students have access to independent service and advice. We would support organisations like the National Union of Students and CAPA playing some part in at least providing personal advocacy for those students, where they become embroiled in some of those matters. That tells the story. I do not know if it answers your question directly, but it emphasises our sense that there is a need for such a body.

Senator HANSON-YOUNG—I have a question that follows on from that, and I apologise if you have already answered it. In relation to the idea of some type of body, one-stop shop, commission, ombudsman or whatever, given the international student sector is our third largest export, do you think that there could be a role for a parliamentary secretary who works with the education minister?

Mr Kniest—We have not given that any thought. It is not something we have ruled out, but we have not given a whole lot of thought to how that would be structured. I guess the other thing that we need to be a bit conscious of is the fact that the regulatory framework in relation to international students should perhaps not be totally separate to the regulatory framework for the broader sector. You do not want too many masters. Dr Withers suggested that perhaps the new TEQSA scheme might have a role to play, at least in part. But, by way of regulation, we think there still needs to be an ombudsman or some other form of representation of students.

Senator HANSON-YOUNG—I guess it does not matter how good your regulations are if they are not complied with.

Mr Kniest—No. From our point of view that has been the real issue—I think that is what is driving a lot of the problems in relation to the course offerings and the quality. At the moment there is just no clarity in the regulatory framework. If you read the national code where it talks about government roles and responsibilities, it sort of says that the Commonwealth has responsibility for monitoring the ESOS Act and then says, ‘But in some circumstances it may be more efficient for a state based organisation to undertake that role.’ Even the way that is written lacks clarity, so we think that needs to be tightened. One national regulator would overcome a lot of those issues. It would have not only the responsibility but also the resources to do the monitoring and enforcing.

CHAIR—Thank you very much for appearing today and for the submissions you provided to the committee.

Mr Kniest—My pleasure.

[12.02 pm]

CATON, Ms Sonia Luise, Director, International Education Services

EVASON, Mr Christopher Matthew, Managing Director, International Education Services

CHAIR—Welcome and thank you for appearing. Would either of you like to state anything about capacity in which you appear?

Ms Caton—I should point out that I am the director and principal solicitor of the Refugee and Immigration Legal Service in Brisbane. I have been a migration agent for 10 years and I have recently been appointed to the advisory board to the Office of the Migration Agents Registration Authority representing the not-for-profit sector.

CHAIR—You are well qualified! Thank you for providing a submission. Would you like to make an opening statement before we proceed to ask you questions?

Mr Evason—I would like to thank the committee for providing this opportunity, and I would like to focus on three areas: professional development for those working in international education, the training of education agents and student accommodation through Homestay. By way of background, International Education Services, IES, commenced operations 13 years ago. We are a Brisbane based, not-for-profit organisation dedicated to innovation and excellence in international education. IES provides the University of Queensland's foundation year and currently enrolls 550 international students from more than 30 countries. Just last week, IES won the Queensland government award for Best Pathway Program 2009.

The University of Queensland Foundation Year uses 101 education agents across 47 countries. These agents have signed agreements with us and recruit students on our behalf. We take full responsibility for each and every agent who acts on our behalf, as per the ESOS regulations, and we carefully monitor their performance, including obtaining regular feedback from our student body. A separate division of IES is PIER, which stands for Professional International Education Resources. PIER provides online training and workshops to professionals working within the international education industry. PIER supports more than 11,000 subscribers across Australia and overseas by providing professional resources, training, networking and other support, and most of this is free of charge.

In relation to professional development, we believe that the government could do much more to encourage institutions to professionally develop staff who work with international students, especially those at the coalface—for example, enrolment officers, accommodation officers and student advisers both in Australia and overseas. The issues that such staff deal with on a daily basis directly affect student welfare, and these services must be delivered competently. However, at present only a few education providers have committed to providing systematic professional development and training for their staff regarding issues specific to international education. The sustainability of this industry and the safety and welfare of international students depend on the skills of this workforce.

The irony is that the necessary AQF qualifications actually exist to support and advance the expertise of the workforce, but only PIER currently deliver a qualification—namely, a diploma of international education services. This qualification is open to any RTO to deliver. We would welcome competition, but this is unlikely to occur until the government requires education providers to expend amounts of money proportional to the size of their international student intake to properly train and qualify staff dealing with international students. By way of comparison, tourism is our fourth largest export industry. Tourism Training Australia estimates that 268,000 people a year undertake full-time or part-time training across a range of organisations, and there are 281 registered training organisations delivering tourism qualifications. We are of the view that requiring professional development of staff in the international education industry would produce a huge improvement in quality outcomes. Education providers should be required to train staff and, where appropriate, provide study leave to staff to complete such training. We as an organisation have reaped the benefits by having a fully trained staff, particularly in dealing with complex student pastoral care issues.

I would like to talk about education agents. Education agents recruiting for Australia are a key driver behind the growth of Australian international education over the last 30 years, and the importance of their activity cannot be overstated. Surveys indicate that between 60 and 70 per cent of all international students come to Australia using an education agent, yet agents have no peak body to speak for them and we are concerned that the views of the wider Australian community are being unduly shaped by negative media following the actions of a small minority of unscrupulous agents, regardless of the exemplary contribution the vast majority make. We consider education agents to be invaluable members of our industry.

PIER, in partnership with the Australian government and with substantive input from all the education peak bodies, developed the Education Agent Training Course in 2006. The EATC is an online training program which, when successfully completed, provides education agents with an accredited Australian VET qualification. Over 9,000 education agents are currently enrolled, and 1,266 individuals from 45 countries have successfully completed formal assessment to become qualified education agent counsellors, or QEACs. Qualified education agents are publicly listed on our website and form a network of professional education agent practitioners around the world recruiting for all education sectors. The EATC and the public listing of qualified counsellors have been a major success story for our industry and the government and are an exemplary demonstration of a public-private partnership working for the benefit of the industry as a whole. We note that the EATC is positively mentioned in a number of submissions to this committee, including those from English Australia, ACPET, Navitas, DEEWR and DFAT. ACPET has also made the EATC qualification a core criterion for listing on their forthcoming register of education agents.

PIER, contracted by AEI, delivered workshops and focus groups to 1,140 education agents across 13 cities and six major source countries between May and August this year. These activities are described fully in submissions from DFAT, No. 114, and we will table the draft report prepared for AEI to this committee for your information to illustrate the real will of the large majority of education agents worldwide to qualify and professionalise themselves. At this point we would like to acknowledge the extensive important work undertaken by government in engaging with education agents through government missions over many years. Some submissions have called for direct regulation of education agents, possibly through the Office of the Migration Agents Registration Authority, rather than the current arrangement under ESOS of

holding providers responsible for the education agents themselves. We believe that such regulation of education agents would be a serious mistake, significantly aiding our competitors' recruitment efforts and damaging our industry. Offshore education agents—

Senator BACK—Could you repeat that? Could you go back and say what the recommendation has been and what your position is?

Mr Evason—Some submissions have said that they would like education agents to be regulated through the Office of the Migration Agents Registration Authority. We believe that would be a mistake because we believe that would encourage education agents, who in the main recruit for all our Anglophone competitors. Let's not imagine Australia is the only opportunity for them. The UK, the USA, Canada and New Zealand are in the frame for practically all of them. If we make conditions for those individuals onerous and the requirements to become a registered migration agent involve taking a graduate certificate in migration law—it is impossible to foresee a significant number of our current education agent groupings undertaking such a hard and onerous qualification—it will simply drive them into the arms of our competitors, and I think we will lose large numbers of students and lose a lot of goodwill that we have built up with that body to date.

Senator BACK—Could you go on and tell us what your recommendations are now?

Mr Evason—I will. We recommend that the government continue to actively support and engage our education agent community and consider further means by which to actively encourage providers to only use qualified education agents such as preferential access to visa processing for qualified agents or increasing the risk profile of providers who insist on working with unqualified agents for the purposes of registration on CRICOS.

Lastly, in regard to the shortage of student accommodation, IES maintain that further promotion of quality homestay is the only viable solution. Homestay aids social inclusion and the interaction of international students with mainstream Australian society. The industry itself is making valuable improvements in the management of homestay services. IES use an innovative system offered by the Australian Homestay Network, see submission No. 32. The Darebin council have also recognised the substantial quality assurance measures provided by the AHN, and we would like to commend Darebin council in Melbourne for its initiative in the setting of homestay standards for its community and choosing to partner with the AHN in this area. We think that this model shows real promise to raise the standard and profile of homestay provision across the nation and thereby significantly contribute to the welfare and safety of international students.

In closing, the unintended change in the international education environment caused by adding low-level qualifications for hospitality and hairdressing to the MODL in 2005 has led to the current difficulties. The current issues flow from a flawed policy that has enabled the entry of a different kind of player into the industry, one that did not exist previously, blurring the distinction between education and migration outcomes. Nevertheless, problems arising have exposed the need to professionalise the industry so that quality education providers, both public and private, and their agents, who are doing great work, are able to maintain Australia's place as a world leader in international education.

CHAIR—To clarify something you said, in requiring certain standards to be met by education agents, such as not supplying false information to potential students, are you talking about onshore and offshore education agents?

Mr Evason—Both, yes.

Senator CASH—Thank you for your statement. In your oral submission you said that 60 per cent to 70 per cent of international students come to Australia via education agents, and you referred to surveys. When were those surveys conducted and who conducted them? And, in terms of the balance of the students, where do they find the information to come to Australia.

Mr Evason—The survey that came out with the 60 per cent figure was the i-graduate survey that you heard referred to by Universities Australia earlier. That was conducted this year.

Senator CASH—So it is recent?

Mr Evason—Yes. That was related to the higher education. For students going into higher education programs, that was a 60 per cent figure. I cannot remember how many students were in that survey group. The 70 per cent figure was quoted by English Australia for students coming to ELICOS colleges. I think we can assume that between those two figures is something approaching the reality.

Senator CASH—In relation to the EATC, what does it actually entail? What are the basics of the course?

Mr Evason—There are four modules in the course. The first module looks at Australia, background to Australia and the Australian qualifications framework. The second module looks at legislation, regulations and compliance with those. The third module looks at working effectively: how agents can best work with their providers, what happens in issues such as critical incidents with students—how they might best behaved. The last module looks at professional standards and ethical behaviour. It is interesting that in that last module there is a lot of case studies were provided by DIAC. We have worked closely with DIAC and DEWR in the development of the content. In fact, only a month ago I provided an update to make sure the materials are current in relation to the ethical behaviour of education agents. The assessment itself provides case studies to the individual undertaking the test to make sure that they are aware of the division between, let us say, what constitutes migration advice and what would constitute education advice. These elements are embedded directly within the knowledge of the test. It also stands as an ongoing reference for agents to look back at as an online course.

Senator CASH—Okay. So it is an online course.

Mr Evason—Yes.

Senator CASH—How are you being assessed? It is obviously not self-assessment.

Mr Evason—No.

Senator CASH—How does the assessment process work?

Mr Evason—The assessment typically happens at Australian embassies around the world. It is an online computer test. Basically the function of the embassy staff is to ensure that the individual standing in front of the computer is the person they say they are and that they do not have any support in undertaking the test. It is a computer based assessment system that provides the individual with a series of case studies. That person then has to answer questions in relation to that.

In far-reaching places we have some more technological solutions. For example, we have just completed our first assessment in New York. There is no mission in New York, strangely, and we would use a webcam. So you have a situation where an individual sits in front of a computer, has a webcam, and during the test we are recording and listening to that person undertake the test so that we can see that no-one is aiding them or they are not doing anything other than simply looking at a screen and is tapping the keys.

Senator CASH—Presumably the person has had to go and do their own research prior to undertaking the test ?

Mr Evason—Yes. The beauty of an online course is that every action that the student takes during the course is monitored and worked. So we know every page, every minute of any day that they are logged in and what page they are looking at. We will not even allow many people to undertake the test until we have seen that they have undertaken the free self-assessment exercises, because we do have a problem sometimes where individuals come forward and say they know what to do and they bomb out miserably because they have not actually done the work. So we realised we had to have a barrier. So we need to see, before we take it into a formal setting, that you actually done some form of study prior to undertaking the formal assessment.

Senator CASH—You make one other point, which I was very interested in, which was in relation to the accommodation. You said that quality homestay is the only viable solution. I just want to explore further with you why you say that is the only viable solution, and how many places would you actually estimate at looking to find?

Mr Evason—You mean for my own college?

Senator CASH—Were you only commenting on your own college?

Mr Evason—No, I am commenting for the industry wide, but I can only answer in terms of the places for my own college.

Senator CASH—I would have thought it would be a considerable number of places. How do you actually go about finding the homestays?

Mr Evason—I think this is where government can play a role. Let me just talk a little bit about homestay. Homestay has been a cottage industry, basically. It has been something where church groups and community groups have provided these services, often very well, for a length of time. But the industry has grown to such a point that the sheer volume of students requires a more sophisticated management system. I mentioned the AHN, and I must put on record that we provided the technological background for system that the AHN uses. We do not manage the system but we provide the technology for it. We believe that in many ways students are

expecting with homestay to be able to view the accommodation prior to coming to this country. They want to see where it is on Google Maps. It is a very computer literate generation that we are training, and I believe that we are leading the world with our agent training and other resources. Indeed, of the many of our education elements, homestay is another aspect where we are showing a lead.

The reason I say that it is the only viable solution is that, when I consider what sort of building program would be necessary and what sorts of issues would be involved for the various stakeholders in terms of holding particular boarding houses or student accommodation blocks for the use of international education students alone, my mind boggles at what arrangements would need to be put in place. However, we have this capacity which is every Australian's home. The experiences of people who have international students in their homes are usually good. Generally people get on very well, they have a very good interaction with these people, and it is one of the most positive aspects of an international student's stay in Australia. I think we should follow that through.

Senator CASH—What would be the approximate number of places required? My mind is boggling at how you would actually go and find these people who want to open up their homes.

Mr Evason—I suggest that the first thing would be a simple advertising campaign to promote the benefits to the wider Australian community of having an international student in their home. It is that simple, I think: a television campaign backed by proper standards behind the providers who are delivering those services, because just as in any area there is a variety of providers.

Senator CASH—Absolutely.

Mr Evason—As long as those providers meet standards, which I would suggest that the government should maintain and put down—and you have submission No. 32, which shows a number of those standards in detail—that is perhaps the only immediate solution, when we consider the problems of building.

Senator CASH—When you say ‘a provider’, you are actually really talking about a person or a couple—that is the provider of a homestay: the average Australian. How do you ensure compliance with the standards?

Ms Caton—That is where Australian Homestay Network have really taken a step forward in accountability and transparency. They have a self-imposed, very sophisticated quality assurance set of criteria, if you like, including a 24-hour helpline for students, fully ensuring all of the places are inspected and offering a variety of options where people can go online and say, ‘I want to live in Darebin, I want to pay for one evening meal and that is it.’ Or you have the option of saying you do not want to pay for any meals; you just want a room. They have categorised different homestay options and are now finding it hard to meet demand because they are stepping it up and people are signing on. I should hand over to Chris now, but universities and other bigger education agent providers are seeing that this is a way forward to registering their homestay providers with this network so it is an online community network but it is being quality assured on the ground.

Mr Evason—I would just agree with what Sonia said.

Senator BILYK—Could we get a copy of that criteria? Presumably it is a checklist type of thing.

Mr Evason—For the AHN? Absolutely.

Ms Caton—Sure. There is one thing I thought, if I might, just quickly add. That is that, in terms of consumer protection, accountability and transparency in the operation of education agents, in just a couple of months IES are going to launch a new product which is going to be free and available for the government to direct consumers to. It will enable a prospective student anywhere in the world to jump onto the PIER website—

Mr Evason—Any website, actually.

Ms Caton—and look at who is in their area. So if they are sitting in Estonia, they can put in their town and they will get the equivalent of Google Maps. We have been harvesting this information. They will get every single agent—how long they have been acting as an agent, what their qualifications are et cetera, and this is going to be made available for free. If this is endorsed widely enough then it will become a self-perpetuating standard. People who do not pop up—Mr Shonk, who has just opened up—will find it more difficult. We will be in real competition with people who are openly on the internet and if it is eventually endorsed by the Australian government the Mr Shonks will be pushed out especially if some sort of education agent qualification is accepted.

The other thing is that in order to sign up to be part of this one of the terms is that they can be taken off—and one agent has been taken off the PIER register already following reports of unethical conduct. So it is more regulation through initiative than the big stick. If everybody is participating then your nonparticipation is going to speak volumes about you.

Senator BILYK—I know that IES is a not-for-profit organisation. Is it a part of Queensland university?

Mr Evason—No.

Senator BILYK—How are you funded?

Mr Evason—We are self-funded, funded from our own activities with students.

Senator BILYK—So student fees?

Mr Evason—Yes.

Ms Caton—It is a contract with UQ. We have a contract to provide the foundation year with UQ. Students pay the fees and, quite frankly, a lot of the work of PIER is not profit making but goes directly to strategy and vision and excellence in education. It also places PIER and gives us obviously a network that will bring people to other products which they might pay for. It is a little bit based on the Google idea of giving a lot for free and, hopefully, attracting people to quality product.

Senator BILYK—What is the time frame for an average course that you run?

Mr Evason—Are you talking about the University of Queensland foundation year?

Senator BILYK—Yes.

Mr Evason—It is a year course.

Senator BILYK—So students come out here, spend a year here—

Mr Evason—Yes, and then go to the University of Queensland to study.

Senator BILYK—Then they are guaranteed access to the university—

Mr Evason—Providing they meet and pass their exams.

Senator BILYK—On your side it actually says that they are guaranteed access so I was interested in that.

Ms Caton—It is like a grade 13. It is a leveller—

Senator BILYK—Presuming they pass the course.

Ms Caton—Every university has their foundation year.

Mr Evason—Every course in the university. We are not alone in the foundation year sector. All the Go8s would have a similar program. Every course in the University of Queensland has a set of grades that need to be met and if a student meets those particular grades then they are guaranteed an offer of a place. Whether they accept that offer is then up to them. Eighty to 86 per cent of our students each year would go on to undergraduate courses at the University of Queensland.

Senator BILYK—What would the predominant areas of study be that they go on to?

Mr Evason—As ever with international students, business takes everything and business would be maybe half. But we are one of the most spread out of all pathway programs, in the sense that we do really supply students from architecture to zoology. But in a wide-ranging and comprehensive university like that of UQ you are dealing with a whole range of undergraduate courses and students spread out amongst them all really.

Senator BILYK—Would most of your students be young school leavers from their own countries coming—

Mr Evason—Yes. The median age might be around 19. That would be the common age.

Senator BILYK—I am having a bit of trouble taking in all this information today. Did you say you were a migration agent as well?

Ms Caton—Yes.

Senator BILYK—So there is a link between IES and—

Ms Caton—No, I just bring that skill to the board, having a knowledge of the immigration platform that was considered useful—

Senator BILYK—Do you use migration agents though?

Mr Evason—We do not use migration agents. I do not think that education providers have any particular purpose in using migration agents per se. The students might want to use migration agents. In terms of a pathway program in relation to that area, students have got a long way to go. We do not have any mix in relationship to permanent residency. No-one would come to us thinking of that pathway. They are thinking of gaining an undergraduate degree at a major Australian university and they are focused on that.

Senator BILYK—If I was a student in India and wanted to come to Australia to do a university degree but knew that I did not quite have the skills yet and so was interested in the undergraduate bridging year, how would I find you?

Mr Evason—You would find us through an agent.

Senator BILYK—Through an education agent?

Mr Evason—Yes. You go to a website, whether it be Study in Australia, a government sponsored one, or whether you use a search engine, and you would find a lead there. If it came to our website, it would then give a link to, say, where their nearest agent was.

Senator BILYK—Do you pay those education agents?

Mr Evason—Yes. They are paid on commission.

Senator BILYK—Can you tell us how much that is per student?

Mr Evason—I cannot tell you the exact amount, simply because I do not know it. But it would be in the region of about \$1,400 a student, and the students would typically pay \$17,000 for the course.

Senator BILYK—For a year's course.

Mr Evason—Yes. These are approximate figures.

Senator BILYK—That does not include their living expenses or anything.

Mr Evason—No, that does not include living expenses.

Senator BILYK—So it is \$17,000 for a year's course and you would pay the education agent about \$1,400. Do you see any conflict there?

Mr Evason—Not at all. It is standard practice. It is a normal event. The scenario that has occurred with migration agents has occurred in the last three years. We have been going for 13 years, as have many other people in our situation: universities, public providers, private providers. The current scenario that has grown up with that blurring between migration and education agents is really about one sector and one kind of student, typically from the subcontinent. If you think about our traditional markets—Hong Kong, Malaysia, Singapore—these things are really marginal issues for them. In my experience students are often quite pleased to know that the services provided to them by a counsellor in their country are being paid for by the institution. That might change if you were to ask students who have come through unscrupulous agents in India who feel ripped off. No doubt you have heard as a committee from them their feelings about that behaviour. For your information, it is a peculiar situation in India. While you have some of the worst operators in terms of education agents—and I stand behind that comment—you also have some of the best. The Indian education agent association, called AAERI—do not ask me what the acronym means; it is quite long, but I am sure AEI will be able to furnish you with that bit later—are excellent. They are very professional, their members take a lot of trouble to prove their professionalism and I have nothing but good things to say about them. So India very much, in an education agent sense, provides amongst the best and amongst the worst.

Senator BILYK—What penalties do you think there should be for education agents that give misinformation to students?

Mr Evason—I think the providers should stop working with them. In the end our position is very clear on this. We have 101 agents who recruit for us, and I will stand by every one. If I hear of anything that they have done that I think is in any way unethical or inaccurate, they are gone, and why shouldn't they be? I think that is true for all the major public universities, I think that is true for all the large private providers and I think that is true for the large amount of the industry that existed prior to 2005, when the changes and the blurring came in with the MODL. It is a new breed of provider and a new breed of education agent. Birds of a feather stick together: the bad providers and the bad agents are working in consort. But the older guard—and I do not know if they would like to be called that—the people who have been working for many years, like the University of Melbourne, are going to work with good agents. They are not going to work with any agents that are not exemplary. The same would be true of any other organisation like that, public or private. If we want to stamp out bad education behaviour, we should stamp out the bad providers. They will go hand in hand.

Ms Caton—The other thing about enforcement offshore with education is how on earth do you do it? That is why we are looking at these other mechanisms of providing incentives. If there are very public lists of who has completed qualifications like EATC or if there is ever a competitor's like-minded qualifications then that kind of censorship can be encouraged by the government saying, 'We think you should only work with qualified agents.' If they are unqualified, it is much easier to identify them and then block them out of the market. We do not want them in the market. The competitor can have them.

Senator BILYK—You mentioned the PIER program. Is that for students to access if they have concerns?

Mr Evason—No, PIER is really for the professionals who work in the industry. It is for people like myself and my employees who work in every institution around Australia and in Australian affiliated organisations overseas. They can get professional development and resources made available to them. The Diploma of International Education Services is an accredited course that about 70 individuals are currently taking. These are people who are working in institutions now.

Senator BILYK—Thank you. Do you think that there should be an independent person such as an ombudsman for students to go to if they have concerns with their courses, living arrangements or whatever? Would you support that process?

Mr Evason—I would support that. I cannot see any argument to the contrary. I think it would be good measure.

Senator BACK—I just googled tertiary studies in Australia for overseas students and came up with 138,000 entries. It took less than 0.28 seconds, so obviously there is information. Do you think that the Australian government on any of these websites should actually name and shame agents who are shown by student surveys and other forms of feedback to actually be deficient?

Mr Evason—I think that is dangerous. I think principally it could wrap the government up in a lot of problems with legal suits and the way people behave if they feel they have been defamed unnecessarily and the principles of natural justice.

Senator BACK—So who should? How does somebody in China—

Mr Evason—What I would say is in terms of a qualification, as we have, if people are directed to say, ‘What we want is for providers to be told use qualified agents.’ Let’s not talk about the sharks; let’s not have them available. Let’s show people who have put their hands up to say they are good enough and who will stand behind their own code of practice which is based within the nature of the course. Let’s promote those people. And the government are doing that. I would like to hope that you would see fit to recommend that they step up those efforts, but they are doing that and it has been a wonderful success story. I must say that it has been the envy of our competitors. They think what we are doing here puts us out in front of their behaviours. The UK have an agent training program themselves, but it is not really as comprehensive in coverage terms as the one we use.

Senator BACK—Can I ask whether you have registered some sort of a logo or a brand that you would be encouraging agencies to actually use in their advertising and promotions?

Mr Evason—Yes. Each successful person gets a number and we give them a logo with our PIER symbol—it is a little bit like the MasterCard one, not very like it. It also has a unique number for that individual. We encourage those and we see on many business cards people have that it is used and that they are proud to use it. In the focus groups that we undertook under contract with DEEWR around these 13 countries recently, 86 per cent of the education agents that were a part of that, over a thousand, said that this agent training course should be compulsory.

Ms Caton—We have copies of that report if you are interested. It contains some of the agents feedback where it asks for perceptions of Australia as a study destination compared to our competitors. Indian agents were concerned that an emphasis on Australia as a destination for VET courses was downgrading the value of Australian higher education offerings. They are very sophisticated perceptions of our market and these are the people that we are relying on to send people here. They are interested in quality assurance as well. We are more than happy to table a copy of this report if you are interested.

Senator BACK—I am. I was living in India in 2005-06 when a survey showed that Australia had gone past the UK as the second most popular destination behind America for Indian students to study. I think that was the high-water mark and we need to keep going. When I asked you whether or not there should be punitive measures, you said no but you did say ‘issues such as preferential access to visas’.

Mr Evason—Or visa processing. Agents are looking for what benefits they can get. If you take a large agency company and they have up to 80 counsellors working that is a significant enterprise for them to train all of those people in a course, not just in financial terms. They are going to say, ‘What do I get out of it?’ If they can say, ‘You go into the fast pile,’ and the others stay in the slow pile that is a very simple non punitive measure that provides benefits to people who prepare to demonstrate quality. That would be, I think, a major measure that would definitely help.

Senator BACK—Can I ask whether student surveys support the use of agents who have actually gone through this training program? Or is it early days for that?

Mr Evason—It is too early yet. At this point the students would not, themselves, be overly aware of a training course for their agents.

Senator BACK—But they might be aware of the fact that an agent has an Australian accreditation.

Mr Evason—That is right. In time I would very much hope, as we develop forward and this becomes an even more solid part of the education environment in Australia, that the public listing of these qualified people becomes something that every agent and every provider understands and uses. At the moment we are still on a learning curve and a promotional curve to try and explain it to the industry itself. For example, in the report, of the education agents surveyed 40 per cent said that providers required them to be qualified. That tells me that 60 per cent did not require them to undertake any qualifications. The government have spent really good money and time promoting this in workshops around the country and, indeed, around the globe for the last three years. It does demonstrate how promotion cannot do enough for things like this. We very much believe in the carrot rather than the stick. We would love to see those quality people, the quality providers, the quality agents, being held up and given priorities and opportunities. And let those other people wither and die on the vine in silence. To even give those people credibility by talking about them, I just think—

Senator BACK—You have no difficulty with government websites stating the encouragement of the use of agents. My final comment is in regard to homestay, and in Perth I am well aware of people who are actually turning to this. It is very lucrative for many people living on their own in a home, or for a couple, or retirees or someone widowed. I know of many cases where they

see it as tremendous company for the people. A lot of them live relatively close to campuses or in commuting areas. I do not know why this has not been seen as there is the economic need at the moment by an awful lot of people. There are single parents in homes where there are bedrooms available. Obviously they have to be properly vetted, but they are—

Senator BILYK—Some universities have actually encouraged it. The University of Tasmania certainly encourage it.

Mr Evason—They do.

Senator BACK—I remember in Tasmania the same thing. I think it needs some sort of a standard format whereby both the person providing the accommodation and the person needing it have some sort of proper evaluation process so that these things take place. If we are going to have such a level of international students into the future, and it appears as though we are, then it really has very significant economic and social benefits. Certainly from the viewpoint of the student being oriented into Australia, there is no way in the world that a family back home in Asia or India or Africa would not want their young person being in that home environment. The numbers are so small for university colleges, and the capacity for capital expenditure to boot is just not there.

Mr Evason—That is exactly right. That is why I said in my address that it is the only viable solution. It is the only one that is there now. There is the capacity in the Australian community right now. It is just a question of promotion. There are some issues with homestay such as around the issue of taxation and the revenue the person receives. Those things might need to be teased out over time, but the industry is moving in that direction. Although I have an association with the Australian Homestay Network I think that provides a model for a really world class operation, and I would encourage the committee to look carefully at submission No. 32 and the standards that they have put forward. Indeed the approach of the local council of Darebin in Melbourne is saying that these are the standards we expect. No doubt you have been aware of some of the horrendous stories of accommodation and overcrowding. In many ways they go back to the local councils and the opportunities for those people to enforce things in their own region. I think there are issues with the transparency of homestay accommodation to work with local communities.

Senator BACK—Homestay cuts through a lot of that of course.

Mr Evason—Yes.

Senator BACK—What you are speaking about is absentee landlords et cetera. Homestay is an altogether different package. I appreciated your submission and thought it was fantastic.

Mr Evason—Thank you very much.

CHAIR—Thank you both for the evidence you have provided today. It has been very useful for the committee.

Proceedings suspended from 12.46 pm to 1.17 pm

MURRAY, Ms Dianne Jean, Institute Director, TAFE NSW Illawarra Institute, Department of Education and Training, New South Wales

RIORDAN, Mr David Francis, Chief Executive Officer, Department of Education and Training International and TAFE NSW National Business, Department of Education and Training, New South Wales

CHAIR—I welcome representatives of the New South Wales Department of Education and Training here today. Thank you both very much for your appearance and for providing both your time and your submission. We have seen your submission, and we would be happy to ask you questions, but would you be interested in first making an opening statement to the committee?

Mr Riordan—Yes, I would. Thank you very much for spending the time with us this afternoon. It is a great opportunity for TAFE NSW and the New South Wales Department of Education and Training to come before this committee. I want to just say very quickly that I represent TAFE NSW and New South Wales government schools. My role is to recruit, place, monitor compliance of and deal with international students for TAFE NSW, New South Wales government schools and international projects. I am not part of the regulatory authority; that is a separate part. I represent the providers. I bring with me a colleague, Di Murray, who is an institute director of one of our regional institutes. She will introduce herself as well. I also wear another hat, and that is that I am the New South Wales representative on the Joint Committee on International Education, and I chair a subcommittee of that, the International Educational Officials Network.

I would like to start by clarifying, as I said, that I represent TAFE NSW public provision, and that involves the recruitment, marketing, placement, compliance and monitoring of international students. When international students arrive in Australia they are handed over to the institutes or the school regions for the delivery of their programs. Whilst I might today focus mostly on vocational education and training and TAFE NSW, I am happy to answer questions about New South Wales government schools' international students, and most of the comments I will make are applicable to both New South Wales government schools and TAFE NSW.

TAFE NSW has approximately 10 per cent of the market share of the VET international market in New South Wales, and New South Wales government schools have become the largest provider in the country of international education to international students in the public sector. In both New South Wales government schools and TAFE NSW the growth in our numbers has been responsible and diverse and, I suppose, quantified in the sense that we want to maintain a sustainable operation. In New South Wales TAFE we have 6,000 international students and 3,700 international students in New South Wales government schools. These students are spread across all our institutes in New South Wales and all our regions.

These students come from a range of countries, the vast majority of them coming from China, it being our biggest source country, followed by Vietnam, Thailand, Nepal, Korea and India. Just out of interest, because of the media interest over the last couple of months, TAFE NSW only has 500 Indian students currently studying as international students. I believe that TAFE NSW, particularly in the VET sector, and New South Wales government schools have become the

benchmark for the provision of quality education in the vocational education and training sector for international students. We try to emulate the concept of best practice when it comes to international students.

What is worth noting is that education is our business and has been so for over 150 years. We have been providing training and education to the young people of New South Wales and Australia for that period of time. All of our programs meet industry standards, and all international students go through the same standards of programs as do domestic students—with the same requirements, the same entry requirements and the same outcomes. TAFE NSW does not focus only on permanent residency related programs. Students at TAFE NSW and New South Wales government schools have a true campus life experience and are integrated with domestic students.

Both TAFE NSW and New South Wales government schools international students have access to the most highly-qualified and experienced teachers. But what also separates us from any of our competitors, particularly in the TAFE NSW sector, is the access to support services such as libraries, counsellors, internet-connected classrooms, recreation areas, events and class sizes that are probably half the size of those of many of our competitors—as well as access to state of the art equipment and an international student coordinator specifically employed to look after the welfare of our international students. We also provide advice on accommodation and employment services.

International students are not just seen as a cash cow, to use a term that I have heard. Revenue that is generated from international students is used to support international students and to further enhance programs for both domestic and international students. I have been asked many times why TAFE NSW does not have more international students given our experience, capacity and capability, with some 500,000 students in New South Wales. The answer is simple: we are about quality education. We have prided ourselves and positioned ourselves as a quality provider. International students come to us for a quality education—to get an Australian qualification from a reputable and credible provider that they can then return to their communities and make use of. We do not, have not and will not compete with the bottom end of the market, which are looking at being visa factories and so on.

As the industry has been in the eye of the storm recently, we worked very hard with a range of bodies and stakeholders to place students displaced by closures of private colleges such as the highly publicised Sterling College. We believe that the placement of these students is absolutely critical. This is not just because the closures happened through no fault of their own; it is also in the interests of the industry and the nation. We are currently looking at students who have not been able to be placed by the ACPET scheme in the community welfare area. They will be placed where we have capacity in the appropriate stage of the programs and on a commercial basis. As you can imagine, we have been inundated with requests and inquiries from displaced students as they clearly turn to the public provider.

I should have said this in my introduction: I am the chair of the New South Wales Ministerial Taskforce on International Education. Over the last three months I have attended numerous meetings and rallies of students. Many of these students have lost faith in our system and are concerned about their future. Many have approached the public provider to further their studies. I will hand over to Dianne to do her introduction.

Ms Murray—The Illawarra Institute is a regional institute stretching from Wollongong, down through the South Coast, across to Cooma and up through the Highlands. The majority of our involvement with international students is at our Wollongong campus, where we have students in vocational programs and a small number in English language programs. I echo David's comments that our engagement with international students is focused on their desire to further their educational qualifications. The majority of our students study with us as part of a pathway program through to higher level qualifications, including through our arrangements with the local University of Wollongong.

The other thing that is a focus for us when we are working with our international students is that, as a regional institute, we think it is an opportunity for them to participate in and get a much broader experience of Australian life. We have a fairly significant investment in working in our community to welcome students into the community. The Wollongong area, in conjunction with its local council, has a welcome-to-Wollongong function each year, where both TAFE and the university participate to welcome students into the community, link them up with organisations and link them up with support services in the community so that their experience of education in Australia is more than just their on-campus experience. We think that this is good for students, including our domestic students because of their engagement in supporting the general lifestyle of our international students. It ensures students' diversity of experience, so that when they return to their country of origin and utilise their qualification they have a positive view of living in Australia as well as studying in Australia.

We undertake a very rigorous and extensive orientation program for international students. In our submission we referred to some of the support services that we have on campus. They are the services that are provided to all our students: domestic students as well as international students. From the time they enrol with us they have access to counselling services, English language support services, child care on our Wollongong campus, library facilities, ICT facilities and support. The other comment I would make is that they study under exactly the same conditions as our domestic students. If they are studying a VET program—and commercial cookery is a program that we have a large number of students in—we have a limit on the number of students we can accommodate. Studying in our facilities is limited to 15 or 16 students in a commercial kitchen environment. There is the same level of facilities, equipment and support that our apprentices get; they are actually studying under the same conditions. The comments I have made to our staff and to students who are studying with us is that those students are living in our communities and, if they are in part-time work, they are working in businesses in our communities, and that is our reputation. The skills they are exhibiting when they are working locally reflect on the quality of our education.

The orientation program we have used is not just limited to what they will be studying. We also invite into that orientation program organisations that those students need to be familiar with. We have representatives from the Department of Fair Trading, who come and talk to them about leases, if they are looking at accommodation. We take them on trips to meet with members of the Surf Lifesaving Association, because the coastal area where we are can be quite unfamiliar to these students, and they provide them with information about safety during summer on the beaches.

We also invite the representatives from the local police command in to talk to them about their security and their safety and to demystify a bit the police services in New South Wales. Many of

the students come from countries where they have quite a different view of the role of the police services and so it really demystifies that. We think that introducing students to the broader range of services means that they feel much more strongly as if they are a part of the community.

While they are studying with us, each campus that they study at has a dedicated support officer who is their first point of contact and who can then link them into any support agency. We are lucky in Wollongong because we have a very diverse community and I would say that probably about 50 per cent of our students studying in the region have family or relative links or friends in local community organisations. We have a multicultural coordinator who is able to link them into their cultural community as well. But the focus, I guess, for our work with international students is to ensure that the TAFE NSW qualification they are getting is going to equip them with the same level of skills, the same level of competencies and the same guarantee of quality as for any other student who studies that qualification anywhere else in Australia or indeed in countries where we provide that qualification offshore as well.

CHAIR—Thank you both very much for those opening statements. Senator Hanson-Young?

Senator HANSON-YOUNG—I have got a few questions. Firstly, I know you spoke a lot about the TAFE sector, and I understand that that is obviously directly linked to your department as the public provider. Can you perhaps elaborate on what you think the department's role in New South Wales is in engaging with the private providers and the standards of both education and duty of care? Where do you think the department's role is in that?

Mr Riordan—As I said to you in my introduction, the area that I represent is the area that is the delivery part of the public provider. Many of our institutes have a strong relationship with private providers and in fact have arrangements with private providers for international students. So there is a lot of goodwill and strong relationships to ensure that students move from one to the other and that similar qualifications are delivered, and in fact some of them on our campuses. On top of that we have a lot of dealings with the Australian Council for Private Education and Training and a range of private providers in the centre of Sydney. But of course we are a provider and it is a commercial environment so we are but one provider in a very crowded space.

Senator HANSON-YOUNG—So the department's position is that it is just the free market then and they do what they want and it is up to the federal government to ensure that there is quality control? I understand that the state government is a provider in itself and, yes, it puts you in an interesting position, but surely there is some role, whether a student studies at a TAFE or at a private college, in ensuring that there is an element of duty of care from the state government.

Mr Riordan—As I said, I am not from the regulatory side of things, but the New South Wales Department of Education and Training takes a strong role in the regulatory side of the industry and through its Vocational Education and Training Advisory Board all providers have to be registered through that and meet a whole range of criteria. But I am not actually able to speak on behalf of them.

Senator HANSON-YOUNG—For the interest of the committee so that we can put it into context, could you speak about the fees for courses for international students in the TAFE sector versus the fees for domestic students? Can you give us an idea of the difference, or whether there is a difference.

Mr Riordan—I can give you a general idea. Having done a competitor analysis of our major competitors, the TAFE NSW programs are comparable with the top end of the market so they are more expensive. As you have heard through both my introduction and Di's introduction, there is a range of services and value-adds that we add onto to our provision of programs to international students and that makes us probably more expensive and probably places us at the quality end of the market. So having conducted a competitor analysis, we sit towards the top end of the market.

Senator HANSON-YOUNG—Okay. What you are saying is that the difference between what a domestic student would pay for a particular course X as opposed to an international students in that same course is because of the extra add-on services that you provide to them?

Mr Riordan—I will let Di answer the question about domestic students, but there is a difference between domestic students and international students. The fee structure is completely different. International students, as you are aware, pay a complete fee to cover the costs of their provision, whereas domestic students are subsidised by government funding.

Senator HANSON-YOUNG—Do you have those figures? Can you give me an example of a course and tell me what the difference would be?

Ms Murray—I do not have the figures at my fingertips. New South Wales domestic students pay an administrative fee as opposed to a course-cost fee. It is a totally different fee structure because domestic students are in fact subsidised by government.

Senator HANSON-YOUNG—So as to the cost of delivering the extra services that you have outlined—and you went to a few of them about the engagement with the community and those things—and I understand that the fee structure is different for domestic students, are you saying that that is what covers those extra services?

Ms Murray—No, international students pay for the cost of tuition. Domestic students do not pay the full cost of tuition; it is a subsidised fee. Those services that I referred to are part of the cost of the fee of tuition and the additional support services that are there for international students.

Senator HANSON-YOUNG—I am just picking up on the point that David raised that you do not agree with the assertion of the sector being a cash cow because you believe the revenue is put back into services. I am just trying to figure out what percentage of the fee that students pay is actually put towards those services.

Ms Murray—I guess it is the services plus the ability to provide the programs and the courses. If a group of international students is studying with us, there is the cost of the delivery of the program as well as any associated services to support them so that they can progress through the program. It is not as if every student both domestic and international pays the same base fee and then there is an additional cost for services. International students pay the full cost of tuition of their program and the fee that they are charged covers the cost of the tuition and as well as the support services that are provided.

Senator BILYK—Could you supply us with a list of how much you charge for various courses?

Ms Murray—Yes.

Mr Riordan—Our fee structure is readily available on the Web but I will make sure that it gets to the secretariat of the committee.

Senator BILYK—Thank you, that would be great.

Senator HANSON-YOUNG—You said that you do engage with the private sector—the private colleges as well as the peak body ACPET. What type of engagement is that? Is that in helping to allow students to transfer from college to TAFE or vice versa if something happens? What type of engagement is that?

Mr Riordan—Regarding the official engagement with ACPET, I suppose many of our institutes have good relationships with ACPET and deal with them on a regular basis. Over the years when there have been problems in the past with colleges that have closed, ACPET, depending on whether they have had the capability to replace them, have approached TAFE NSW and we have worked together to place students on a commercial basis. Over the last two years we have had two very important committees that I have chaired and that ACPET has been a member of. One of them was called Study in Sydney and surrounding regions and the New South Wales representative of ACPET was on that with us so that we could look at all of the issues to do with international education. As I said in my introduction, I am the Chair of the New South Wales Ministerial Taskforce on International Education and ACPET is a full member on that. We work together regularly.

In the end, this is a competitive industry, and in many cases it is in our interests to work together to resolve issues and problems. That is exactly what we are trying to do at the moment with some of the problems that we are facing, so there is quite a lot of industry engagement.

Senator HANSON-YOUNG—Can we take the Sterling College collapse as an example, because the committee has previously heard evidence in relation to that. The evidence we heard and in subsequent communication that I have had with ACPET is that, for the students studying the community welfare course, there is no other community welfare course in the private college sector—that is, in traditional members of ACPET. So the students cannot be transferred to one of those. There would be an equivalent course in the TAFE sector, but that does not come under the assurance program that ACPET has established, so students would be expected to repay those fees. Can you confirm that that is correct?

Mr Riordan—What I can do is confirm a few things about the closure of Sterling College. I have seen the transcripts from previous meetings, and the committee would be aware that TAFE NSW is not required to be a part of the ACPET TAS scheme. The ACPET Tuition Assurance Scheme requires that if a college, for whatever reason, is unable to continue with a particular program or course then students can be transferred to another college within that scheme that runs the same program in a similar geographical area. If there are no colleges available or no places available, the student then has access to the ESOS assurance scheme that is managed by PricewaterhouseCoopers. They can get a refund of the tuition they have paid for up until that date or they can be transferred to another college that has that program. That is exactly what is happening with Sterling College at the moment. We have just made about 80 students an offer to TAFE NSW and, all going well, they will be transferred to TAFE NSW programs. The student

will get a refund for the tuition they have already paid for and then, yes, they will pay the fees for the TAFE NSW program because they are an international student. We have at very short notice done an analysis of our capacity and capability across the state in community welfare. We found that we had vacancies and that is where it is at at the moment. I might point out that there was another private provider that came on at the last moment, and they have picked up the bulk of those students.

Senator HANSON-YOUNG—There were 300-odd in that course?

Mr Riordan—There were. TAFE NSW, as I said before, is one provider of many in the space. As a public provider we worked closely with the Commonwealth department, DEEWR, and it was very clear to us that the placement of these students was incredibly important. Our institutes have been working around the clock to find the capacity and the capability. On top of that, there has been a number of students who have come to our campuses without going through the ACPET scheme or ESOS to try and get into programs. They have been dealt with as any international student would be.

Senator BILYK—On a point of clarification, would those students be paying the same course fees, or would they be higher or lower through the TAFE system?

Mr Riordan—If you are asking about the students who have come to the programs without having to—

Senator BILYK—No, I am asking about the students from Sterling College.

Mr Riordan—They pay the same fees as all international students for that particular course.

Senator BILYK—I understand that. What I am asking is: if they are accepted into TAFE, will the fees be the same as they were for Sterling College? Will it be more expensive or will they be charged almost the same?

Mr Riordan—I think it is a little bit more expensive. I do not have the exact fee structure but I think it is a bit more expensive. But I understand it is quite similar.

Senator HANSON-YOUNG—You have mentioned numerous times that it is a competitive market and New South Wales education department, through the TAFE sector, is part of that provider mix. Where do you think the responsibility lies in ensuring the reputation of quality standards and in ensuring that when students are caught up in a collapse such as what happened with Sterling College that it does not negatively impact on the sector overall in terms of our reputation and the wellbeing of all the people involved? Whose responsibility is that? Where does that lie?

Mr Riordan—I think that is an interesting and complex question. Speaking on behalf of TAFE NSW, I would say that we see the quality and the welfare of the students as being the absolute, paramount issue. We strive very hard to maintain that. I think we can stand on our reputation and say that we have. We work very hard with all our colleges, campuses and schools to make sure they are completely compliant with the relevant legislation and that quality standards are maintained. Your question is about what our responsibility is in terms of the overall

industry. I think our responsibility is to be a leader in it. Through the various committees that I have chaired over the last two years, we have made it very explicit what a quality provider is and what quality provision looks like. But we are not part of the regulation. Providers are required under Australian Quality Training Framework and through the Education Services for Overseas Students Act to make sure that they are compliant.

The Education Services for Overseas Students (ESOS) Act 2000

Senator HANSON-YOUNG—I am not necessarily saying that this is my view, but is there almost a conflict of interest with a state government that is clearly a provider but also involved in the registration of training colleges and institutions?

Mr Riordan—I do not know that I am qualified to answer that, I am afraid.

Senator BILYK—I want to go back to a question that Senator Hanson-Young asked. I, too, have written down the fact that you said that revenue is used to support international students. I am very keen to work out what percentage of that revenue is used to support international students. I understand that some of it is for the costs of running the courses—teachers, facilities and things. But what would the percentage be, on average, of the revenue that is used to support—that is your word—international students?

Mr Riordan—I apologise if I said that. What I was trying to say was that it supports the international student programs.

Senator BILYK—There is a slight difference.

Mr Riordan—It is not supporting international students as such. For the record, we are talking about the programs for international students.

Senator BILYK—Thank you for clarifying that. In your submission you talk about an accommodation placement service. Presumably there is an extra fee attached to that?

Mr Riordan—It is a service that we provide to international students, along with a range of other services at institutes. I will let Di address that—

Senator BILYK—Is there a fee attached to it?

Mr Riordan—It is included in the course fees. It is not an additional fee.

Senator BILYK—Can you just talk us through that so that we know what is involved.

Ms Murray—I can briefly tell you. We have arrangements locally, through a homestay program, whereby we can refer students who are coming who require accommodation. We do not run accommodation services ourselves. We use the services in the community or through the homestay program.

Senator BILYK—So there is no on-campus accommodation.

Ms Murray—No.

Mr Riordan—I might just add there that we also provide a lot of information to students about what they can expect when getting accommodation, even down to what they can expect to pay. We also provide assistance to them in getting leases and tell them how they can get their leases checked. There are coordinators at our institutes who will help them with that and with accommodation, even down to the point of finding the accommodation. We do not provide accommodation on our campuses. There is talk that, in the future, because some universities are investing in on-campus accommodation, through our partnerships with universities there may be an opportunity for international students that study with us that are moving into pathways program to access that accommodation. It is an important issue that we have taken very seriously. In the centre of Sydney there is a rental accommodation issue.

Senator CASH—It has been raised at every single hearing that there is an issue in relation to the provision of accommodation for international students. But your sector seems to do it differently and seems to be heading in the right direction. What is the philosophy behind, if you are not directly providing the accommodation for international students, at least providing all of the necessary information so, as you say, they know what they are going to get when they get here? It seems to be one of those huge issues that need to be addressed.

Mr Riordan—It is an interesting question. When I first came into this industry I was astounded at the level of pastoral care that institutes in TAFE NSW implemented. Over the years we have seen it improved and expanded. You ask the question: what is the philosophy behind it? The philosophy is that we are aware that parents on the other side of the world are entrusting us with their young people. We are also aware that the young people in many cases are vulnerable. Therefore, our institutes have invested time, money and resources to assist these students to do the right thing by their parents whether they be in Shanghai or Mumbai. I think that is really important, and we have had a good success rate with this support. It goes right through to a whole range of other services. If a student needs to go and talk about something or get advice on something, there are coordinators that will assist them. The philosophy behind it is about providing strong pastoral care for young people who are away from home.

Senator CASH—In relation to the provision of services that you give as compared to other institutions—for example, a university—do you have any evidence as to what that feedback is?

Mr Riordan—The exit surveys that we do of students at the end of their programs show a very high satisfaction rate not only with the quality of the program but with the quality of the support services.

Ms Murray—The other evidence I would cite is the number of students whose relatives or siblings follow them into some of the programs that we have. Another part of our identifying a range of options that are available to students is also a recognition that the students who come to many of our colleges vary in age. A lot of them are students who are out here studying high-level qualifications who are independent adults, not necessarily young students. The nature of a large part of our international student population is that we have students who may in their own country have completed degrees who are doing a different sort of qualification in terms of a VET qualification. It is not all young students. So we need to provide a range of accommodation

options for them, let them know what they can expect and how to find it and support them in making contact with providers of accommodation.

Senator BILYK—You alluded to having an international student coordinator. Is that a full-time position?

Ms Murray—Yes, and depending on the size of the program there may be more than one. They may have a particular area. They may be an accommodation officer. I have two people in the international students operation area, one of whom is the direct pastoral care support person.

Senator BILYK—And they are all full-time positions.

Ms Murray—Yes.

Senator BILYK—That is great. Following on from that, do you think there should be an independent ombudsman for students to go to if they have concerns?

Mr Riordan—This has been raised with me and was raised with the task force. Because the findings are still being finalised I cannot go into the details of that. But it is something that has been looked at and it has been raised with me on more than one occasion. It provides interesting challenges as well as some good solutions.

Senator BILYK—What would those challenges be?

Mr Riordan—I suppose it is about the resourcing challenges associated with it. When you are looking at the number of international students in states like New South Wales and Victoria, it is a large number. It is about setting up the parameters as to what the ombudsman would do and what would be their jurisdiction.

Senator BILYK—There is one last thing I wanted to clarify. Is the orientation program that you spoke about compulsory for international students?

Ms Murray—They are invited to attend.

Senator BILYK—What is the take-up rate?

Ms Murray—About 100 per cent. We run it before they start their learning program. I address everyone of those orientation programs as the CEO of the organisation. I am happy to provide you with a copy of what is included in that program.

Senator BILYK—Thank you.

Mr Riordan—We are finding that the orientation programs are mandatory for institutes to get their new international students to attend but what we do find is that they have follow-up events as well. A student who has arrived in the country a matter of days before cannot take all the information in. So we are finding that there is a whole range of additional information services through online services, but also follow-up events to make sure that there is as much information as possible. Information seems to be one of the major issues. It is about accuracy and clarity of

information to make sure that students and their families are completely aware of what they are getting into when they come to Australia to study.

Senator BILYK—We have heard from a number of sources that a lot of the information received offshore before they get here is not necessarily correct. Have you heard stories like that?

Mr Riordan—Similar to you I have heard stories of it and read stories about it. I think the issue of information is absolutely critical and it is something that has been discussed right across the board at the highest levels of government in New South Wales and the Commonwealth as well. It is about making sure that we can get accurate information in other languages as well. I think you will find that over the next six months there will be a vast improvement in that.

Ms Murray—I think the other critical element of that is the way in which we manage our relationship with agents who are representing our programs overseas. In TAFE NSW all of our agents for international programs are registered centrally. While each institute might work differently with different agents, those agents are registered. We conduct regular briefings for them. We monitor their performance in relation to representing us.

Senator BILYK—Sorry, when you say they are registered, are you talking about through the state government?

Ms Murray—No, maybe it is the wrong use of terminology, but centrally through TAFE NSW through DET International in David's area any agent that any institute works with is listed centrally.

Senator BILYK—Listed, right. What criteria is there for those people?

Mr Riordan—I can take that on notice and get back to you. We monitor it very carefully and closely and, in fact, we have had many instances where we have knocked potential agents back because we do not believe that they can carry out the tasks that we want them to carry out. We are very much aware of the importance of agents. At the moment we are going through a process where we are auditing all our offshore agents to make sure they meet the criteria and conducting retraining programs for offshore agents over the next 12 months.

Senator BILYK—Thank you.

Senator BACK—On that same theme, we just heard before lunch from International Education Services about the two programs for providers in Australia, the Professional International Education Resources, PIER, program and, for overseas agents, the Education Agent Training Course. I wonder whether you are familiar with those or others similar to them and do you support the concept?

Mr Riordan—Yes, I am familiar with them. I have to say that my knowledge of is fairly global and I am aware that agents go through those training programs. The last one that you mentioned, I may be wrong, I think has been developed by the Commonwealth and is used nationally. Certainly, it is important for all our agents to go through those.

Senator BACK—What about Australians who are dealing with international students? This professional international education program is specifically developed for Australians who are going to be dealing with international students. Could you comment on your support for that?

Mr Riordan—I am not familiar with that program. At TAFE NSW we have our own in-house professional development for people who are involved with international students on a regular basis.

Senator BACK—What would your advice be to the committee about how you identify and then exclude those agents whose interests are ultimately not the interests of the students or in the interests of the Australian reputation for service provision? How do we identify them and get rid of them?

Mr Riordan—It has certainly become a vexed question, because the offshore agents provide a challenge. I think you will find that, under ESOS, agents are meant to be monitored and meet the criteria. It is about making sure that those criteria are adhered to. I think the identification of agents that are providing inappropriate advice, providing information that is not accurate and steering students only to particular areas for permanent residency and so on is important. There are certain risk factors that should be identified immediately and those agents should be brought to account for those.

Senator BACK—Really, the whole integrity of the system is at risk at that very point, isn't it? My understanding is that overseas there are people on commissions drumming up business. We saw in the subprime market in the United States last year where that ended up—personal gain for people who basically had no accountability and were, in effect, unregulated. It worries me enormously when you say that ESOS should control it. It might not necessarily be an easy task to do that from Australia, but it seems to me that from a risk analysis point of view it is an area of obvious danger to us—and also to the students and their families, which ultimately is a risk to us, isn't it?

Mr Riordan—I agree with you. I am not sure I know the solution other than to say I agree with you. TAFE NSW takes it seriously. We have set very clear standards that our agents must meet. Their commissions are public knowledge. If they do not meet the criteria then we do not continue with them.

Senator BACK—I am clear on that, and that is as I would expect it to be. My question really is: how do we flow that through the entire service provision so that we end up with that consistently high standard?

Mr Riordan—One of the suggestions that has been made is to make greater use of our offshore officers, if possible, through various government departments. The dissemination of appropriate information and monitoring and regulation of agents could take place in that way. Once again, I have to be honest with you: agents are an area that I am not 100 per cent familiar with outside of my own portfolio.

Senator BACK—All right. Thank you.

CHAIR—We are out of time, but we have some questions for you to take on notice. I want to find out whether there has been any damage to either the enrolments at or the reputation of—if you can gauge such a thing—TAFE NSW based on the stories that have been circulating about non-government providers in the international student market. In the case of those facilities that have failed—and I assume there are some in New South Wales—has TAFE been able to take any of their students? Were any particular pathways created to deal with the migration of those students to your facilities? I think that is all I need to ask you.

Mr Riordan—Those questions are on notice, so I can provide the information back to the committee at a later date?

CHAIR—If you would not mind, please. That would be great. There are a few more for you to take on notice. Thank you very much.

[2.04 pm]

BURMESTER, Mr Bill, Deputy Secretary, Tertiary, Youth and International Cluster, Department of Education, Employment and Workplace Relations

CHAUDHURY, Ms Tulip, Branch Manager, International Quality Branch, Department of Education, Employment and Workplace Relations

LANYON, Ms Karen, Assistant Secretary, Images of Australia Branch, Department of Foreign Affairs and Trade

McPAUL, Ms Christine, Assistant Secretary, Education and Tourism Branch, Department of Immigration and Citizenship

RICHARDS, Mr Peter, Assistant Secretary, Student Visa Integrity, Department of Immigration and Citizenship

SPELDEWINDE, Mr Peter, Assistant Secretary, Labour Market Branch, Department of Immigration and Citizenship

STOKES, Ms Deborah, First Assistant Secretary, South and West Asia, Middle East and Africa Division, Department of Foreign Affairs and Trade

WARDOS, Mr Peter, First Assistant Secretary, Department of Immigration and Citizenship

WALTERS, Mr Colin, Group Manager, International Group, Department of Education, Employment and Workplace Relations

CHAIR—I welcome representatives from the three departments and thank you for being here today. We will hear evidence concurrently from the three departments. If a senator asks a question that might be directed at a particular department but another department has a relevant contribution to make to that answer, please feel free to jump in and offer some advice. I invite DEEWR to make the first opening statement because we have direct routine scrutiny of DEEWR. If the other departments also wish to make a statement they may do so.

Mr Burmester—Thank you for the opportunity to appear before the committee this afternoon to discuss the welfare of international students. Having lead responsibility in the Commonwealth government for international education, DEEWR is acutely aware of the importance of ensuring that those who come to Australia to study have a successful study and living experience while they are here. DEEWR has been very closely involved in the government's efforts to respond decisively to the concerns of international students which they have raised over the past months. You will be aware that our extensive submission to the committee covers the issues currently before us in regard to international education as well as the actions that have been initiated to address those issues. I would like to draw the committee's attention to just two aspects of that submission.

Firstly, there is the Commonwealth government's readiness to act quickly to ensure a sustainable quality international education sector. It has done so through initiatives of its own as well as working collaboratively with states and territories. These states and territories have primary responsibility for registering, accrediting and quality assuring the education delivered by Australian providers in their jurisdictions. They also have primary responsibility for many of the other matters being addressed by the committee such as legal arrangements for accommodation, law and order and policing, and transport.

At the beginning of the year the Commonwealth, state and territory education ministers directed their departments to work together, focusing particularly on the quality of education and training, international student experience and information provided to international students during 2009. That work has been, and is being, undertaken with a high degree of collaboration. In March the Deputy Prime Minister announced the \$3.5 million Study in Australia 2010 program. This program provided support for improving the information provided to international students, enhancing the experience of international students and further building the capacity of Australian providers to deliver a fulfilling study and living experience to international students. The government, as part of its response to the Bradley review, in May also announced that the ESOS legal framework would be reviewed. The government has now appointed the Hon. Bruce Baird to undertake the ESOS review, providing an interim report to COAG by the end of this year and a final report in early 2010.

It has also introduced amendments to the ESOS Act into parliament. These are aimed at improving the operations of the ESOS Act through the re-registration of international education providers against more exacting criteria by the end of 2010 and requiring registered providers to publicly list the education agents they use. In June MCEETYA and MCTEE—they are the ministerial councils covering this area—met with a number of international students to hear about their experiences and announced that it would be considering practical ways to enhance international student study and living experience by the end of the year. The Deputy Prime Minister also announced on 12 June that she would hold a roundtable with international students to hear their views about how their experiences could be further improved and how an ongoing dialogue could be established. The roundtable is being held this week and the outcomes are now being considered by the Deputy Prime Minister.

The Deputy Prime Minister has established a hotline for international students to anonymously raise any concerns they have. In the three months to the end of August 2009, 627 calls were received from students, their friends and relatives. Of these, 111 calls were categorised by the call centre as complaints. On 2 July COAG announced that a new national-international student strategy would be developed by a Commonwealth-state senior officials working group. The strategy will place international students at the centre and will draw together and add value to the activities happening elsewhere. The international student task force, which the Deputy Prime Minister established within DEEWR on 12 June, will be responsible for leading the development of many aspects of that strategy. The strategy is expected to be in place by the middle of 2010.

The second aspect is in regard to improving the quality frameworks underpinning the tertiary education sector more broadly. Australia has been highly successful and has built an enviable international reputation for delivering high-quality internationally recognised qualifications in courses to international students in a safe and rewarding social environment. Again, as part of its response to the Bradley review, in May the government announced the establishment of the

Tertiary Education Quality and Standards Agency. This agency will initially become responsible for all aspects of quality assurance of higher education in Australia. Work is currently underway on its establishment, and consultations are being held with state and territory governments as well as the higher education sector on its scope, form and approach. The education ministers of Australia also commissioned the Australian Qualifications Framework Council to undertake a review to strengthen the Australian qualifications framework and how it can best be used to underpin the quality assurance arrangements for education in Australia. COAG has also agreed to review the quality arrangements for the vocational education and training sector, and further agreed in principle to the establishment of a national VET regulatory body.

The stronger quality assurance arrangements for education that will result from these initiatives will apply to all providers of tertiary education, regardless of whether they are predominantly servicing domestic international students. I would also say that DEEWR has played a pivotal role in these developments by providing leadership and support to the sector, both in Australia and through its international network of education councillors. Indeed, the Mortimer review of export priorities and programs undertaken last year concluded that DEEWR's unique combination of international government activities, with the support of the international education sector, has played a substantial role in supporting the development of Australia's international education sector. The Australian government is determined to improve the quality of education provided to all domestic and international students, and to ensure that international students that come to Australia also have a rich and rewarding living experience.

Mr Vardos—Thank you for inviting the Department of Immigration and Citizenship to appear before you today. The Department of Immigration and Citizenship was and is deeply concerned about the recent violence directed at international students, and the other welfare issues which are contained in the inquiry's terms of reference. The department has a significant role with regard to community harmony and social cohesion, and has been liaising with local communities regarding these issues. The department has a range of programs in place to build strong community relations. Indeed, these programs are of long standing; they are not recent initiatives.

Recently the department engaged closely, through its community liaison officer network, with resident Indian communities across Australia to seek their views on the attacks on Indian students and has helped communities to work closely with their local police—for example, through the Police-Indian Western Reference Group in Victoria. On 2 July 2009 the Prime Minister announced a \$50,000 grant to the Darebin City Council through the department's Diverse Australia Program, to engage international students with the broader community of Darebin through social and sporting activities. This initiative may also be a model for other local governments.

Along with our colleagues from other Commonwealth, state and territory agencies, the Department of Immigration and Citizenship will continue to support actions which promote community harmony and encourage a positive experience for international students while they are in Australia. Along with our colleagues here today, we have participated in the Prime Minister's task force on crimes against international students and we are members of the COAG senior officials working group developing a national-international student strategy. The Minister for Immigration and Citizenship, Senator Chris Evans, has visited India since international student welfare became a matter of concern to the Indian government, and departmental representatives, including myself, have also been involved with visits to India. On 20 August

2009 the minister announced that we are strengthening visa integrity checks in some parts of the student case load. The measures address concerns regarding document fraud and financial capacity issues, as well as identifying applicants who do not have a genuine intention of studying in Australia on their student visa.

I would now like to outline the role of the department in international student issues. Within the international student framework, the role of the department is to process international student visa applications and monitor compliance with visa conditions. In addition, the department's work in supporting positive community relations and promoting cultural diversity encompasses the entire Australian community, including students and other visitors to our shores. The Migration Act 1958 and associated migration regulations and the ESOS framework, which is administered by the Department of Education, Employment and Workplace Relations, complement each other across a number of areas. For example, student visas are generally only granted to students with a confirmed enrolment with an education provider registered on the Commonwealth register of institutions and courses for overseas students.

CHAIR—Mr Vardos, I am sorry to interrupt you. I am anxious not to chew up too much time with the opening statements. Much of what you have told us is in your submission. Is there anything you would like to add to what is not in your submission in order that we can move quickly through to questions?

Mr Vardos—Senator, I will touch on two things: work rights and recent directions in migration. Perhaps I will just focus on work rights. In relation to work rights, we note that this issue has been raised in submissions to the committee. The department's position on this matter is that the primary purpose of an international student in Australia is to study, not to work. As such, a visa condition which provides limited work rights to student visa holders is appropriate. In terms of where that limit should be set and whether that limit has any impact on welfare issues, I would note that at 20 hours per week—and longer during vacation periods—Australia is already among the most generous of the major destination countries for international students. I will leave it at that and table the rest of my statement.

CHAIR—Thank you for that. Does DFAT have an opening statement?

Ms Stokes—We do.

CHAIR—Again, anything that is already in your submission, you can leave out.

Ms Stokes—I will just emphasise a couple of points at the outset. While DIAC and DEEWR have obviously very clear responsibilities in this area, the Department of Foreign Affairs and Trade also has very great interests in the successful experience of overseas students coming to Australia. We work very closely with other government departments, including on the PM&C led task force on the issue of student safety. Our posts, and particularly our heads of mission, play a very important role in ensuring a whole-of-government approach to student issues in countries where there are students coming to Australia. I will leave it there.

Senator CASH—How does the department regulate CRICOS? Is it done from a national office?

Mr Walters—Yes.

Senator CASH—Can the department confirm that every provider teaching overseas students needs to have a CRICOS registration for the state in which they are operating?

Ms Chaudhury—Providers teaching overseas students on a student visa have to have a CRICOS registration in every state.

Senator CASH—So if I am teaching overseas students on a student visa in Queensland I must have a Queensland CRICOS registration.

Ms Chaudhury—Absolutely.

Senator CASH—What sanctions would be applied to those who breach this?

Ms Chaudhury—That would be a breach of section 8 of the ESOS Act and is punishable by two years imprisonment.

Senator CASH—Is it up to two years, are there any other forms of punishment or is that it?

Ms Chaudhury—That is how the act defines it: two years imprisonment.

Senator CASH—What proof would the department require to prosecute a provider for a breach of section 8?

Ms Chaudhury—We would need to have proof that the operator was actually operating. There would have to be documentary evidence from people complaining.

Senator CASH—I need you to elaborate on that. What type of proof? If I send you an email and I make an allegation that there is a provider who is operating in breach of the act without a CRICOS registration for the specific state, is that enough evidence for you to take action on?

Mr Walters—It is not possible for us to say what would be enough evidence in the absence of the facts of a specific—

Senator CASH—I am putting a specific example to you and I am asking you if, in relation to that specific example, that is enough evidence for you to take action.

Mr Walters—With the correct legal advice we would have to look at the circumstances of an individual case and take advice on whether there was enough evidence in an individual case. It is not possible to answer that question in abstract.

Senator CASH—I do not believe it is an abstract question at all. I asked you what level of evidence the department would require. That is not an abstract question at all. You either need evidence or you do not. It is either set out in legislation or it is not. But I am prepared to accept your answer on that basis.

Mr Walters—We have the requirements of the act, which, as Ms Chaudhury has explained, would penalise operating in an unauthorised fashion in the state. We would then have to collect the evidence that was available that the provider was so operating and then take a decision on the evidence available whether to prosecute. That would have to be done on an individual basis.

Senator CASH—Does the department have any estimate of the number of providers who might be teaching overseas students without having CRICOS registration?

Mr Walters—We are only aware of one case which has arisen recently.

Senator CASH—So there is a case that has arisen recently.

Mr Walters—There is a case where it has been reported to us that is the case.

Senator CASH—Is this a college on the Gold Coast?

Mr Walters—It is a college on the Gold Coast.

Senator CASH—Has the department been advised that this provider does not have a CRICOS registration for Queensland?

Ms Chaudhury—Yes.

Senator CASH—Can you please advise when the department was made aware of this?

Ms Chaudhury—The first indication we had was at the end of July.

Senator CASH—When you say ‘the end of July’, can you be more specific?

Ms Chaudhury—It was 31 July.

Senator CASH—So on 31 July you were made aware that there was potentially a provider on the Gold Coast who was operating without a CRICOS registration for Queensland. Were you subsequently engaged in any further correspondence in relation to making you further aware of this fact?

Ms Chaudhury—Yes. We sought information from the provider. We also sought information from other sources. We went directly back to the provider on 25 August once we had established that these were not just anonymous complaints but that there might be some substance behind them.

Senator CASH—Okay.

Mr Burmester—Senator, if I could just cut in. There is clearly a specific case that we are discussing and there are actions in play as we speak. We would not wish go to a level of detail that could raise concerns about future legal avenues that the department may wish to pursue in regard to that particular incident.

Senator CASH—That is fine. I will continue my line of questioning and if you have an issue with answering you can tell me that when I have asked my questions. When did the department commence taking action after they were advised of the issue in relation to this potential provider in Queensland?

Mr Walters—Very shortly after that. It is only a matter of a few days ago. There have been a number of strains of action taken in the last few days in the case in which you mention. I think we are getting close to the point which Mr Burmester mentioned, where, if we start to itemise action that has been taken, it could end up being prejudicial to the case. That being the case, if we could take any further questions on notice about this particular case, we can take legal advice on the appropriateness of answering them, given that there is action in train.

Senator CASH—My questions, then, are: in relation to the acknowledgement by the department that you were first advised of this situation on 31 July, when did the department first take action? I would also like to know: has the department had any concerns surrounding this particular college; have you had any discussions with the minister's office; who initiated the communication to the department in relation to the college; and what is the status of the action being taken? On a more general note, and I am quite sure that you can answer this today, what happens to students if a college goes into administration because it was found to have been operating without a CRICOS registration number?

Mr Walters—If we could, with permission, take the specific questions on notice, I will ask Ms Chaudhury to deal with the general situation as regards displaced students.

Ms Chaudhury—With regard to displaced students, the first responsibility would be the provider's, to make sure that the students are either placed in an appropriately registered course or refunded their money. If the provider failed to do so and if the provider had tuition assurance coverage through other means, then the tuition assurance may take over, and, failing that, the ESOS fund would step in.

Senator CASH—Okay. Is the department able to confirm that the college in question is the Maewill English College, Gold Coast campus?

Mr Walters—I think we would like to take that on notice, Senator.

Senator CASH—Thank you. I have one other question that I would like to direct to DIAC, if that is at all possible.

Senator HUMPHRIES—Before you do, could I just add one more question to take on notice.

Senator CASH—Yes.

Senator HUMPHRIES—If an investigation of this kind leads to a prosecution, whose job is it to prosecute—the state department, the federal department or somebody else?

Ms Chaudhury—The CRICOS registration would be a Commonwealth responsibility.

Senator HUMPHRIES—So DEEWR would do that?

Ms Chaudhury—Yes. DEEWR would be taking a position on that, but we would have to also look at working with the Australian Government Solicitor and others.

Senator HUMPHRIES—Okay. Sure. In relation to that, I might ask if you could also take on notice to inform us how many prosecutions there have been in, say, the last five years on CRICOS issues and how many convictions there have been with respect to those CRICOS cases.

Ms Chaudhury—Yes, I will take that on notice.

Senator HUMPHRIES—Thank you.

Senator CASH—In the DIAC written submission—and it is something that you also addressed in your oral submission—you talk about employment rights and protection from exploitation. You say:

Students must demonstrate that they meet the financial capacity requirements for the grant of a student visa and cannot rely on an assumed income from work in Australia to assist them to meet these requirements.

One of the issues that has been raised in the hearings that we have had is that the information that the students are receiving concerning the amount of money that they actually need to have when they arrive in Australia has not been reassessed for a certain amount of time. Could I get your comments in relation to that.

Mr Vardos—I think it would be fair to say that the amount of \$12,000, which is the current figure, has not been reviewed for some time. Some work is being done on that. I would like to point out that the figure of \$12,000 is not a stand-alone figure. That is the minimum amount. There are add-ons beyond that which students have to satisfy they have covered—tuition fees et cetera. I can confirm your understanding: the last review of the figure of \$12,000 was in 2001.

Senator CASH—Thank you very much.

Senator BILYK—This is a question for DIAC. I noticed in the submission that you mentioned the Diverse Australia Program, which is for not-for-profit community organisations. What does DIAC do with training providers, with regard to students who are here for training? A lot of the students who come for training might not go to a not-for-profit community group. Are there any inclusion programs that DIAC supports in the education area?

Mr Vardos—The Diverse Australia Program—its predecessor was the Living in Harmony Program—has a range of community grants. It is thrown open to the broader community for application. If my memory serves me correctly—it does not sit in my patch—it is for not-for-profit community organisations, but that does not mean that they cannot partner with other organisations. For example, in the case of Darebin, I understand they have other partner organisations, but I think they have to be fundamentally community based organisations, but in partnership with others if appropriate.

Senator BILYK—That is how I understood it, but my question was: is there anything available for training providers to encourage inclusion?

Mr Vardos—Not to my knowledge. I would have to take that on notice. I think the answer is no, but we will take it on notice.

Senator BILYK—Thank you. I am not quite sure who this question should go to—probably DEEWR. What seems to have been the cause of the apparent explosion in the number of RTOs? There seems to have been a great growth in the number of international students wanting to come to Australia. Do you have any ideas as to what might have led to that?

Mr Walters—There are obviously a range of opinions on this subject. The immediate cause of having courses available and places for people to fill is that the states have registered more training organisations. Those training organisations have filled more places and there have been students available to fill those places.

Senator BILYK—What oversight do you have over the states registering organisations? Do you have any input in states registering organisations?

Mr Walters—There is the Australian Quality Training Framework. That sets down the guidelines for registering new training organisations. The guidelines are available on the web and you can have a look at what they are. Those have been agreed intergovernmentally. The responsibility for registering providers, as I said, lies with the states and, within the guidelines that are there, the states take their decisions on whether training providers meet the guidelines and are therefore suitable to be included on the register. The Commonwealth's role has been involvement in discussions with the states and territories on the revision of the training framework, which was last revised and completed in 2007.

Senator BILYK—I have a couple of other questions but I am happy for someone else to ask theirs.

Senator HANSON-YOUNG—In relation to the fee that is collected per student through the CRICOS registration, I would like to know where that money goes, but first can you tell me how much is collected.

Mr Walters—It is about \$13 million and it counts as a departmental receipt, so it comes into the department in keeping with a number of other receipts.

Senator HANSON-YOUNG—Is it a set amount per student?

Ms Chaudhury—The fee is a base fee of \$351 and then \$30 per enrolment.

Senator HANSON-YOUNG—And it totals about \$13 million?

Mr Walters—Yes.

Senator HANSON-YOUNG—Where is that \$13 million in revenue being directed in the department's budget?

Mr Walters—It is not directed anywhere specifically. It is a receipt into the department's budget.

Senator HANSON-YOUNG—It just goes into the general pool?

Mr Walters—Yes.

Senator HANSON-YOUNG—How much money does the department spent on recruitment programs for international students?

Mr Walters—In terms of spending on promotion as such—

Senator HANSON-YOUNG—Yes, promotion or marketing.

Mr Walters—it depends what you mean by recruitment programs. In terms of what we spend on regulation of the ESOS Act and so on, which is part of the recruitment process in the sense that you cannot recruit a student without having the student registered on CRICOS, we reckon that the cost of that regulation is probably in the region of about \$40 million.

Senator HANSON-YOUNG—How would you break down what the regulation costs would take into account? Is it promotion of the education sector in Australia to overseas students? Is it monitoring? Is it compliance? Is it legal action for colleges that are breaching the CRICOS?

Mr Walters—It would be those things. In terms of promotion, to a large extent that consists of promoting the purposes of the act and, for example, the means by which people can become compliant with the act. Perhaps it is easiest if we take that on notice and give you a breakdown.

Senator HANSON-YOUNG—It would be good to have a breakdown. Who are you promoting the act to?

Mr Walters—Providers need to comply with the act, so we conduct workshops for the providers on the different forms of compliance. We also have training programs for agents, both here and particularly overseas—

Senator HANSON-YOUNG—Education agents?

Mr Walters—Yes—to try and make sure that they are aware of the requirements and comply with their part of that.

Senator HANSON-YOUNG—What amount of resources from the department is used in monitoring? How many personnel do you have working in the monitoring section?

Ms Chaudhury—In the compliance section itself there are 10 staff there, however within our group there are others who are also actively working on assisting or supporting the monitoring staff, so we would say it is probably in the order of 30 to 40 people.

Senator HANSON-YOUNG—How many CRICOS registered providers do we have?

Ms Chaudhury—We have 1,311 providers on CRICOS and 16 providers who are there but, for non-payment of fees et cetera, have been suspended.

Senator HANSON-YOUNG—They have been suspended because they have not paid their fees, as opposed to breaching regulation.

Ms Chaudhury—Yes.

Senator HANSON-YOUNG—Does that mean they are operating yet they have not paid their fee or are they not operating?

Ms Chaudhury—They are suspended.

Senator HANSON-YOUNG—So, strictly speaking, you have 10 personnel within the compliance section to monitor more than 1,300 different providers.

Mr Walters—The job of monitoring providers is one which is shared with the states and territories. I think that you are aware of the national code. The Commonwealth and the states and territories share that responsibility for different aspects of the code, therefore the number of staff that exist within the department should not be seen in isolation from the number of staff that the states and territories also employ on this work because it is a shared responsibility. There are also people employed within DIAC that get involved as well.

Senator HANSON-YOUNG—How does that coordination work? If there is a possible breach, or in the case of monitoring as opposed to just chasing up tip-offs, how does that communication work between the federal department and your team of 10 and the people out in the states?

Ms Chaudhury—First of all, it is not just the team of 10 but also the people who are supporting them. There are regular meetings either face to face or by phone, and regular contacts, and it is very much one-to-one kind of work that is being done between each of the states and these people.

Senator HANSON-YOUNG—Who carries out spot checks or things like that?

Ms Chaudhury—The state would have the responsibility for carrying out any spot checks. Under the ESOS Act we actually have to either have a warrant to visit a provider or be invited to visit a provider.

Senator HANSON-YOUNG—So that initial monitoring would have to happen at the state level then?

Ms Chaudhury—To a large extent, yes.

Senator HANSON-YOUNG—We had the New South Wales education department here and unfortunately they were not able to really indicate what they believe their role is in monitoring compliance. What type of interaction do you have with the states at that grassroots monitoring level with those spot checks? If the department cannot do it—and it is up to the states—how do you know that it is happening?

Ms Chaudhury—I think perhaps I can just give you a copy of our Shared Responsibility Framework that outlines what our responsibilities are and that might shed some light on that in terms of how we break it up. On a day-to-day or regular basis and whether a state is visiting providers or not would be really based on the meetings and contacts that we have.

Senator HANSON-YOUNG—So DEEWR does not have a specific role in ensuring that the monitoring is happening? You only play a role in the compliance according to whether you have a warrant or you have been invited to come and look.

Mr Walters—Senator, that makes us sound a bit more passive than we are. Firstly, it is a very complex area—there is no question about that—and lots of witnesses have told you that and we do not disagree. Frequently if you get complaints or issues arising they do cross the state responsibilities under the Shared Responsibility Framework and those powers. Most of the issues tend to revolve around quality and that is a state responsibility so they tend to have the lead role in many cases. But that does not mean that we cannot stimulate activity if the complaint or the issue arises on our side.

In many cases if they involve issues which are our responsibility under the Shared Responsibility Framework then we will get involved and we will send a team. For example, under the Victorian rapid audit process, which I think you have heard about, that has been conducted by Victorian officers but our officers have also spent a lot of time with them so that issues arising under our part of the Shared Responsibility Framework can be dealt with at the same time.

Similarly, DIAC have contributed officers and time to that exercise, and the same applies in New South Wales. How is it dealt with? I think it is dealt with on a common-sense basis where we try and sit down and deal with the cases as they arise and come along. So it is a complex area of regulation. We try to deal with it on a common-sense basis. We have that the Shared Responsibility Framework to refer to and that says what we do and what the states do. We try to interpret that on a common-sense basis and take it forward as you would expect us to do in the best interests of the public.

Senator HANSON-YOUNG—Is this part of the complexities that you have identified? I completely agree. All the witnesses that we have had suggest that the big problem is the web of responsibilities and rights. People do not know quite where to go or who has responsibility for a vast range of these issues. Is that one of the reasons that TEQSA is being initiated? Is that an acknowledgement that perhaps the states have not been able to fully monitor and ensure compliance amongst those state based RTOs?

Mr Burmester—The creation of TEQSA is in response to the Bradley review into higher education. It is more to do with the consistent regulation of higher education providers across Australia. Of course, that overlaps with international student provision as well, but it is mainly directed at establishing a sound standards and quality assurance base for higher education and foreshadowing that that could extend into the full tertiary space at a later point in time. At the same time that that was announced, the government announced that they would also do the ESOS review. They subsequently have brought that forward and appointed Bruce Baird to chair it. I think it was the ESOS review and the connection between the two that recognised that if we are to get a strong, consistent set of regulations across the tertiary sector then we need to look at

both sides—that is, the underlying framework, which would apply to domestic providers who may well provide international education, as well as the Commonwealth responsibility for international education directly through the ESOS Act.

CHAIR—What role, if any, will the states play in TEQSA?

Mr Burmester—The framework that currently exists is that we have quality arrangements which are jointly shared between the states and the Commonwealth. For example, the audit body for higher education, AUQA, is a ministerial owned company, owned by all ministers for education in Australia. It acts as a single national provider, but it is jointly owned. The intention with TEQSA is to strengthen that national, single authority under which it could operate and establish standards—which AUQA does not currently do; it audits against fitness for purpose, against standards. So the consultation that it is happening at the present time is on how we structure a national body that can fully exercise its responsibilities under a single authority.

CHAIR—So it is fair to say that it is a response to some shortcomings in the way that states variously have regulated the sector.

Mr Burmester—In the higher education sector, I think it was accepted that, given the size of the sector to the domestic providers, a single national approach was simpler, easier and more direct. At the same time, COAG has announced an intention to look at the national regulation of the vocational education and training space with a similar view that if we can strengthen the national regulation of our education providers that will be a better thing for not only the domestic provision and the domestic workforce but also international students.

Senator HANSON-YOUNG—I am still unclear as to how the TEQSA process is going to get around the issue of the states being primarily responsible for monitoring, as opposed to monitoring and subsequent compliance or enforcement of compliance. I take your point that you negotiate with the states and have phone hook-ups and talk about these things, but how could the explosion of complaints in the international student provider sector of late possibly have been going on without the federal department taking that on before it hit the front pages of the papers? It seems that it caught the government by surprise.

Mr Walters—I have not checked the number of complaints recently, but we did a couple of months ago and there had not been a very significant rise at all. The number had been pretty flat, oddly enough. I am not sure what you are asking took the government by surprise.

Senator HANSON-YOUNG—We have the international education sector, the third largest export Australia has, and we have a department that has part responsibility for it. I understand the complexities of sharing that responsibility with the various states, but part of protecting that sector is to ensure that we actually monitor what is going on, not just respond to complaints. In a sector where we are talking about students who, for a variety of reasons, do not feel empowered to speak up and say, ‘Hang on a minute, there’s something going on in my college,’ and do not even know who to go to, surely the federal department has a responsibility to monitor what is going on and catch things before there are complaints.

Mr Burmester—A perpetual issue among Commonwealth, state and territory education ministers is quality, whether in the school sector, the higher education sector or the vocational

education sector. It is one of those issues that come to and are dealt with and considered by the ministerial councils very regularly. The review, creation and institution in 2007 of the Quality Training Framework reflect that there was consideration of how to improve quality across the VET sector. The fact that the response to the Bradley review came out in May was a reflection of the thinking into how to improve quality in the higher education space that had been happening. We are members of the Joint Committee on International Education, JCIE, a subcommittee of the ministerial council which has a standing agenda to look at and to review the framework under which international education is conducted in Australia, and there is a similar one for higher education. So there are established governance arrangements through which these things have been prosecuted for some time. The concern is that it has in recent months become very much a focus in the media, but that does not reflect that the government has not been working at these issues. Its announcement of the introduction of TEQSA and the review of vocational education and training quality so shortly after the introduction of the training framework show that governments are trying to constantly improve the quality of education offerings in Australia.

Senator HANSON-YOUNG—I understand where you are coming from but, when the Deputy Prime Minister announces an urgent reregister of every provider of international education at once, surely that is a reaction to being caught off guard and an indication that the monitoring has not been happening and that the standards that we have under the ESOS Act have not been enforced. I know the Deputy Prime Minister is taking action—on your advice, I would imagine. But my point is: why has it happened like this? Where is the fault in the system that has forced us to have to do it in such a knee-jerk way?

Mr Walters—Senator, these kinds of judgments are for the committee—we have all come into it at different stages, as you can imagine—but there are one or two things you might want to bear in mind. The Commonwealth recognised that there had been huge growth in international education a couple of years ago and proposed the setting up of the committee with the states. That was working through issues last year, the point at which the Victorian government decided to set up a review of the student experience and that, in turn, led to the rapid audit process which has been taking place there and which is still unfolding. New South Wales decided to come in behind that—and if you look at the student numbers it is very much a New South Wales and Victoria issue, by and large. Earlier in the year the Deputy Prime Minister said she supported the other states doing that. So there has been a stream of activity around that and looking at issues such as student safety which goes back for quite some time.

Secondly, the ESOS Act and that framework was reviewed in 2005—I do not know if the senators have had a chance to look at that—and the national code was reviewed after that. My understanding is that, in the knowledge that that had been looked at fairly recently, the Bradley committee recommended that the ESOS legislation did not need to be reviewed before 2011-12. The Deputy Prime Minister came in earlier this year in response to Bradley and said it should be done sooner. So there has been quite a stream of activity. Obviously, with hindsight, it is up to people to judge whether that was enough.

Senator HANSON-YOUNG—I think you just hit the nail on the head. The bulk of evidence that has been given to us is that the ESOS Act may need some tweaking—and it is great that we have brought the review forward—but unless it is actually enforced it is nothing more than an aspirational document. Those have been the exact words used by providers, by students and by peak bodies, that we might have the legislation pretty okay but it is just not being enforced. I am

not quite clear as to how we are going to avoid this problem happening, regardless of whether we tweak the ESOS Act, in five or 10 years time if we do not work out what the complexities are to ensure we are actually monitoring as we go and not having to do knee-jerk reregisters of all providers simply because we have had bad stories on the front page of the *Australian*.

Mr Walters—I have a couple of comments on that. Firstly, Mr Baird has been asked to conduct a review of these very issues and it might be assumed that if it was thought there were no concerns he would not have been asked to do that review. So his review is taking place and there will be an interim report to COAG in December and then a full report next year, and I envisage that he would look at all of these issues. The second point is that ESOS governs certain issues concerning the registration of providers that deliver to overseas students. It does not govern the core issues of provider quality and therefore, perhaps agreeing with your last comment, there is not anything you can do just through ESOS to govern that.

The Deputy Prime Minister has brought in a bill which would raise the bar for registration of providers on CRICOS through the ESOS legislation beyond that which exists for most domestic providers. That consists of an assurance that there is a demonstrated capacity to deliver education to the required standard and also that the provider has a principal purpose of providing education. So those are two new requirements, but they do go to the heart of the basic system for assuring quality—and we are talking mainly about the VET sector here—within that. As Mr Burmester has explained, what the Commonwealth has in mind is to centralise all that, so the issues that you are talking about, of coordination between the two levels of government, would be resolved in terms of there being action at one level.

Senator HANSON-YOUNG—So I guess it would be fair to assume that you would agree with concerns that have been raised, that we have seen a failure thus far to monitor the sector properly to ensure that the standards that are currently set down in the ESOS Act are complied with.

Mr Walters—I think it is for the committee to make a judgment on that, and Mr Baird. I would say on the other side of the ledger that this is an industry which has grown extremely rapidly and perhaps one of the issues is that a system that worked well in recent memory when it was much smaller now needs a good look at in view of the enormous upscaling of the industry and the way in which it has grown.

Senator HANSON-YOUNG—Which is an observation that many of us have made: the regulation, monitoring and compliance of that has not grown as the industry has expanded.

Mr Walters—It may be helpful to the committee to not look at it purely as monitoring and regulation; you have to look at what is being monitored and regulated. I offer this just on the basis of a lot of years of experience in this field. We have a code which is very complex, and—

Senator HANSON-YOUNG—So it is a lack of understanding of that?

Mr Walters—In any compliance activity, there is a balance between what you are trying to regulate and resources. You can make any system so complex that you need an infinite amount of resources to regulate it. One of the issues that Mr Baird—I do not like to speak for him—might be looking at is whether, if you look at all the detail in the code, that should be subject to

the same level of regulation and how that integrates with the way in which the states regulate the quality issues around the provider. It is a balance between what you are trying to regulate and how you go about that. Both of those things—

Senator HANSON-YOUNG—Do you think the \$14-odd million put aside for the regulation aspects is enough?

Mr Walters—That is an issue which Mr Baird needs to look at in the light of the job which they are being asked to do. It may be that, if you are looking at that in the context of the creation of TEQSA, you do not want to look at that bucket on its own but the total resourcing that you are bringing to the total regulatory effort.

Senator HANSON-YOUNG—Mr Walters, perhaps you and I are on the same page—ensuring that the expectation of monitoring is matched with the ability to resource it. I have some questions for DIAC, unless someone else wants to jump in.

CHAIR—We need to share the time, if that is all right. We will come back to that at the end if we have time.

Senator BILYK—I have a question for DIAC. It appears that student visa costs are much higher in Australia than in other English-speaking countries. Why is that? How do they set the levels of student fees?

Ms McPaul—I can speak in relation to the visa charges, but the fees question might be for my colleagues in DEEWR. The visa application charge for Australia is currently \$540 for students. In other countries there are varying amounts. Canada charges about Can\$125, New Zealand charges around NZ\$70 depending on what else has been applied for—perhaps an additional NZ\$200—

Senator BILYK—What sorts of things might be included in that extra amount?

Ms McPaul—This is public information available from the New Zealand education website. There is a NZ\$200 for something called a student permit other; there is also a NZ\$200 for a student visa. The online application is NZ\$70, as I understand it. I am not quite sure. It does not particularly differentiate what the amounts are for.

Mr Walters—We were not quite sure what the question was for us. I am terribly sorry.

Senator BILYK—The cost for student visas seems higher in Australia than in other English-speaking countries. I wonder why that is and how the level is set.

Mr Walters—I do not think we have anything to add to what—

Ms McPaul—Sorry, Senator, I thought you are talking about student fees as well as the visa charge.

Senator BILYK—No, the visa. So you do not have anything to add?

Mr Walters—That is a DIAC matter.

Ms McPaul—In relation to the fee structure itself, this is an amount that is set by the government and it is indexed annually. Over time, I guess the fee does go up, but it covers a range of things, including the processing costs, and some other factors may be rolled into that.

Senator BILYK—Could you give me what those other factors are? I have not applied for a student visa so I am not sure what the other factors might be.

Mr Vardos—We might have to consult with the department.

Senator BILYK—Could you take that on noticed for me and get back to the committee on that.

Mr Vardos—The fee level, just to clarify, is not set unilaterally by our department; it is a government issue. We will take it on notice and see what further information we can provide.

Senator BILYK—Thank you. We have heard a lot about international students coming in thinking that they are going to get permanent residency as a result of having been here and studied especially in those skills shortage areas. What are you actually doing to try and make people aware that that is not the case, that they will not have permanent residency?

Ms Stokes—I suggest that DIAC might speak on this to begin with.

Mr Vardos—There is a range of information that is available to students. We cannot guarantee that they access that information and we cannot interpret or cannot guarantee what it is they take from that information. But there is no shortage of information available—

Senator BILYK—Is this onshore or offshore though?

Mr Vardos—Before they apply there is access to information about what is in store for them et cetera. The department's website is a vast source of information. We have a thing called the Visa Wizard which helps prospective visa applicants across a range of these classes to determine the most appropriate visa for them if they put in certain details or a scenario that they may wish to pursue. Visa application forms contain a lot of information and DIAC posted officers around the world have a function to provide information as well. So there is a lot of information available from our portfolio about study in Australia and I do not doubt that there is—

Senator BILYK—Why does there seem to be a large number of international students who think that they are actually going to end up with permanent residency by studying in Australia?

Mr Vardos—I cannot answer that question because I cannot get into the minds of the people who have that view, and I know it is a very prevalent view. But it is made abundantly clear in our visa application form for a student visa that there is no direct link between study in Australia regardless of the course that they do and a guaranteed migration outcome at the end of that process. There is a degree of uncertainty. Migration settings change all the time. What may be a skill in short supply now may not be in three or four years time when they graduate. So someone who approaches a course of study with the express purpose of getting a permanent visa outcome

may be, and has been, bitterly disappointed because there is no direct connection between the one and the other. I think that a large part of the issue is the way that education agents market the outcomes of study in Australia. That is an issue that we are grappling with, one that we have discussed with the Indian government, for example.

Senator BILYK—Is there anything that any of the departments can do to try to mitigate that information. It generally seems to be coming offshore. I understand that it is difficult and I am looking for a way to stop that happening.

Mr Walters—Under the code, No. 1 is about marketing the information and practices, and that requires that providers ensure their agents do not give false or misleading information or advice in relation to possible migration outcomes. Obviously there is whole issue around agents and how and whether they should be regulated and it is part of the Baird review, and that will be tackled. But I think, as you have rightly pointed out, this is an issue which applies all round the world in many different places and regulating exactly what people say about us is extremely hard to do directly.

In fact I brought along for the committee—and I do not know whether you would like to see this—an extract from the *Times of India* which has got some pages of adverts by agents, and you might just like to see how this comes across. I hasten to add, most of them are for the UK and New Zealand and other countries and not particularly for Australia. But you can see exactly how this plays out overseas. The challenge is to take the intent of what is in the code and make it stick.

Just looking at India, which is just one country—although a big one and an important one here—when we visited India recently the department there expressed its intention to regulate agents and their behaviour. In fact we are hoping to go back in two weeks time for the first of a series of working groups to work out with the Indians how best that legislation could operate. So we are taking this forward vigorously.

Senator BILYK—So there is some movement.

Mr Walters—On the other hand, Mr Baird will be having a look at the whole issue of agents and how they fit into the scheme of things. Also I hasten to add that in the bill that has been introduced into parliament we are now going to take a power to require providers to at least list the agents that they use so that there is some transparency around that and ACPET are going to have a register of their recommended agents.

Ms Stokes—The recent visits by ministers from Australia to India have made the point very clear that there is no connection between getting a visa to reside in Australia and the education. In addition to the measures colleagues have mentioned, it is a very important part of our public diplomacy messages in India about these matters. We will continue to make sure that message is very clear.

Senator BILYK—Thank you.

Mr Vardos—My colleague gave me a printout from our website and I will just quote the last paragraph which is only two lines. It says:

Students **should not** make educational choices solely on the basis of hoping to achieve a particular migration outcome, as the GSM program will continue to change and adapt to Australia's economic needs.

Senator BILYK—I think the question was coming from whether there is anything you can do to stop unscrupulous agents or whatever. I think Mr Walters has probably answered that from the DEEWR point of view.

Mr Vardos—Certainly, in terms of the operation of migrations offshore we have no extraterritorial capacity through our legal system. However, through the Migration Act there was an amendment made to empower our decision makers to refuse to deal with certain agents if they have concerns about character, credibility or bona fides—this is offshore—and of course onshore there is a significant migration agent registration and performance monitoring function.

Senator BILYK—Thank you.

Senator BACK—Is there any evidence or has any work being done to try and predict the likely change or growth in the international student market in Australia? Is there anything you can point to the committee to?

Mr Walters—I think at times in the past other players in the field such as IDP have produced estimates and research on this issue. Somebody made the observation to me that whenever they have done that in the past the estimates have usually been exceeded if you look back on what they predicted. We are not doing anything in that area at the moment. At the beginning of this year, we were very concerned that the global financial crisis was going to produce a hit. What we have actually seen is that most of the markets have continued to grow. Korea has shown a slight decline, but most of the others have continued to grow. I think you have the figures for enrolments to the end of July and they are still showing quite strong growth across the sectors and across the countries for the most part.

Senator BACK—Given its importance now—I think we have all seen the figures, it is the third largest export income earner—is it time that there were some formal and ongoing studies and predictions made by government agencies both here and overseas to try and enable us to have a better handle? I do not imagine anyone could have predicted the 40 per cent increase in 2007 but if there were a sudden 40 per cent increase in the productivity and the export activity of any of our other industries we would be in absolute chaos. Are any of the agencies actually looking at or planning to do this?

Mr Walters—We have had quite a lot on our plate lately, but I think it is a useful suggestion we can take back and we will get to it sooner or later. Partly, this year there have been so many uncertainties around the financial crisis that you would have been very brave to take anyone's suggestions on board. I think the other thing that is worth bearing in mind is that there are capacity constraints here. Some of the issues that you have been looking at are about capacity constraints out in the community, such as accommodation, but even if you look at the higher education sector and the strong growth recorded in the July statistics there is also the fact that some of the universities now have well over 20 per cent of international students and they also have some new domestic targets to meet. There is going to be some issues for the future as to how they fit those together and what the actual capacity for further growth is. It is not just a demand side.

If you go to India or China the thing that is absolutely certain is that they have a growing number of well-qualified school leavers looking for an educational opportunity overseas, because the system they have at home is very constrained. There are not many opportunities. In India you need a very high score to get into university and there is not a very well-developed VET system. There are a lot of people looking for opportunities overseas and there is a danger in that, in that unscrupulous people could get hold of that and exploit it. But there is also a tremendous opportunity for Australia in terms of playing a part in the development of the skills of the young people of the region. How we are actually going to put that together in terms of our own capacity, as a relatively small country in the region, matched up with the demand and where that might come from is quite an interesting and complex algorithm. If we have a go at that, I do not think we will do it in a week or two. It might take a little bit of time.

Senator BACK—I wonder whether from the overseas offices of DFAT or DIAC you have seen any change in inquiry demand applications as a result of the unfortunate media of the last couple of months. Is there anything measurable that you can point us to?

Mr Walters—The reporting from our posts is pretty much in line with what you are seeing in terms of enrolments. So there are still strong inquiries from China and around the region. In India we have seen all the same reports that there has been a drop-off in inquiries. However, you have to bear in mind that is against the backdrop of a very steep increase over the last couple of years. If that line was continuing, it would be going through the roof.

Senator BACK—Part of this comes back, as you say, to the supply side, and we heard that in Melbourne. Nobody could have predicted a 40 per cent increase, with its flow-on requirement of roofs and beds. It is for this reason I ask whether we should be getting better quality information on these predictions and saying, ‘Let’s imagine there’s another 40 per cent increase,’ for whatever reason—and I will not go into that question again, because it has been addressed. What is the limit, what is the level and what are the percentages in terms of service providers, be they public sector, private sector, universities or TAFE in the VET system? There must be a limit to the capacity to meet demand.

Mr Walters—That is a very good question, and we will look forward to the committee’s report! I do not think anyone predicting 10 or perhaps even five years ago would have thought that we would have the number of half a million students in the country that we have now. It is a difficult game.

Mr Vardos—We have some lodgement data which is indicating trends, and there is a decline year on year for the Indian market. But that is not just, in our view, because of the recent incidents to do with the safety of Indian students. You have to factor the global economic conditions and the increasing strength of the Australian dollar into that equation. There are a range of other factors that traditionally have come into play that impact on trends. I am not trying to diminish the impact of the publicity that has been given to the attacks on Indian students, but there are other factors that traditionally have played on application rates. We have some stats on lodgements for student visas, if you are interested.

Senator BACK—I certainly would be, thank you. Because they have been discussed I will not go further into questions on expectations of people overseas versus our capacity or willingness to meet them. I imagine this will probably come out of the Baird report, but the fact

that there are three groups here suggests this is not just an education or a migration issue. Do you believe we are likely to see one body that will be somewhat interdisciplinary overseeing the international education situation? Do you think the whole international student circumstance is represented highly enough at the parliamentary level, particularly at the Australian government level? We obviously have a Minister for Agriculture, Fisheries and Forestry. Is it reasonable to ask you that question or not?

Mr Burmester—That would be a matter for the government of the day to determine. As I said earlier, governance arrangements are in place between the states and the Commonwealth and across the Commonwealth to ensure that there is coordination of activity across government. At the official level there are structures in place and we get on pretty well, as you can tell by our performance this afternoon. So there is collaboration.

Senator BACK—One swallow does not make the spring, but let me give you the example of a postgraduate student who met with us in Melbourne. He was already an academic in his university in Pakistan, and he was due to come to Australia to do some postdoctoral studies. His application seemed to have gone through months and months and months earlier. The regrettable thing was that there was no hurry to allocate his visa, such that he arrived in Melbourne about five weeks after his program commenced. We could then understand, all of us who have studied or worked overseas would know, that immediately that threw him into enormous chaos simply because he did not know if he was going to get it, he was not there for the commencement, he missed out on accommodation. As I said, I am not suggesting that one person's experience is typical of what happens, but, looking forward, is it possible for us to be able to resolve those issues? Small and all as they might seem to us here at this end, they are hugely large to the intending student.

Mr Burmester—Again, I think the exceptions will always occur.

Senator BACK—Yes, well let us hope they are.

Mr Burmester—My understanding is that, for the level of scrutiny and engagement we require for any migration matters, Australia's visa application turnaround rate is quite reasonable and that most students can enrol in the course they want and have their visa processed in time to get here for it. Obviously there is always room for improvement. There has not been, as far as I am aware, significant complaint, but it could be on an exception basis.

Senator BACK—My next question comes back to the 20 hours a week. Mr Vardos, you did make the point 'longer during vacations'. Is that correct?

Mr Vardos—Yes.

Senator BACK—We have not heard that before.

Mr Vardos—I think it is full time, unlimited, during vacation periods.

Senator BACK—That gets rid of my next question—that is, could it not have been an average of 20 hours and allowing vacation time?

Mr Vardos—And it is at the generous end of the spectrum too for student-receiving countries.

Senator BACK—I agree with you, they are here mainly to study. But the other point that was made to us in one of our presentations was that voluntary work is added to the 20 hours a week. It would seem most unusual that if we are out there encouraging people to participate as volunteers that they would in some way be debited.

Mr Vardos—I will ask my colleague to take that question.

Ms McPaul—Under policy, volunteer work is not counted in that 20 hours per week.

Senator BACK—I am relieved to learn that. It is not counted in the 20 hours a week?

Ms McPaul—That is correct.

Senator FISHER—What is the status of a student's qualification if the provider is found to be acting without a CRICOS registration number?

Mr Walters—To the best of my knowledge, if the student has got the qualification then the student has got the qualification. To my best of my knowledge, I do not think that would not affect it. I will take that on notice and if that proves to be wrong then I will let the committee know.

Senator FISHER—Thank you. If there is any variation to your answer, depending on whether a student is all the way through a qualification or part-way through a qualification at the time that it is ascertained as to whether or not there is registration, could you also provide that information?

Mr Walters—I can answer that. If a provider collapses halfway through a student's course, then the tuition assurance process ensures that the units they have done are looked at and taken into consideration. The new provider would do an assessment, and at the VET level it is generally around competencies. It is a competency based system, and they would assess whether the competencies have been met and therefore make sure that the student has to complete the course doing the competencies that they need that they have not already got. So there will be an assessment and the student, based on what they have already studied, will get credit for what they have studied depending on the assessment.

Senator FISHER—Okay, so your answer will inform as to whether it would then be the same for someone who has supposedly achieved a qualification—that is, whether they then have to go through some sort of a competency based assessment process or whether, as you say, the qualification stands.

Mr Walters—It should stand.

Mr Burmester—I think you are looking at the circumstance where between a student finishing a course and being awarded the qualification the college closes or is suspended. That is going to be an unusual set of circumstances. In most cases students would finish with the college they had enrolled in, or, as Mr Walters has said, in a college that they had moved to and then

finish and complete their course and be awarded a qualification. The circumstance of a student having finished a course entirely and satisfied the original provider that they are qualified, but not yet having received an award in the period between that event—that is, the finishing of the course—and the college closing would be very unusual.

Senator FISHER—That is an example of what may be the impact of the discovery of non-holding of a CRICOS number in terms of timing, but it could also arise, could it not, in respect of an institution that it is revealed quite some time after a student has got both a qualification and an award for it that the service provider did not have a CRICOS number? So there is also that scenario. The student may well be in employment, or have returned home. What is the status of the qualification in all of those circumstances?

Mr Walters—I really do not think the CRICOS number issue would necessarily be the issue. Incidentally, if you are thinking of a particular case where a provider might have been operating unauthorised in one state, they might have still had a CRICOS number in the different state. So the CRICOS number itself would not necessarily be the issue. But provided the—

Senator FISHER—Can you stop there, Mr Walters. So does the holding of a CRICOS number in one state in which a service provider provides its services, suffice for the provision by that organisation but at a separate institution in another state, even if that organisation does not have a CRICOS number in that second state?

Mr Walters—Not for ESOS purposes, but at the same time I am saying I do not think it necessarily bears on the issue of whether they have the qualification or not. The qualification will depend on whether they are registered as an RTO and therefore authorised to issue qualifications. The ESOS is a different layer of complexity, but it should not affect whether or not the students have had their tuition or got their qualification.

Senator FISHER—So in your view it is key to the RTO registration of the service provider—

Mr Walters—Yes, I think so.

Senator FISHER—rather than the CRICOS number?

Mr Walters—It is a complex question you have asked. I will take it away and correct that if it is at all wrong, but at this stage I do not think the CRICOS registration has a bearing on it. If the RTO—

Senator FISHER—On the validity of—

Mr Walters—On the validity of the qualifications, yes.

Senator FISHER—All right, I would appreciate your confirmation or otherwise. I have some questions around accommodation. I noticed DEEWR's submission about adequate and affordable accommodation, and I do note that regulation of it is largely a matter for states and territories. I want to ask a couple of questions around the availability of accommodation and the level of met and unmet demand and what analysis might have been done. In particular, are you able to provide any detailed information as to the types of publicly funded accommodation that

exist for tertiary students across the board, across the country, of which a component will be international students versus domestic students who find the need to live other than at home.

Mr Walters—We do not, and to the best of my knowledge there has not been a study. It is also something that would be quite difficult to study because a lot of tertiary students are out there on the commercial market, and so therefore they are competing in the same pool for accommodation as people who are not students. So there is not a defined student accommodation pool that they are drawing on. What you would have to say is you have seen the rise in the number of students—

Senator FISHER—But my question is about the extent to which accommodation is publicly funded for the purposes of providing education to students, so my question is necessarily within the frame of reference of students, be they international or domestically based.

Mr Walters—I am not aware of any studies.

Senator FISHER—What types of publicly funded accommodation exist? Your submission talks about international students sharing a house or accommodation with other international students or with Australian and international students or staying at a college or hall. What is the extent of publicly funded accommodation?

Mr Burmester—There has been and continues to be, through various funding mechanisms, some public support to public institutions, mainly universities, for the provision of student accommodation, usually through Commonwealth grants for capital purposes. The Commonwealth has been part funder of some provider-based student accommodation. So it is not—

Senator FISHER—Are they the BURF projects to which you refer in your submission or are they different?

Mr Burmester—I believe some of the ‘building the education’, or whatever the acronym was—

Senator FISHER—You tell me. ‘Better Universities Renewal Fund’, supposedly.

Mr Burmester—I believe some of them went to student accommodation—I can recall seeing that on the list—but it was not uniform and it was not the only direction and goal of those funds. That was to enhance university facilities across the board, not simply student accommodation. Some universities chose accommodation or part funding of accommodation to expand their facilities.

Mr Walters—It is also worth bearing in mind that the increasing trend in recent years has been for commercial people, such as UniLodge, to get in on the market. It depends on what you mean by ‘publicly funded’. Sometimes they are getting assistance in starting up. We are not aware of the commercial arrangements.

Senator FISHER—It is really ‘you tell me’. I imagine there is quite a variation across the spectrum. It may be a bit of seeding capital; it may be something from—

Mr Walters—We are just not aware of the arrangements, because they are made individually by universities and perhaps sometimes other providers.

Senator FISHER—I gather from your answer that you are not aware of any assessment of the total number of places available in publicly funded tertiary institutions and of how many are taken up by international students as opposed to domestic students.

Mr Walters—No.

Senator FISHER—Okay, thank you.

CHAIR—I have just one more question. I do not think you were in the room earlier when International Education Services Limited told us about both the PIER process—Professional International Education Resources—and EATC, the Education Agent Training Course. I think they said to us that there was some involvement by DEEWR or DIAC in their development. Do you have a view about the value of those sorts of programs to lift the standard of education agents?

Mr Walters—We think they are valuable. We have put a good bit of effort into it. This year, as part of our Study in Australia 2010, to support the market and get a bit more professionalism with the agents we have been funding agent training courses in some of the overseas countries. Also, as a special offer, if you like, this year we have been helping to pay the fees that they have to pay to go in for the exams to encourage them to go through that. So we are all in favour.

CHAIR—It is better than a set of steak knives! Thank you very much indeed. There are a few questions you have taken on notice, I think. We would appreciate getting those answers. We are due to report in the middle of November, but the earlier we can get those answers the better it will be for us in writing our report. Thank you very much for your participation and involvement today.

Before I close the meeting, I want to acknowledge that I think this is the last occasion on which the secretary of the committee, Mr John Carter, will be present for a committee hearing. Am I correct?

Secretary—That is correct.

CHAIR—Of course, he retires very shortly from that role. I want to put on record the enormous appreciation the committee has had for John's sterling service to this committee over nearly 12 years and our hope that he continues to be involved in public policy or other things that satisfy him long into the future. Thank you very much, John.

Secretary—Thank you.

Committee adjourned at 3.34 pm