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Easy visas urged for quality students

Joanna Mather

Universities and business have called for student visa reform to help save Australia's \$18 billion education export industry from a potentially devastating downturn.

As the election campaign enters its final week, education and business leaders have joined forces to urge the parties to adopt a more sophisticated approach to international students and their potential to fill skills gaps.

International enrolments are already falling as a result of changes to migration policy, the collapse of some private colleges, attacks on Indian students and the strong Australian dollar. Bipartisan support for a low-migration future for Australia is expected to exacerbate the issue.

The Australian Technology Network of universities describes existing policy relating to international education and migration as tantamount to "economic suicide".

The network will today release the results of independent economic modelling forecasting losses of up to \$1.2 billion and 19,000 jobs over the next two years unless urgent action is taken. Other studies have put potential job losses much higher.

For every two international students who enrol in higher education, one extra Australian job is created, the ATN study found.

The group is calling for the creation of a new visa category to make it easier for "high-quality" foreign students and researchers to study at Australian universities. The move has the support of the Business Council of Australia.

The network's chairman and vice-chancellor of Sydney's University of Technology, Ross Milbourne, said: "By refusing to deal with university students in a separate category, we are about to see a massive economic fallout which will reverberate in the form of job losses in tourism, retail trade and hospitality."

He said the visa process should distinguish between applicants based on the type of education provider they plan to attend.

It should be easier for students who are offered an undergraduate university place or candidature as a research student to gain a visa than those enrolling with other providers. That way, Australia could snap up high-performing overseas students and researchers, thus helping to address skill shortages but retaining tougher visa restrictions at the market's lower end.

The network is particularly concerned about recruiting masters and PhD students because of their potential to pad out a thinning local academic workforce.

"I think, in general, we need a different category for university students, for those who have reached entry into higher education," Professor Milbourne said. "These are people who will gain the really serious upper-level skills that Australian industry needs."

His comments echo those of University of NSW vice-chancellor Fred Hilmer, who recently said a cumbersome visa-processing system was making Australia uncompetitive as a study destination for top-shelf talent.

Foreigners applying to US universities can, for example, be granted a visa on the same day as they apply to a consulate as long as they have the requisite paperwork and formal acceptance from a university. The process typically takes much longer here.

"The most important thing is that we have a visa environment which is welcoming for students to come and study," Professor Hilmer said. "We keep changing the rules."

Business Council of Australia education director Patrick Coleman supported the idea of a new visa category for research students.

"We think the proposal is a good one and worth exploring," he said.

The council was also examining the merits of a separate category for would-be university students.

"We perhaps haven't been pro-active enough in making the most of the links and the relationships that we can build through international education," he said. "We need to do better in that area."

To crack down on visa rorts, particularly at the vocational education end of the market and among private providers, the federal government has made it harder for students to gain permanent residency through skilled migration.

But universities are worried about their own bottom lines. As government funding has dropped in past decades, the universities have become increasingly dependent on international fee revenue.

Economic modelling by the John Curtin Institute of Public Policy shows universities generated nearly 60 per cent of the \$18 billion in export revenue earned by international education in 2009.

On average, each international student in higher education generates \$50,874, 36 per cent of which is spent on tuition fees and the rest on living expenses, the study found.

Job losses are forecast for retail, hospitality and other sectors as the downturn in enrolments deepens.

The ATN study is the first to look specifically at the impact on universities specifically.

"We are now internationally uncompetitive in terms of the whole processing of international student visas," Professor Milbourne said.

"We've taken ourselves out of that market relative to the UK, Canada and US. And it's happening unfortunately at the same time as the US has become much more aggressive in its international student recruitment."