

Exporting TAFE: challenges and constraints

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ABSTRACT

The Commonwealth Department of Immigration, Multicultural and Indigenous Affairs (DIMIA) recently introduced a new visa regime designed to arrest the flow of overseas students deemed to be at a high risk of breaching their visa conditions. Since the new visa system was introduced on 1 July 2001, the number of visas granted to VET students has fallen by 23 per cent while undergraduate student visas have increased by 18 per cent. As students applying for VET courses generally face more stringent assessment criteria than students applying to enter universities, the new visa system appears to be encouraging prospective VET students to enrol in universities.

TAFE institutes, which cater for about 22 per cent of overseas students in the VET sector, were surveyed to collect data on the rate of non-compliance with visa conditions at TAFE institutes. We found that TAFE institutes' non-compliance rate was well below the global average, suggesting that DIMIA should create a separate visa sub-class for TAFE institutes, to differentiate the TAFE system from other VET providers. Such a policy change would enhance the integrity of the new visa system and promote the long-term viability of Australia's education export industry.

Introduction

This paper examines the impact of recent changes in Commonwealth government regulations on international students in Australian TAFE institutes. The data provide insights into the role of TAFE in the education export industry and the limitations placed on the expansion of these services by recent policy changes to the student visa system.

Education exports through TAFE

Since the late 1980s, the Commonwealth government has encouraged Australia's education and training institutions to attract full-fee paying overseas students (Streat 1998). State and Territory governments also support the export of education and training (see WATIAC 2000). Over the past decade, the number of full-fee paying international students in Australia has increased from 21,000 students in 1988 to over 100,000 students in 2000. Australia's education export industry is now estimated to be worth over four billion dollars per year (IDP Education Australia 2002).

Overseas students are a small but significant source of income for Australian TAFE institutes, representing three per cent of total course delivery. As shown in Table 1, the number of hours of course delivery funded by overseas students increased from 8.9 million hours in 1999 to 11.2 million hours in 2001. There is significant variation between States and Territories in the success of TAFE institutes in attracting overseas students. Victorian TAFE institutes have the highest number of international students compared to other states (NCVER 2000). As international education is charged on a

full cost recovery basis, the value of overseas students as a source of revenue for TAFE institutes is estimated at around \$150 million per annum¹.

Table 1 Annual hours of VET course delivery by funding source, 1999-2001 ('000)

('000)	1999	%	2000	%	2001	%
Government recurrent	286,079	86.4	290,622	84.0	301,373	79.8
Government specific	9,231	2.8	18,263	5.3	30,575	8.1
Fee for service	26,836	8.1	26,983	7.8	34,458	9.1
Overseas fee paying	8,925	2.7	10,272	3.0	11,230	3.0
Total	331,071	100.0	346,140	100.0	377,636	100.0

Source: NCVER. *Australian Vocational Education and Training Statistics, 1999, 2000, 2001 – In detail* Leabrook SA.

Australian TAFE institutes came under financial pressure during the late 1990s due to reductions in their revenue from the Commonwealth government and the imposition of a national policy to increase student numbers through reducing delivery costs. The shortfall in revenue from the Commonwealth government was partly offset by increased income from non-government sources – including revenue from overseas students (Watson 2001). Although the overseas student market is an important source of non-government revenue for TAFE institutes, providers must still comply with the national regulatory framework for student visas operated by the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA). Since the expansion of Australia's education export industry in the late 1980s, there has been on-going tension between educational institutions carrying out the Commonwealth's policy to attract full-fee paying overseas students and the Department responsible for maintaining the integrity of Australia's visa system. This major clash of priorities was addressed through incremental policy reforms during the 1990s which failed to comprehensively address the concerns of either party. In a recent major policy reform, DIMIA made an impressive attempt to overhaul its student visa system in order to reconcile its desire for an effective immigration policy with industry demands for an efficient and transparent student visa system (see DIMIA 2002a). The impact of this reform on the VET system and in particular TAFE institutes is the subject of this paper.

The overseas student visa system

An early unintended outcome of the growth in the number of overseas students coming to Australia was the scope it provided for "back-door" immigration where visitors on student visas subsequently apply for protection visas, undertake illegal paid work or fail to attend their educational institution. The incidence of non-compliance with visa conditions tends to be higher in respect of students from certain countries and very low in others. Specific types of courses and sets of providers are also associated with higher levels of visa non-compliance (DIMIA 2002a).

¹ A rough calculation based on an estimated cost of course delivery of \$13.07 per hour, derived from the average public expenditure per annual hours of curriculum in 2001 (\$12.42) plus a five per cent private contribution (\$0.65). The figure is probably an under-estimate as capital costs are not included and the estimate of a five per cent student contribution (from Borthwick 1999) is based on 1997 data.

In July 2001, the Commonwealth government introduced a major reform of its visa class system for overseas students to reflect the different levels of risk associated with specific courses. Under the new system, the student visa class is split into sub-classes with different conditions applying to each sector. The five main sub-classes are: Independent ELICOS; Higher Education (undergraduate); Higher Education (Postgraduate); Schools; and Vocational Education and Training (VET).

Under the new visa system, countries are allocated a risk Assessment Level (AL) between 1 and 4 – where 1 indicates a low risk of visa non-compliance and 4 indicates a high risk. Students from countries ranked AL 4 must meet a more stringent set of visa conditions than applicants from countries ranked at lower levels. There are three threshold criteria on which overseas applicants must satisfy immigration officials in order to be granted a student visa:

- That they have the financial capacity to meet the cost of their course and their living expenses while in Australia
- That they have adequate English proficiency to undertake the intended course of study; and
- Other requirements specified by DIMIA, such as minimum education levels.

For student visa applicants under AL 1 (ie. low risk), the evidence required to meet these criteria is minimal². For example, students must simply make a declaration that they have access to sufficient funds (financial capacity) and their course provider can state that they have adequate English. In AL 4 countries, by contrast, VET students must show evidence of a money deposit held for six months in either their name or by a member of their immediate family that is sufficient to meet total travel costs, course fees and living costs for the duration of their course. They must undergo an English proficiency test and demonstrate a minimum IELTS³ score of 5.0 to 5.5. Other requirements include a minimum education level of Year 12 or its equivalent and evidence that the proposed course of study is relevant to their job or career. They are also restricted to VET courses at Diploma level or higher.

A country's AL can vary between the visa sub-classes for each sector. For example, in Indonesia, students applying for a VET course are AL 3 while higher education students are AL 2. Prior to 1 November 2002 (when revised assessment levels were introduced) Higher education (undergraduate) providers were given a lower AL than VET providers in sixteen countries. In only two countries – Burma and the Czech Republic – was the VET sector given a more favorable AL than higher education (and this has changed since 1 November 2002). See Table 2.

Some of the visa requirements under AL 3 and AL 4 differ between VET and higher education students. For example, under AL 4, commercial loans are acceptable as evidence of financial capacity for Higher education students but not for VET students. Under AL 3, Higher education students may obtain financial support from anyone while VET students are restricted to family members. Under AL 3 and AL 4, VET

² Of the twelve countries with an AL 1 ranking for VET courses, nine were in Western Europe and the others were Japan, Hong Kong and Malaysia (after 1 November 2002, new rankings were introduced).

³ International English Language Testing System

students are required to demonstrate the relevance of their proposed course to their job or career whereas higher education students do not have to meet this requirement⁴.

Table 2 Risk Assessment Levels (AL) for VET and Higher education (undergraduate) in selected countries.

Country	VET	U/grad.	Country	VET	U/grad.
Botswana	3(2)	2	Korea	3	3(2)
<i>Burma</i>	3	4(3)	Nepal	4	3
Canada	2(1)	1	PNG	2	1(2)
<i>Czech republic</i>	1(2)	2	Singapore	2	1
Fiji	4	3	South Africa	3(2)	2
France	2(1)	1	Sri Lanka	4	4(3)
Germany	2(1)	1	Taiwan	2	1
India	4	4(3)	USA	2	1
Indonesia	3	2	Zimbabwe	3	2

Source: DIMIA 2002b *Student Visa Country Assessment Levels*

Notes: Risk Assessment levels are those applying prior to 1 November 2002. The new risk assessment factors introduced in November 2002 are indicated in parentheses.

Impact of the new visa system on VET

Since the new visa system was introduced on 1 July 2001, the total number of visas granted to overseas students increased by four per cent. However the VET sector experienced a significant loss of international students. The number of visas issued to VET students fell by 7,313 (23 per cent) between 2000-2001 and 2001-2002.

Table 3 Total Student Visas granted by sector, Australia.

	2000-2001	2001-2002	Change	
Independent ELICOS	30,922	23,523	-7,399	-24%
Higher Ed (u/grad)	45,414	53,500	8,086	18%
Higher Ed (postgrad)	20,457	27,143	6,686	33%
Schools	10,572	12,410	1,838	17%
VET	31,963	24,650	-7,313	-23%
Other	7,240	10,668	3,428	47%
TOTAL	146,568	151,894	5,326	4%

Source: DIMIA 2003 *Unpublished Data*.

Notes: Period refers to all visas issued between July –June 2000-01 and 2001-02.

In the Higher Education sector, by contrast, the number of international students increased by 18 per cent for undergraduate courses and 33 per cent for postgraduate courses. The VET sector now accounts for only 16.2 per cent of total student visas granted, compared to over 21.8 per cent prior to the policy change. The Higher education sector (both undergraduate and postgraduate) accounts for over 53 per cent of total overseas students compared to 45 per cent in 2000-1 (see Table 3).

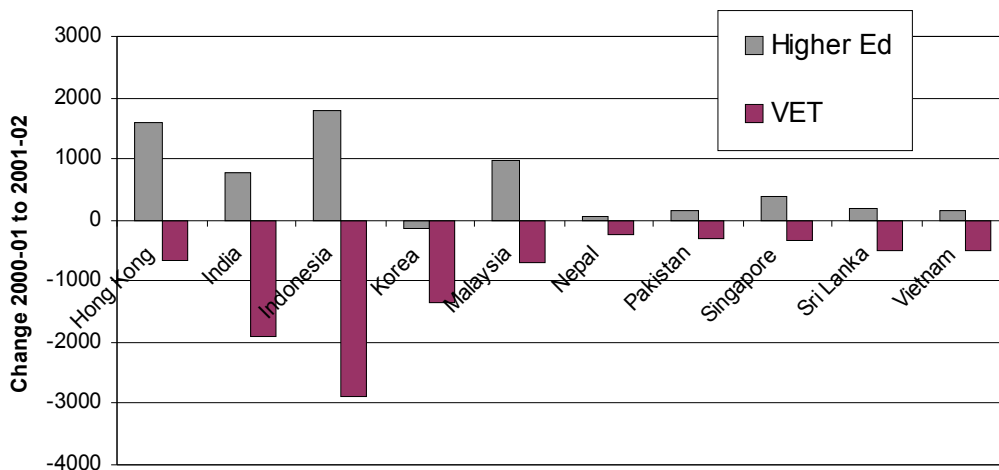
⁴ DIMIA is currently considering changes that would remove most of the inequities in visa assessment criteria between visa sub-classes within the same Assessment level.

Transfer of VET students to Higher Education

The new visa system appears to be encouraging the transfer of students from VET to the Higher Education sector. Figure 1 illustrates that in nine of the markets where VET providers lost more than 100 students between 2001 and 2002, higher education providers gained students. The most significant change occurred in India and Indonesia, from where VET providers lost a total of 4,788 students in the year after the policy change – a decline of 73 per cent in India and 70 per cent in Indonesia. Over the same period, visas granted to Indian students for undergraduate higher education courses increased by 56 per cent and Indonesian students in undergraduate courses increased by 52 per cent. Yet in the case of India, undergraduate higher education courses and VET courses had the same risk assessment level (AL 4).

DIMIA admits that some of the decline in visas granted to the VET sector could be accounted for by the rise in the number of visas granted to Higher education (DIMIA 2002a: Par. 4.35). It is possible that “packaging” of courses – where a VET course is undertaken within a package of courses including a higher education course – accounts for some of the difference in student numbers. Where packaging occurs, the visa sub-class is that of the principal course of study, not the preliminary courses. DIMIA suggests that increased “packaging” may be the cause of the transfer of students between VET and Higher education, particularly in India and Indonesia. If this is the case, the official statistics may overstate the extent to which student numbers have declined in the VET sector. However, the current limitations of DIMIA’s data collection system make it impossible to provide “conclusive advice regarding the effect of packaging on student visa statistics” (DIMIA 2002a: par. 4.35).

Figure 1 Changes in student numbers for VET and Higher Education from selected markets, 2000-01 to 2001-02.



Source: DIMIA 2003 *Unpublished data*

Notes: Period refers to visas issued onshore and offshore between July –June 2000-01 and 2001-02. Higher Ed refers to undergraduate courses. Markets selected are those where VET providers lost more than 100 students over the period.

Given the overlap in course offerings between the VET and Higher Education sectors (a VET Diploma is roughly equivalent to the first year of a Bachelor’s degree), students from AL 3 and AL 4 countries could choose higher education institutions

rather than VET providers, to avoid the more stringent threshold entry requirements for VET courses at this level. And in the sixteen countries where VET has a higher AL than universities, this would possibly encourage VET students to transfer sectors.

Survey of TAFE institutes

A country's risk assessment level (AL) is derived from the non-compliance rates of past students from those countries. The aim of our survey was to explore the extent to which non-compliance with visa conditions is an issue in respect of TAFE institutes.

Methodology

The Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) collects data on the number of student visa grants by visa sub-class and country of citizenship. These data are published in the DIMIA Discussion Paper, *Review of the 2001 Student Visa Reforms. Discussion Paper* available from the DIMIA website. Unpublished data sets were also provided by DIMIA for this project. In addition to data on student numbers, DIMIA produces lists of risk assessment levels by country and visa sub-class, published on their web-site

We knew that the visa non-compliance record for all VET providers must be relatively high because VET is given a higher AL than universities in at least sixteen countries. But from discussions with several TAFE Directors, we developed the hypothesis that TAFE institutes would not have the high non-compliance rate of other (mainly private) VET providers. No data were available to test this as the DIMIA database does not differentiate between TAFE and non-TAFE providers. We therefore surveyed TAFE institutes to collect the information necessary to illustrate the difference – if any – between TAFE institutes and other VET providers.

We designed a four-page printed survey to collect data on overseas student enrolments in TAFE institutes. The survey was developed in consultation with several TAFE institutes that are major providers of education to overseas students. The survey asked each institute for the number of their international student enrolments by country for two six-month periods – both before and after the policy change. The survey also asked for the number of overseas students reported to DIMIA for non-compliance with visa conditions in the twelve months from July 2001 to June 2002 and their total stock of international students over the same period. Finally, the survey asked for the respondent's opinions on the future of the overseas student market and other policy issues.

The survey was mailed out to Australia's 69 TAFE institutes in October 2002 by TAFE Directors Australia (TDA) with a reply date of 5 November 2002. Nine institutes advised that they did not enrol any overseas students. The remaining 60 institutes returned the survey. Data for TAFE institutes in New South Wales and Western Australia were provided by the central administration in those States. The Survey responses were entered onto an access database maintained by TAFE Directors Australia and institutes were guaranteed anonymity in reporting of the findings.⁵

⁵ The survey collected data on overseas students enrolled in TAFE institutes whereas the DIMIA data relate to the number of student visas issued. The two data sets are therefore not comparable.

Impact of new visa system on TAFE institutes

During the 12 months from July 2001 to June 2002, TAFE institutes enrolled 17,975 international students. As we only surveyed TAFE institutes, we cannot state with any accuracy what proportion of total overseas VET students were in TAFE institutes, during the period of our survey. However other data indicate that in 2000, the proportion of total overseas VET students in TAFE institutes was 22 per cent (Commonwealth of Australia 2002: 30).

Table 4 Enrolments of International Students, TAFE institutes, before and after the policy change

	Jan-June 2001	Jan-June 2002	Change	
ELICOS	4,502	4,899	397	8.8%
VET	7,644	8,307	663	8.7%
TOTAL	12,146	13,206	1,060	8.7%

Source: *Survey of International Students in TAFE institutes*

TAFE institutes do not appear to have lost enrolments since the new visa system was introduced. Total international enrolments in TAFE institutes increased by 8.7 per cent (1,060 students) in the first six months of 2002, compared to one year earlier, as shown in Table 4. Around two-thirds of these new students were in VET courses and one-third were studying ELICOS courses in TAFE institutes⁶.

Table 5 Trends in overseas student numbers in selected countries for TAFE institutes Jan-June 2001 to Jan-June 2002

Country (AL)	Jan-June 2001	Jan-June 2002	Change	
China (4)	690	1182	492	71%
Hong Kong (1)	1,335	1,647	312	23%
India (4)	821	529	-292	-36%
Indonesia (3)	966	819	-147	-15%
Japan (1)	1,577	1,907	330	21%
Korea (3)	1,497	1,485	-12	-1%
Malaysia (1)	277	398	121	44%
Mauritius (2)	201	195	-6	-3%
Sri Lanka (4)	411	354	-57	-14%
Taiwan (2)	439	480	41	9%
Thailand (2)	1,010	1,109	99	10%
Vietnam (3)	360	317	-43	-12%
All others	2,562	2,784	222	9%
Total	12,146	13,206	1,060	9%

Source: *Survey of International Students in TAFE institutes*

Notes: Countries selected are those with more than 200 students either before or after the policy change. China data include students on packaged visas for high school undertaking ELICOS in TAFE NSW English Centres.

⁶ Figures for January – June 2002 may be inflated due to transitional arrangements applying until March 2002.

In spite of the overall increase in overseas enrolments in TAFE institutes, there were substantial losses in student numbers from major markets. Table 5 shows the changes in overseas student numbers from major markets after the new visa system was introduced in July 2001. TAFE institutes generally gained students from countries with low risk Assessment levels (AL 1 and 2), and lost students from countries with higher risk assessment levels (AL 3 and 4) – with the exception of China (AL 4).

Visa non-compliance in TAFE institutes

In the 2000-01 financial year, the total stock of overseas students in Australia in all sub-classes was 152,445 of whom 7,060 had their visas cancelled for reasons other than deferral or withdrawal from their course– a visa cancellation rate of 4.63 per cent (DIMIA 2003). The rate of 4.63 per cent is the global average for all visa sub-classes. The non-compliance rate for each visa sub-class is not published by DIMIA.

Under the new visa system, the AL assigned to each country is based on: (1) the rate of onshore visa cancellations; (2) fraudulent documentation; (3) unlawful students; (4) visa refusals; and (5) the number of applications for protection or residence visas – other than on the basis of skill (DIMIA 2002a. par.2.18). We could not gather data on all five indicators in our survey, but TAFE institutes were able to advise us of the number of students they reported to DIMIA for reasons of: non-attendance; unsatisfactory progress; failure to provide address and “other” reasons. Of these factors, the first two categories are most likely to result in onshore visa cancellations. This is referred to as a “punitive” visa cancellation, as opposed to an “administrative” visa cancellation (ie. when the student defers, withdraws or goes home for some other reason). We can therefore estimate the rate of on-shore visa cancellations (both punitive and total) for overseas students in TAFE institutes.

Table 6 Visa non-compliance rate in TAFE institutes, compared to global average, July 2001 – June 2002

Course	Students	No. reported to DIMIA			Non-compliance rate			
		Non-attend.	Unsatis. Progress	Other	Punitive		All	
					No.	Rate	No.	Rate
ELICOS	6,776	145	19	5	164	2.42%	169	2.49%
VET	11,199	302	82	28	384	3.43%	412	3.68%
TOTAL	17,975	447	101	33	548	3.05%	581	3.23%
GLOBAL	152,445				7,060	4.63%	8,414	5.52%

Source: *Survey of International Students in TAFE institutes*. Global data provided by DIMIA.

Notes: “Other” refers to students reported for “failure to provide address” or “any other reason”. “Punitive” refers to number of student visa cancellations excluding where the student deferred or withdrew from the course.

As shown in Table 6, from July 2001 – June 2002, TAFE institutes reported a total of 548 students out of 17,975 to DIMIA for non-attendance and failure to make satisfactory progress. A further 33 students had their visas cancelled for other reasons (such as ‘failure to provide address’ and ‘other’). In respect of the 548 visa cancellations recognized by DIMIA as ‘punitive’, TAFE institutes record a non-

compliance rate of 3.05 per cent. This is below the global non-compliance rate for punitive cancellations of 4.63 per cent for all overseas students in Australia. The non-compliance rates for visa sub-classes are not published by DIMIA so we cannot confirm if 3.05 per cent is a lower non-compliance rate than the average for the VET sector. However, if we make the conservative assumption that the global average of 4.63 per cent applies to VET, the non-compliance rate for non-TAFE providers would have to be more than 5.08 per cent, as TAFE institutes (with a non-compliance rate of 3.05 per cent) are only 22 per cent of all VET providers enrolling overseas students.

A separate visa sub-class for TAFE institutes

Our survey demonstrates that TAFE institutes attract a higher proportion of genuine overseas students than other VET providers. This provides grounds for arguing that the visa requirements for the TAFE system should be determined separately from those applying to other VET providers. Lack of differentiation between private and public VET providers in the visa regulations was cited by 86 per cent of survey respondents as inhibiting their capacity to attract overseas student enrolments. All respondents agreed that differentiation between public and private providers in Commonwealth overseas student regulations would improve the viability and growth of Australia's overseas student market.

It is possible that a comprehensive survey of other VET providers would also reveal groups of institutions with non-compliance rates that are significantly above or below the average for the VET sector. As TAFE institutes cater for less than one quarter of all overseas students in the VET sector, it would be worthwhile for DIMIA to investigate the non-compliance rates of other VET providers to ascertain if any particular category of provider has a non-compliance record that is higher than the average rate for the VET visa sub-class. If so, DIMIA might consider ways to strengthen its overseas student policy by differentiating between several major provider groups within the VET sector. However this would need to be considered in light of the risk of making the system more complicated for prospective students. TAFE institutes are a distinctive sub-category of VET provider and have many systemic features, whereas other sub-categories of VET providers may not be as recognisable as a system.

As the purpose of the new visa system is to reduce illegal immigration by deterring non-genuine students from entering Australia, both TAFE institutes and other VET providers should be given risk assessment levels that accurately reflect their non-compliance record. Given what we now know about their visa non-compliance rates, combining TAFE institutes and other VET providers in the same visa sub-class undermines the effectiveness of the new visa system.

New risk assessment levels (AL) for TAFE institutes

Assuming visa cancellation rates for non-compliance are significant in determining a country's AL, we can estimate what the new assessment level for TAFE institutes would be if TAFE was a separate visa sub-class. Using the global average rate of visa non-compliance of 4.63 per cent, we have estimated new risk assessment levels for TAFE institutes' major markets based on the rate of visa non-compliance (Table 7). In

the DIMIA methodology for calculating risk assessment levels, the AL for each visa sub-class reflects the results for that sub-class compared with the results for all sub-classes on the same factors. The ALs are assigned as follows (the relevant visa cancellation rates are in parentheses):

- AL 4 countries exhibit two or more times the global average score (>9.26%)
- AL 3 countries exhibit the global average or higher, but less than twice the global average score (4.63% - 9.25%)
- AL 2 countries exhibit half the global average or higher, but less than the global average score (2.32% - 4.62%)
- AL 1 countries exhibit less than half the global average score (<2.31%)

(DIMIA 2002a. par. 2.18).

Table 7 Non-compliance rate and new risk assessment levels (AL) for TAFE institutes by selected country, July 2001 – June 2002

Country (VET AL)	Total students	Total reported	Non-compliance rate	New AL for TAFE institutes	Current AL for HE undergrad.
China (4)*	2,027	73	3.60%	AL 2	AL 4
Hong Kong (1)	2,183	90	4.12%	AL 2	AL 1
India (4)	779	38	4.88%	AL 3	AL 3
Indonesia (3)	1,345	34	2.53%	AL 2	AL 2
Japan (1)	2,195	19	0.87%	AL 1	AL 1
Korea (3)	2,569	60	2.34%	AL 2	AL 2
Malaysia (1)	390	6	1.54%	AL 1	AL 1
Mauritius (2)	199	1	0.50%	AL 1	AL 2
Sri Lanka (4)	555	25	4.50%	AL 2	AL 3
Taiwan (2)	671	21	3.13%	AL 2	AL 1
Thailand (2)	1,392	35	2.51%	AL 2	AL 2
Vietnam (3)	397	16	4.03%	AL 2	AL 3
All others	3,273	130	3.97%		
Total	17,975	548	3.05%		

Source: TDA 2002 *Survey of International Students in TAFE institutes*.

Notes: "Total reported" refers to students reported for 'failure to meet attendance requirements' or 'failure to make satisfactory progress'. VET and Higher education risk assessment levels refer to post 1 November 2002. Countries selected are those supplying more than 200 TAFE students in the year July 2001 to June 2002. China data include students on packaged visas for high school undertaking ELICOS in TAFE NSW English Centres.

Of the twelve countries that comprise 80 per cent of TAFE institutes' overseas student market, seven would move to a more favourable risk assessment category if TAFE institutes were a separate visa sub-class (Table 7). Four countries would remain at the same AL and one country – Hong Kong – would move to a higher risk assessment category (from AL 1 to AL 2). Only one country – India – would still be considered a high risk country (AL 3) if TAFE institutes were treated as a separate visa sub-class. Five major markets that are currently classified as high risk for the VET sector – China, Indonesia, Korea, Sri Lanka and Vietnam – would be ranked AL 2⁷.

⁷ These calculations are based on only one measure of risk – albeit an important one – visa non-compliance. In the case of China for example, DIMIA argues that high rates of fraudulent

Conclusion

The new visa system introduced on 1 July 2001 appears to be encouraging the transfer of VET students to higher education providers due to differences in the threshold criteria for VET and Higher education visas in countries rated as high risk (AL 3 and AL4); and a more favourable risk assessment rating granted to higher education students than VET students in many countries that were once major VET markets.

Our survey suggests that TAFE institutes should not be subject to the same risk assessment criteria as other VET providers because their non-compliance rate of 3.05 per cent is well below the global average for all students. The two groups of providers within the VET sector have different records in regard to visa non-compliance. Creating a separate visa sub-class for TAFE institutes would ensure that the risk assessment factors applied to TAFE institutes and other VET providers were more accurately aligned with the non-compliance record of the institutions within each group. As the purpose of the new visa system is to deter non-genuine students from entering Australia, TAFE institutes and other VET providers should be given risk assessment levels that more accurately reflect their non-compliance record. This policy change would enhance the integrity of the new visa system and promote the long-term viability of Australia's overseas student industry.

Acknowledgements

This research was funded by TAFE Directors Australia (TDA). The views expressed in this report and any errors or omissions are the responsibility of the author.

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documentation and visa refusals contribute to its AL 4 ranking (DIMIA 2002a)

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