

The Australian

Crean says the overseas market won't collapse

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EDUCATION Minister Simon Crean has dismissed bleak forecasts in key overseas student markets, pointing out that enrolments have grown recently despite adverse conditions.

"I've heard talk of the imminent collapse of overseas student markets," Mr Crean said on Monday at Sydney's Macquarie University, which is heavily reliant on overseas fee income.

"Let me just make this point: the last figures I saw showed that enrolments in university-run courses have increased for overseas students [despite the exchange rate and global financial crisis]."

In June, overseas enrolments in higher education were 10.7 per cent up compared with the same month last year.

Overseas students and the wish of many to stay on in Australia have become issues in the federal election campaign. Labor has presided over tighter migration rules and last week Opposition Leader Tony Abbott warned overseas student numbers had to be "politically sustainable".

The International Education Association of Australia, which complains of damaging, ad-hoc changes to visa rules, has asked the government to stump up a \$100 million rescue package.

Student recruiters in China predict 30-50 per cent falls in enrolments for 2011. Commencements at English language colleges, which lead students to universities, have plummeted by 20 per cent.

English Australia executive director Sue Blundell has warned that commencements could be down 40 per cent by the end of the year.

UNSW Global, which offers English language courses and foundation studies, and feeds overseas students to the University of NSW, made 24 staff redundant last month.

"It's a response to declining market conditions and budgets," UNSW Global chief executive Rob Forage said. "We're certainly seeing a softening in demand from overseas. The challenge is to really understand how big that is going to be."

Mr Crean attributed any fall-off in enrolments to government intervention aimed at "shonky operators".

"We don't want people offering courses, in whatever institution in Australia, as a means by which they're selling [permanent] residency, not quality education."

In a survey by market researcher TNS, 46 per cent of the 1378 respondents believed overseas students were taking university places from Australians.

"This is truly worrying. It's a blow from another direction," said Chris Nyland, a Monash University expert on overseas student security.

"There's a lot of resentment out in the suburbs about the increased competition for resources, and it's not just university places."

Overseas student fees accounted for 15 per cent of overall university income in 2008 and subsidise the teaching of domestic students.

In the TNS research, carried out in mid-March, the majority of respondents agreed overseas students helped make Australia part of the global community and provided financial resources to boost the education system.

But 37 per cent were opposed to the government encouraging more overseas students, and one-fifth believed they lowered university standards.

Demographer Graeme Hugo said the political debate wrongly assumed the overseas student-inflated temporary migration bubble would translate to net long-term migration.

"The very large increase in net overseas migration between 2006 and 2009 was almost totally due to an increase in the excess of temporary resident arrivals over temporary resident departures, not an increase in permanent arrivals over permanent departures," Professor Hugo said.

Meanwhile, the Australian Technology Network of universities argues easier entry requirements for foreign research students and researchers would benefit the nation.

"Excessive delays to addressing our research workforce requirements will potentially halt Australia's forward economic momentum and international competitiveness," ATN executive director Vicki Thomson said.

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