

NAVITAS LTD SUBMISSION TO THE ESOS REVIEW – 30TH OCTOBER 2009

Supporting the interests of students

i. How can the quality and accessibility of reliable information be improved? What role can ESOS have in ensuring providers and their agents are held to account for supplying prospective and current international students with accurate and timely information?

Comment

The ESOS Act requires appropriate and sufficient accountability of providers to provide prospective students with accurate and timely information and holds providers accountable for the actions of their agents. The information that must be given prior to enrolment is clearly defined in the National Code (Standards 1, 2, 3 and 4). As with domestic students the issue is students as consumers and all parties need to accept responsibility for ensuring that the information sought and provided is relevant, accurate and sufficiently timely to allow informed decision-making.

Presently there is clearly an opportunity for Australian stakeholders to combine resources and collaborate to provide generic, specific information to ensure that prospective and current students receive accurate and consistent information regarding their education in Australia. This would cover information on the cost of living, opportunities for part-time work and employment, work rights, accommodation and tenancy information, further study or migration pathways, health and safety advice. Such collaboration is immediately actionable given the wealth of existing best practice information within industry, government and quality providers, and the state of current information and communication technologies.

It is not possible for the Australian Government to regulate the activities of agents based overseas. However the ESOS Act already makes education providers accountable for the actions of all their agents. As a measure proposed to strengthen accountability Government has introduced amendments to the Act to require providers to publish the names of education agents which represent their institution and promote their services. While acknowledging that consumer protection for prospective and current students requires a range of measures from government, industry and individual providers it is unclear how effective the publication of agent lists will be in achieving the objective of ensuring the practices of agents are ethical and responsible.

There are two commercial reasons, which are not dissimilar to other businesses, as to why providers may not wish to publish agent lists:

1. A provider may have worked hard (and invested heavily) to open up a new market area and publishing information about the agents operating in that area will make it easy for competitors to access information about these agents and reduce the 'first mover advantage'

- that the provider may have that produces a return on their investment;
2. There are times when it is in the provider's interest to limit information from one agent about other agents that they are operating within the same geographic market. The effect of forcing publication of a provider's agents will reduce any potential and legitimate commercial advantage that may accrue to a provider in their negotiations with agents.

Navitas would urge the Review to canvas, and assess a broader range of options to ensure the practices of agents meet the standards required by the intent of the legislation.

These options could include:

- A mechanism for students and providers to share information regarding rogue agents with Government.
- Government making available to providers a 'watch list' of high risk agents with a history of poor practice and a 'black list' of agents who consistently present fraudulent document or have high student breach rates after arrival in Australia.
- Peak industry bodies, and Tuition Assurance providers, mandating stringent membership requirements and standards of conduct, and being audited on membership compliance.
- As now, providers being audited on in-house processes to deal with agents who do not meet mandated ethical and business standards,
- Providers being required to display a hot line number for students to contact an independent authority if dissatisfied with the services delivered to them either prior to enrolment or during their study in Australia. This would be within a national standards authority or international student ombudsman's office that has the power to impose sanctions on institutions in breach of standards.

Recommendations:

1. Government, in collaboration with industry, establishes a Government-endorsed 'Life in Australia' portal that students can access as their 'one stop shop' on information on living and studying in Australia.
2. The Review canvases and evaluates a range of options to ensure the practices of agents meet the required standards.

ii. How should the Australian Government and the international education sector protect international students if a provider closes? How should this be resourced?

Comment

The ESOS Assurance Fund ('the Fund') is the final mechanism to ensure that refunds are able to be paid to students where the provider has defaulted and the relevant industry Tuition Assurance Scheme (TAS) is not able to place the student in a like course. There are no such arrangements in place for domestic students.

There are a number of issues that are of concern to Navitas. Firstly, more rigorous requirements need to be placed on TAS providers to assess the bona fides of an institution when they apply for TAS membership, and then to require ongoing monitoring of an institution's practices and risk levels. High risk institutions have been expelled from a TAS far too late and as a result, when they close, the initial call is on the Fund rather than the TAS. Navitas would like to see more stringent membership criteria to join a TAS, including evidence of financial viability and compliance with ESOS standards, e.g. accredited capacity.

Secondly, the assurance mechanisms currently in place basically treat all non-public providers equally. Navitas would like there to be differentiation of provider by risk level. As the system operates at the moment it is the quality private providers, contributing year-after-year to a TAS and the Fund, which are underpinning the assurance mechanisms for the international education sector, i.e., quality providers support a TAS and the Fund when, in reality, they will need to access neither.

Thirdly, public providers are not required to contribute to a TAS or the operation of the Fund. There could be an argument that a small number of large private providers, such as Navitas, represent a similar low risk of provider default as many public providers. Perhaps the Assurance Fund system could be modified to include all public and private providers where contributions are linked to nationally agreed and applied provider risk levels. This recognises that all providers in Australia carry a risk to possible damage to Brand Australia and should proportionally carry the burden to protect the interests of international students.

Another area of concern is the lack of transparency around the use of 'Ministerial exemptions'. Government needs to clarify the basis for granting such exemptions and to assume more responsibility for monitoring the performance of providers granted exemptions.

There have been a number of serious and high profile provider closures and calls on the Fund over the past year. These have seriously undermined the ability of the Fund to assure student fees. The key question is how this situation has arisen. It is clear that more rigorous, targeted and

sophisticated monitoring of high risk providers and subsequent enforcement of ESOS (particularly in regard to vocational institutions providing courses on the MODL list) by the regulators would not have seen calls on the Fund of the magnitude that occurred.

"...When the Fund was established, the Government contributed just \$1 million towards the establishment of the Fund. The liquidity of the fund is increased only through provider contributions. It is apparent that the Fund is under-capitalised and the risk of its failure is significant. It appears that the major risks to the Fund are due to a small percentage of providers that have been allowed to massively exceed their accredited student load or changes to migration policy that are in the domain of Government and are outside of the control of the Fund and the industry providers who contribute to the Fund.

It is flawed practice that industry is in the position of bearing the financial and reputational impact where provider defaults may stem from migration policy changes or lack of timely monitoring and enforcement.

Navitas is of the view, in the interests of the stability and future viability of the international education industry, that Government intervention is required to ensure that the Fund is capitalised to the point where the risk of failure of the Fund is significantly reduced. The simplest method would be a Government contribution to the Fund of up to \$20 million. Alternative methods such as underwriting shortfalls in the Fund are also available.

We believe that this support for the Fund would not only give consumers and industry confidence, but would also ensure that the order of magnitude of the Fund is appropriate considering the value of the export revenues generated by the industry." [Navitas submission to Senate Inquiry, September 2009]

An alternative method for Government to support the Fund would be for the Government to provide reinsurance to the Fund on a commercial basis, i.e., the Fund would pay a reinsurance premium to Government.

This seems reasonable on the basis that the ESOS Assurance Fund does not appear to be viable without some form of reinsurance protection and the commercial reinsurance market is unlikely to provide reinsurance on an ongoing basis.

Providing reinsurance for the Fund seems to be a legitimate function of government as it would mean that providers support the operation of the Fund under normal stable environment however, when there is instability in the market (and reinsurance is triggered) there will not be a need for large step changes in contributions from providers.

Navitas would also like the Review to explore how a student insurance scheme could operate. Currently it is compulsory for an international student visa holder to pay for medical insurance whilst in Australia. Students could

be required to take out provider default insurance from a panel of approved insurance providers. The insurance market would quickly determine a risk based approach to premium setting.

Recommendations:

1. The Review explores options that would allow a more integrated and effective functioning of the TAS/Ministerial exemption/Fund assurance mechanism.
2. The Review considers requirements for all international education providers (public and private) to contribute to a TAS and the ESOS Assurance Fund, with contributions being linked to a nationally agreed and applied provider risk levels.
3. Government contributes to the ESOS Assurance Fund to ensure it is sufficiently capitalised to perform its functions, or provides reinsurance to the Fund (on a commercial basis) to assist the Fund through periods of instability and eliminate risk of failure.
4. The Review explores how a student insurance scheme could operate.

iii. Are different mechanisms needed to support international students to resolve complaints effectively? Are additional complaint mechanisms needed?

Currently the Queensland and Western Australia regulators require higher education providers to keep a register of complaints and to include detail on how many grievances were formally dealt with the previous year in annual reports. Further information is sought where deemed necessary. Navitas would support this measure being required nationally across all sectors.

When international students commence their studies it is often the first time that they experience a consumer protection system and understand that they may challenge authority. They are also called upon to meet standards and undertake responsibilities that are unfamiliar culturally and educationally in situations where there is no family network to help with disputes and where Australian mores and systems can appear quite challenging and threatening. Anecdotally international students rely on information from 'my friend' all too often in order to avoid interacting with people in authority.

Currently there is confusion and complexity regarding complaints bodies that students can access. Education providers are required to have an internal complaints process in place and a mechanism to refer students to an independent appeals process. In some cases a peak body is used, in others various state government departments. DEEWR offers a Hotline advice number which can be used by student and providers for a whole range of matters.

Navitas would like to see a single, national and independent complaints body for international students. There are a number of models in other industries

that could be explored. However, any such body would need sufficient resources to respond within timeframes that speedily resolve complaints.

Recommendations:

1. Providers are required to maintain a register of complaints and report on resolution.
2. Government establishes a single, national and independent complaints body for international students.

iv. Should an international student's ability to change their education provider be limited, if so in what way?

Comment

This is a complex matter. Current legislation states that international students should be enrolled in their principal course of study for 6 months before being permitted to change providers. The period was previously twelve months.

There is an argument that international students should have the same rights as domestic students who may change providers on a semester-by-semester basis in higher education courses. However there are some significant differences between the situation of international and domestic students, primarily related to the fact that international students are undertaking their education in a foreign country and within a foreign education system.

In the main, international students are appropriately undertaking a 'package' of courses designed to prepare them for tertiary education, as well as undertake that tertiary qualification. For example, for international students in English for academic purposes or university pathway programs the principle course is a higher education degree.

It is clear that in some instances international students are being advised by certain off-shore agents to change courses once on-shore. There are also anecdotal reports that agents and unscrupulous providers offer cash incentives to students to change providers. The primary reason appears to be the nexus between international education and migration, i.e. students once they are onshore transferring from a higher education course to a short vocational course on the MODL list to enable a faster track to permanent residence, rather than for reasons related to their study. One option is to regulate that students on packaged courses may only be able to change their education provider after 6 months study in their highest level qualification, unless there are exceptional circumstances. Given that the previous twelve-month stay requirement operated reasonably well, another alternative is to return to this standard.

Another perspective is that the 'rorting' of the change of provider standard will become a much smaller and manageable issue if governments focus its energies on swift and strategic enforcement of ESOS.

Recommendations:

1. Subject to enhanced resources and focus on enforcement of ESOS Navitas recommends that students be able to change their course of studies after twelve months subject to providing credible educational reasons for doing so. In cases where there is disagreement between the provider and the student the matter be referred to an independent complaints body.

Delivering quality as the cornerstone of Australian education

v. How can the intersection between ESOS and the underpinning education quality assurance frameworks be improved?

Comment

While it is essential that Australia's education system for both domestic and international students has rigorous quality assurance frameworks Government needs to be wary of over-legislating for 'quality'.

As with all activities that involve investment and the achievement of long-term goals well-informed international students will exercise choice of provider. Research (for example, Doorbar, A., Students' Decision Making Process: Branding as a Key Influencer, JwT Education, Going Global 2, 2006) indicates that consumerism and brand awareness are central features of the "millennials'" choice of an education brand. Reputation, built on quality outcomes and experiences, and delivering on promises, is a key factor in their decision-making.

That said; there are a number of ways the intersection between ESOS and quality assurance frameworks can be improved.

Firstly, Navitas supports the establishment of a national quality assurance framework covering English language, vocational and higher education.

In the higher education sector AUQA is responsible for auditing higher education providers. In the ELICOS sector, the primary quality assurance framework is operated by the National ELT Accreditation Scheme (NEAS). Navitas believes that the NEAS is best placed to audit English language providers for ESOS compliance.

Navitas endorses the proposed Tertiary Education Quality Standards Agency (TEQSA) as a positive first step. Consideration should be given to TEQSA accrediting and auditing all providers of international education, through

incorporating current successful quality assurance and auditing bodies such as AUQA and NEAS under its umbrella.

Navitas would like to see a stronger focus on teaching and learning observation and outcomes rather than the present prescriptive, 'tick the documentation' approach current in much of AQTF compliance monitoring.

Navitas would also wish to see a more sophisticated and coherent monitory approach from regulatory bodies utilising relevant legislation, regulation and expertise outside the ESOS framework, for example Corporations Law, Local Government building regulations, industrial relations law, OH&S and professional body and industry skills council standards. There has to be a way of auditing institutions to prevent situations where students enrolled in commercial cookery courses do not have access to kitchens and/or adequate kitchen facilities.

Navitas would encourage Government to work with industry to develop a transparent, national, and nationally applied, risk-matrix which identifies at risk and high risk providers. Providers identified should be the focus of enforcement activity by the regulator.

Navitas is also seeking Government to commit to a strengthened research agenda for the international education industry. There is a dearth of published material and evidence-based data on optimal teaching/learning approaches, the lived experiences of international students, and educational outcomes.

In 2007 an IEAA/AEI National Symposium on English Language Competence of International Students called for a shared research framework and a collaborative research agenda to track student cohorts, data on cohort success rates, and descriptive data on good practice across industry. The Symposium identified a wide range of short, medium and long term research priorities, for example large scale tracking studies of the performance of international students who have undertaken a wide variety of English language pathways.

Up to now Government has demonstrated minimal leadership or interest in ensuring that the industry has a robust research capability to provide the evidence base to inform policy and practice. The lack of data to counter current perceptions that the industry is 'broken' highlights the pressing need for a comprehensive, well-resourced research.

For example the Issues paper in seeking comment on matters affecting quality in the international education sector states that *"there are some mixed signals about quality in the international education sector. Setting inadequate English language entry standards for courses is one example. When providers have inadequate English language entrance standards this can give misleading information to students about whether they have the*

necessary skills to complete the course they enrol in, and can also detract from the quality of teaching and learning for other students." In the absence of hard data it is unfortunate that the Paper has chosen to highlight the concerns regarding quality with one example concerning English language entry standards.

The Review has the opportunity for an in-depth consideration of the roots and causes of current problems rather than addressing symptoms. Language competence and language proficiency are not well understood. There is a tendency to call for higher English language entry levels to courses as the 'solution' to successful graduation outcomes rather than considering other factors, such as ongoing English language education for students during their course of study. There is also a misunderstanding/misperception that a higher language proficiency entry level, for example IELTS 7 versus IELTS 6, will mean learners will be better able to cope with the language and academic requirements of a higher education degree in a Western educational context. There is no empirical evidence that this is the case. There are a range of other factors that are better indicators of likely success, e.g. academic level, personal factors, familiarity with Western academic norms/pedagogy and study skills.

While Navitas supports the statement in the Issues paper that "*the quality of an international education lies not only in formal education, but also in the informal learning that comes from fellow students about different cultures, backgrounds and the opportunities to practice language skills*" we do not support introducing a regulatory mechanism for ensuring diversity.

This appears to be a case of a superficial response to a complex issue. It does not address the larger issue of engagement with the Australian community outside the classroom. English language learning and the reinforcement and practice of English language skills in real life situations with a range of first language and other speakers of English are far more effective means of improving competence in English as well as meeting the needs of international students for friendship and engagement with Australians. Perhaps more importantly, and patently not being achieved at the moment within the sector, is the connection to and engagement with the wider Australian community. Resources would be better spent identifying ways that governments, local communities, industry bodies and providers can work collaboratively to enhance the out-of-campus experiences of international students. There are a number of emerging models that provides direction on best practice. For example, the City of Melbourne Welcome to International Students organised by the Youth Team at the City of Melbourne office, which recently won an IEAA 2009 Award in Excellence for Best Practice/Innovation in International Education.

In addition 'regulating for diversity' in the classroom would set a dangerous precedent and is in reality not necessary. International students are in the main sophisticated consumers. They value a multicultural learning experience

and are likely to change provider or not recommend a provider to family and friends if this objective is not being achieved.

Recommendations:

1. There be a single unified accrediting and auditing body, such as TEQSA for all providers of international education.
2. The NEAS be responsible, with delegated authority from such a body, to audit all ELICOS providers against the NEAS standards and to audit stand-alone ELICOS providers for ESOS compliance.
3. There be a Government funded research agenda which captures evidence-based data relating to learner outcomes and experiences.
4. Government, providers, industry bodies and students collaborate in the development of an international student community engagement strategy.

vi. Where do international students' needs differ to other students, such that additional or different regulation is required?

Comment

There are significant differences between the learning and living situations of international and domestic students, primarily related to the fact that international students are undertaking their education in a foreign country; within a foreign education system and in a foreign language. For these reasons international students are in the main more vulnerable than domestic students.

The majority of international students require initial and ongoing English language training that encompasses academic skills, educational and cultural norms required by the Australian educational system, and information and support to settle into life in Australia. The Australian international education industry in its 30 year history has developed an extraordinary wealth of experience and expertise in meeting the needs of international students. The issue is not additional regulation. The current ESOS regulations and standards are very clear on the support institutions need to provide to students. Quality providers would like to see ESOS more effectively enforced.

In addition, as outlined above, Navitas believes that there is a need for better support and information services and has recommended a government-endorsed 'Life in Australia' portal and the development of a community engagement strategy.

It also should be noted that some international students have been complicit in the practices of unethical providers and agents that have recently come to light.

Effective regulation

vii. Is ESOS compliance and enforcement adequate?

Comment

The short answer is that apart from a relatively small number of providers ESOS compliance is adequate and in the majority of cases more than adequate. The same cannot be said for ESOS enforcement. It is often stated that there are three significant areas of risk associated with the international education industry – providers, students and agents. An additional area of risk is the lack of effective enforcement by State/Territory and Commonwealth departments, primarily arising from the lack of a coherent, integrated national approach to enforcement. Governments have not been sufficiently diligent in resourcing and monitoring the enforcement aspects of ESOS.

Over many years there has been a growing and compelling pattern of reports from industry and students that all is not well in the monitoring and enforcement of ESOS. Areas of weakness are clearly the complexity, lack of integration, standardised application, and adequate and appropriate resourcing of the current "Shared Responsibility Framework." While the aims of the framework are laudable, the reality for a large number of institutions is that the current regulatory structure creates duplication, inconsistency and inefficiency and does not achieve optimal outcomes for students, providers or governments.

"The quantum of current regulation is substantial and the observed practices of the great majority of providers and consumers indicate that the system works appropriately. The risk would appear to reside more in the consistency and timeliness of enforcement.

Accordingly any review of the regulatory framework should direct attention to the application process and timely monitoring and enforcement. It should address opportunities for streamlining to ensure any changes are efficacious and do not increase the compliance hurdles on the majority of providers that are highly compliant and delivering quality education.

Any measures that flow from the Inquiry should be based on a rigorous examination of the evidence, be appropriate to the context, and be explored for any unintended negative consequences. Past reviews, due to time pressures, lack of sufficient evidentiary data or adequate consultation with industry, have delivered changed regulations with a number of unintended negative consequences for the industry." [Navitas submission to Senate Inquiry, September 2009.]

States and Territories are the registering authorities for provider registration.

This has led to two unacceptable scenarios:

1. Different processes and approaches are adopted in different States and Territories leading to a level of compliance complexity for providers operating in more than one jurisdiction;
2. A different CRICOS code is required for the same legal entity operating in different States and/or Territories. This means that a student transferring from a campus in one State/Territory to another campus, operated by the same legal entity, in another State/Territory, must apply for a change of provider.

When the registering authority is processing a new CRICOS provider application, the time frame from start to finish is often over six months. This can occur even when the provider is able to promptly supply the required information. This is an unacceptably long time frame from a commercial perspective and seems to indicate that the registering authority does not apply the requisite level of resources to complete these processes in an adequate timeframe. There does not seem any justification for this process needing to take more than 4-6 weeks. Considering the economic benefits accruing to the States and Territories from international education, the paucity of resources applied seems entirely unacceptable.

Further, there are a number of examples (in relation to AQTF/CRICOS registrations) where an existing provider, with a long established and reputable track record applies for a registration in a new State/Territory, there is no acknowledgment of the history of the provider and the application is treated on the same basis as an application from a 'start up'. The registering authority should be able to apply a risk management approach to reduce the burden for long established, reputable providers as part of the application process.

Recommendations:

1. That the Review focuses on achieving balance and fit-for-purpose enhancements to the current legislative and regulatory arrangements that facilitate robust compliance without increasing the burden on quality providers and students;
2. There be increased scrutiny of 'at risk' and 'high risk' providers on a day-to-day basis;
3. There be enhanced mechanisms and increased exposure of such mechanisms for students to provide feedback to government;
4. There be a single registration and accreditation process across all states and territories to eliminate different processes and approaches in different jurisdictions and implement one CRICOS provider code for one legal entity across all of Australia;
5. There be appropriate allocation of resources of registering authorities to reduce the commercially unacceptable timeframes for initial CRICOS provider registration in states and territories;

6. There be a reduction of the process burden, based on a risk management methodology, for provider applications for long established, reputable providers.

viii. Can risk be better addressed through strengthening registration requirements and/or better targeting of compliance and enforcement action? How else can risk be managed?

Comment

Navitas would like to see:

- Enhanced and improved enforcement by regulators;
- The application of a risk management approach which identifies and monitors at risk and high risk providers;
- More stringent entry criteria for new entrants to the industry, which would include detailed business plans; auditing of financial capabilities; a testing of the purpose for entering the industry and a twelve-month 'guided candidacy'; and
- A higher level of scrutiny and oversight of members by TAS providers.

Recommendations:

1. Navitas calls for the review to focus on improving enforcement of the existing legislation through an improved risk management framework;
2. More stringent entry criteria for new entrants to the industry; and
3. A higher level of scrutiny and oversight of members by TAS providers.

ix. What should be the balance between a focus on inputs and prescription versus outcomes?

Comment

There is already in ESOS and its enforcement an imbalance towards inputs and prescription. This does not adequately recognise the diversity of providers and provision and does not necessarily improve outcomes. Navitas believes quality assurance processes and the auditing of providers should be outcomes focussed. Where there are issues prompt and more rigorous scrutiny and remedial action should be taken.

x. How can ESOS better support Australia's student visa program?

Comment

It is essential that international students have sufficient financial resources to undertake and complete their study in Australia. DIAC needs to be assured at the visa grant stage that students have the financial capacity to live and study in Australia for the period of their visa. As well as rigorous visa assessment processes, government and industry could do more to inform prospective students of the cost of living in Australia. It is apparent that some students have arrived with insufficient funds to complete their course of study without working in excess of the permitted 20 hours per week.

Getting the right balance between visa compliance and educational outcomes requires an ability on the part of DIAC to respond in a timely, fair and consistent fashion. This has proved difficult to achieve, particularly in the English language sector for students whose courses of study are measured in weeks, not years. There is also confusion and inconsistent application of the regulations which can lead to bona fide students being deemed in breach of their visa conditions and other students, clearly in breach, not being followed up. There are many cases where providers report on recalcitrant students and DIAC takes a soft approach to the Attendance Standard.

Further, the processes to establish an effective and efficient 'external appeals' process (for students and for providers) needs review. The current arrangements are that for many providers who are not part of large public institutions, there are in fact, no satisfactory arrangements that can be put in place. (Consumer affairs departments of State governments are not in a position to conduct the type of external appeal as described in the National Code.)

In relation to the nexus between international education and skilled migration Navitas makes the point that our economic prosperity depends on increasing labour force participation and productivity. Evidence demonstrates that there is a strong correlation between educational attainment and workforce participation. The government has recognised this through accepting the Bradley recommendation of increasing participation in higher education. However Government will not achieve its objectives for 40 per cent of all 25-34 year olds to have a bachelor's degree by 2025; to halve the number of Australians between 20 & 64 without a Certificate III by 2020, or to double the number of diplomas and advanced diplomas by 2020 without substantial participation by non-traditional learners and through skilled migration. International students who have undertaken their tertiary education in Australia, speak English and have settled well in the community and workforce are a wonderful asset to Australia.

Recommendations:

1. Navitas supports the development of more streamlined and transparent approaches to attendance monitoring and reporting including there being one national point of contact for students to initiate an external appeal against a provider in the event that the provider's internal appeals process has not resolved matters.
2. Navitas calls for Government to develop a clearly articulated education-employment pathway, linked to long-term economic need, for international student that leads to permanent residency.

Sustainability of the international education sector

xi. What role should ESOS have in supporting the ongoing sustainability of the international education sector given the challenges it faces into the future?

Comments

Navitas believes ESOS is a fundamentally sound framework that should continue to focus on the achievement of its stated objectives, enhanced by the outcomes of the Review and ongoing continuous improvement processes.

However ESOS needs to be situated with a wider strategic, long-term policy framework which recognises the integral role international education plays and will increasingly play in Australia's future as a society, an economy and a global participant.

Recommendations:

1. Navitas endorses the recommendation of the International Education Association of Australia in its submission to the Senate Inquiry on International Student Welfare that the Australian Government establishes an international education development authority as the focus for ongoing development and support of the international education industry in Australia. The authority should have a commercial, educational, international relations as well as a community focus, and should operate at a distance from government. It should probably be a statutory body, funded through a government-industry partnership and be comprised of industry, government, and community representatives. It should be responsible for development and implementation of an Australian international education strategy.

General Comments

Navitas acknowledges that there are issues in the international education industry requiring attention, however believes that these issues are neither systemic nor widespread amongst the majority of education providers.

In September 2009 Navitas provided a submission to the Senate Education, Employment and Workplace Relations Committee in relation to the Inquiry into the Welfare of International Students and respectfully refers the Baird Review to that submission as there are a number of matters directly relevant to this Review contained within the submission.

A significant and concerning omission in the current debate on international education is the absence of empirical data on which informed comment can be based. This has led to distortion of the debate and decision-making driven by media and perception rather than fact. Government is to be applauded for the current AEI data sets related to student enrolments and commencements however it is apparent that there are basic gaps in the collection and analysis of other pertinent data. This has led to slow, inefficient and ineffective decision-making on the part of regulators and allowed misleading media speculation and reporting.

While there are a growing number of longitudinal research studies into learner outcomes and satisfaction levels with Australian international education there is no over-arching research framework or research agenda that would allow a more rational and empirical based evaluation of the outcomes of the industry.

The current perception being portrayed in the media (and in some sections of government), and now believed by many sections of the Australian and international communities, is that the international education industry is 'broken' and that Australia serves its international students poorly.

In the absence of consolidated, evidence-based data and research this is hard to refute. For example, within government's 'Shared Responsibility Framework' the data exists that would allow quantification of the magnitude of the existing problem. Is it 2% or 20% of providers who are in default of their obligations to students? How many, as a percentage of the industry are high risk, under investigation, or have been de-registered?

Two other small examples are contained within the Issues Paper itself. The graph in Appendix C of International student enrolments by sector YTD July 2002–2009 does not include the 60,000 plus international students on tourist and working holiday visas enrolled in the ELICOS sector. The continued exclusion of this data in an assessment of the outcomes of the industry distorts the complete picture. Also in Appendix C the graph which contrasts the growth in the number of public and private providers from 2002 to 2008 needs to be supplemented with a graph of international student enrolments by public and private institution. The inclusion of data only on the number of providers leads to the conclusion that the industry is basically a private one. These additional data sets would assist in providing a more balanced view of the size and scope of the industry.

In the absence of published research data sections of the media have succeeded in creating a perception that there is a major problem with private international education in Australia. This is manifestly not the case.

Navitas recommends that Government and industry develop a robust, Government-funded and long-term research framework for the industry.

About Navitas

Navitas commenced operations in 1994 as a provider of university pathway programs. It has grown to be a highly successful Australian-based global provider of education and related services. In 2004 Navitas listed on the Australian Stock Exchange.

Through its partnerships with universities, industry and government Navitas' objective is to maintain a 'trusted, whole of learning life' relationship with students, clients and partners that provide meaningful outcomes for all. A number of Navitas entities have been in operation for over a quarter of a century.

Navitas delivers education across the traditional sectoral boundaries that define higher, vocational, English and secondary education offering AQF qualifications from Certificates through to Masters Degrees. Navitas offers:

- University pathway and managed university campus programs for students studying in Australia, Sri Lanka, Singapore, Kenya, Zambia, Canada, Indonesia and the United Kingdom;
- English as second language courses for international students and English language settlement and work preparation programs for migrants and refugees;
- Education, training and business solutions to employers to meet their requirements for 'work-ready', skilled employees, and to provide learners and clients with relevant, practical tertiary and vocational skills, work experiences and support in their career development and working lives; and
- Recruitment of students for educational institutions in Australia, Canada, the US and the UK through major networks and operations in China and India.

Annually Navitas provides educational opportunities for over 42,000 students each year from more than 120 countries; and settles over 3,650 new Australians. The company employs over 4,000 staff. Since 1994 Navitas has contributed well over a \$1 billion in royalties and flow-on student revenues to Australian university partners.

Over more than a quarter of a century Navitas has built its reputation as being a credible quality education provider and partner. Navitas has played an active role in enhancing support systems and programs for learners and setting students up for success either at university or in the Australian community. Many Navitas staff are respected, active members of the international education community and have worked to ensure high standards of delivery and support for international students and the rigorous enforcement of those standards.

Navitas is proud of the substantial achievements of Australia's international education industry, providing many hundreds of thousands of international students with a quality education, skills for their future careers, and in many cases, life long engagement with Australia.