

14 September 2015

Sent to: Productivity Commission
via email services.exports@pc.gov.au

RESPONSE TO PRODUCTIVITY COMMISSION DRAFT REPORT ON BARRIERS TO GROWTH IN SERVICE EXPORTS

English Australia welcomes the Productivity Commission Draft Report on Barriers to Growth in Service Exports particularly the strong endorsement given to the simplified international student visa framework (SSVF) scheduled for introduction in July 2016.

As the peak body representing English language colleges, English Australia is focused primarily on international education issues but also welcomes the attention given in the Draft Report to issues affecting all service exports particularly the need for more comprehensive statistics.

While English Australia supports all the recommendations in the Draft Report relating to international education, it is our submission that two recommendations should be reviewed and amended and that a further recommendation related to Visa Fees is added.

DRAFT RECOMMENDATION 4.5

The New South Wales and Victorian governments should review the case for extending concessional access to public transport for international students to match that available to domestic students as occurs in other states and territories. The assessment should take into consideration budgetary costs, any increase in peak usage of public transport, and any effect on international student numbers.

English Australia suggests that this recommendation should also be directed to the Council of Australian Governments (COAG). When State Government involvement was necessary on student safety, the issue was effectively handled by the COAG process. This is suggested because public transport concessions in the two most populous states has proved a difficult issue to resolve. A nation wide approach would ensure equity of the student experience across States and support growth across sectors.

DRAFT RECOMMENDATION 7.1

The Australian Government should ensure that the following principles guide the further development and implementation of the simplified international student visa framework announced in June 2015.

- *Clear assignment of responsibility for managing risks to the party best placed to do so.*

- *The student visa program should address a single policy objective of maintaining immigration integrity.*
- *Regulatory requirements for visa applications should be proportionate to the immigration risk faced by different types of student visa application.*

The wording of the recommendations does not reflect the strong and specific support for the reform in the Draft Report.

In the Outline section on page 20:

The proposed student visa framework is a major improvement on current arrangements and should be progressed. (English Australia emphasis) *The framework is more consistent with principles of good regulatory practice than the current Streamlined Visa Program (SVP) arrangements.*

The Commission is also supportive of the Department of Immigration and Border Protection sharing data with the education institutions and consulting closely with education peak bodies and other key government agencies on the implementation of the proposed student visa processing framework including through the Education Visa Consultative Committee working group.

Likewise in the body of the Draft Report on page 193:

*SVP was designed to facilitate simpler and faster visa processing for students enrolled at eligible education providers but has unintended consequences that likely include some reduction in demand for Australian education services. **There is a strong case for reforming SVP.*** (English Australia emphasis)

- *In June 2015, the Australian Government announced the simplified international student visa framework (SSVF) which is scheduled to replace current student visa arrangements including SVP from July 2016.*
- *The broad design of SSVF – a single risk framework applied across all education providers, with DIBP having primary responsibility for managing immigration risk – is a **major improvement on current arrangements.*** (English Australia emphasis)

English Australia submits that the replacement of the SVP with the SSVF will remove a major barrier to the growth of education exports. English Australia membership is split between providers with access to SVP and those excluded and confidently predicts that the introduction of SSVF will have a positive impact on enrolments across providers.

In view of the importance of this reform and strong support given for it in the body of the Draft Report, English Australia submits that the wording of the actual Recommendation be amended to reinforce the need for this to be actioned by the Government with priority.

ADDITIONAL RECOMMENDATION – VISA FEES

English Australia requests that the Productivity Commission acknowledge the barrier to growth associated with the Subsequent Temporary Application Charge (STAC) and the inflexibility of student visa charges, as outlined by English Australia in our previous submission.

The STAC is acting as a disincentive for genuine students that undertake legitimate study in Australia such as those in English language courses who wish to undertake further study in Australia. The fee is a disincentive to genuine students but is not an effective lever to deter any non-genuine students. English Australia calls for the STAC to be removed and for alternative regulatory tools to be used to address the behaviour of non-genuine students.

English Australia also calls for a recommendation on the introduction of differential charging of the Student Visa Application Charge (SVAC), acknowledging the current barrier in international competitiveness and administrative fairness.

Extract from English Australia submission to Productivity Commission – Barriers to Services Export (May 2015);

The \$535 SVAC (\$550 from 1 July 2015) for Australia is more expensive than any other competitor country and does not distinguish between short course ELICOS students and three-year degree students. Unlike the UK which has a short course Student Visitor Visa at \$A153.

English Australia recommended breaking the SVAC into two categories with differential charges aligned to the course duration:

- *Short-term SVAC for six months or less at \$130*
- *Long-term SVAC for more than six months at a new rate less than at present.*

As noted in our original submission, the proposal for aligning the SVAC with the length of course has been supported by other international education peak bodies and English Australia urges the Productivity Commission to recommend appropriate action from this review.

English Australia would like to thank the Productivity Commission for the consultation throughout this process and the commitment to ensuring Australia's competitiveness in global education exports is assured for the long-term benefit from this critical industry.

Yours sincerely,

Brett Blacker
Chief Executive Officer