



Migration Watch UK Summary of 'Strategic Review of the Student Visa Program 2011' Conducted by Mr Michael Knight for the Australian Government

Introduction

1. In 2010, the Australian government requested that a strategic review be carried out of the Student visa programme with the aim of ensuring that the system was "well positioned to respond to current and future challenges." The review examined and made recommendations on, amongst other things, managing migration risk and ensuring that compliance measures were in place to prevent misuse and breaches of the visa system. The author, Michael Knight, stated in his Executive Summary that a principal focus of the report was to improve the integrity of the student visa system.

The Report

2. The review took place following what was described as a 'perfect storm' of factors that had led to a decrease in visa applicants. This 'perfect storm' of factors included:

- Strength of the Australian dollar; especially compared to the US Dollar and the British Pound, the two major education competitors.
- Student visa changes which were justifiable on the grounds of integrity and national interest but were perceived as Australia being closed for business.
- Student safety concerns following an increase in crimes against students
- Bad publicity resulting from college closures
- Global financial crisis
- Increased global competition

3. Various principles underpinned and shaped the report and its conclusions, some of which are reproduced here:

- 'The international education sector is a good thing for Australia'
- 'Australia's "brand" depends on quality'
- 'While growth is generally positive it must be sustainable'
 - However it is clear that growth in the sector should not be an end in itself, it has to be positive and it has to be sustainable. With regards to the sustainability element, the report states "**Even high quality growth can bring its own problems. Increasing student numbers puts pressure on infrastructure, rents, community services and in some cases, the level of community acceptance.**" (p.5)

- 'There will always be a link between study and migration – even if it is only in the minds of prospective students'
- 'There is an inherent conflict between increasing the size of the international education sector and reducing the risk to the integrity of migration control'
 - It is impossible to have massive numbers of international students and no risk to migration control; even when bogus establishments are removed from the equation there is still "substantial risk in the system". (p. 6)
- 'It is the Australian government of the day which decides what is in Australia's interests'
 - Many individuals have an interest in the system, **"But in the end it is the Australian Government, not students, not agents, not educational providers, not individual employers or even state governments which must decide what the appropriate link is between the international student sector and Australia's migration policy."** (p.6)
- An effective student visa system involves "playing the percentages"
 - The system must be based on management of risk
- 'The best way of reducing migration risk is to refuse the initial applications of people seeking to exploit the system'
 - The report continues: **"The financial costs of removing from Australia those who breach their visa conditions are comparatively high compared to the costs of rigorously assessing their initial applications. Therefore a dollar spent on dealing appropriately with high risk applicants in their own country at the time of their application could save the Australian taxpayer many times that amount in detection and appeal processes should such an applicant get to Australia"**. (p. 8)
- 'Resources should be concentrated on targeting risk'
 - The report is clear that **"The primary place for targeting resources to high risk applicants is "offshore" when the initial application is made"**. (p.8)
- 'In order to combat new rorts [risk] as they emerge, the rules and procedures cannot be static'
 - The system must be responsive and adjust to ensure that the integrity is not compromised.

Migration Trends in Australia

4. Student enrolments in the higher education sector grew steadily between 2002 and 2009-10. In the VET (Vocational Education and Training) sector, enrolments quadrupled in just six years. In 2010-11, following the perfect storm of factors outlined above, student enrolments fell in all of the sectors except higher education, with the most notable decreases seen in the VET and English language sectors. The report notes that this reduction in enrolments would clearly have a knock on effect since, not only would there be a loss of income from fees, but also a loss to local economies in the form of rent and money spent by students.

5. However, it is noted that one of the reasons for the growth in student numbers towards the end of the last decade was a government policy that linked international education and permanent migration. A scheme, whereby students gained an almost guaranteed right to permanent residence if they studied a course on a very long shortage occupation list, was driving migration. The result was that some reputable institutions "ramped up courses" and less reputable institutions set up courses **"with no serious educational purpose but basically designed to get fees from students en route to a migration outcome"**, i.e. settlement, and that entire institutions were set up solely as a means of circumventing immigration rules. (p.15)

6. Many students gained permanent residence in Australia through this route yet are not now working in the occupations for which they were trained. The report notes that **“Our capital cities do seem to have a lot of taxi drivers who studied commercial cookery, hairdressing or information technology”** and that **“Australia ended up with a lot more migrants but that of itself did not adequately address the nation’s skill shortages.”** (p. 15)

Universities as distinct from other education providers

7. The author of the report is clear that universities have a special status distinct from Vocational Education Colleges, Language schools and other types of educational institutions. Not only are there sound public policy reasons for treating universities differently from other education providers, but there is also a taxpayer imperative.

- Universities students are generally a lower immigration risk due to historically higher compliance rates
- Treating universities differently is a means of preserving their quality.

8. In consequence it was recommended that university applicants be treated as low risk in the visa process irrespective of their country of origin. There is a key caveat however; the authorities were to reserve the right to scrutinise an applicant if they so required – essentially the authorities were to maintain their discretion. This benefit should also apply to courses that are part of a package with a university course, such as an English language course.

9. However, if a university is found to have poor visa outcomes it should have this special status removed and all applicants would have to be vetted more rigorously.

Application Process

10. Not all of those who want a student visa should get one: “There must be some basic rules.” (p.19)

11. It is recommended that all applications must first be assessed to ensure that they are ‘a genuine temporary entrant’, i.e. that they intend to return home. This assessment should be made based on their circumstances in their home country, potential circumstances in Australia, immigration history, the value of the course to the applicant’s future and background intelligence.

12. Only then is it appropriate to assess the second key criterion, whether the applicant is a ‘genuine student’.

Post Study Work

13. As a means of ensuring that Australia remained competitive, it is recommended that Bachelor and Masters students who study for at least two years and demonstrate visa compliance should receive two years post study work rights. Most of Australia’s competitor countries offered a post study work scheme, except the UK “which recently restricted, but not abolished, this entitlement due to very high levels of unemployment among their own university graduates.” (p. 37)

Higher Degrees by Research

14. Student applicants who wish to study higher degrees such as post graduate and PhD should also be treated as low risk and should acquire post study work rights after completion of their course.

Non-university Higher Education and Vocational Education and Training

15. VET colleges have been impacted significantly by the visa changes; there are VET providers that were dependent upon the link between their courses and migration outcomes (settlement) to maintain their student numbers. The author makes clear that he is not prepared to recommend a closer link between VET courses and permanent migration in order to restore student levels, which would be in the financial interests of the VET sector but not the national interest. (p.60)

16. The report recommends little or no direct changes to the rules and arrangements relating to the non-university higher education and VET sector.

English Language

17. The majority of English language students on student visas went on to study either in the higher education sector or the VET sector.

18. The report recognises that the experience of the authorities suggests that poor English language ability is common amongst those students who are more of an immigration risk but makes clear that this is only 'co-related'.

19. It is recommended that only those students who plan to study a stand-alone English language course should have their English language requirement removed.

Other issues

20. The report also considers issues relating to schools, agents, and transnational education and makes various recommendations which can be found in full in the report.

Conclusion

21. The Knight report is a thorough and sound analysis of and prescription for the student visa system. Its focus is at heart, not the narrow financial interests of special interests groups, but rather the national interest. The report makes clear that abuse undermines Australia's reputation and that it should not be allowed. The author makes a package of 41 recommendations which were accepted in their entirety and some of which can be found in Annex A.

4 April, 2012

Annex A – The Recommendations

The recommendations can be viewed in full in the [report](#). A selection of relevant and notable recommendations has been produced below.

1. That a new element be introduced into the eligibility criteria for a student visa. That new criterion will be to assess whether the applicant is a genuine temporary entrant. This new criterion should be the first to be considered in assessing any application for a student visa.
2. A successful applicant must be both a genuine temporary entrant and a genuine student.

3. Streamlined visa processing for universities

3.1 That all students in the categories set out below, irrespective of their country of origin – but subject to provisions should be treated as though they are all AL1 (low migration risk).

3.2 This treatment should apply to the following university student applicants:

- Bachelor Degree;
- Masters Degree by Coursework.

3.3 The special treatment should not apply to:

- short courses;
- Associate Degree;
- Graduate diploma;
- Graduate certificate;
- Diploma and Advanced Diploma;

3.4 The benefits should also apply to courses which are explicitly packaged with an eligible university course.

3.5 The government should continue to require appropriate health checks, health insurance, character (predominantly criminal record/connections) and security checks.

3.6 The government should also reserve the right to exclude certain high risk groups from the streamlined approach for university applicants. For example, the government might want to carefully assess all applicants from a persecuted minority group in a particular country.

3.7 Applicants from such a group might have a huge incentive to apply for protection visas as soon as they reach Australia. The Australian Government may or may not wish to take such people on humanitarian grounds but that should be a separate decision and should not get mixed up with the process of granting visas for university students.

4. Post Study Work Rights

4.1 All graduates of an Australian university Bachelor degree, who have spent at least two academic years studying that degree in Australia, and who have complied with their visa conditions, should receive two years work rights.

5. That all Higher Degree by Research (HDR) students be treated as though they are all AL1 applicants (*low migration risk*).

6. That all Higher Degree by Research students be given unlimited work rights.

7. Masters by Research graduates should receive three years post-study work rights and PhD graduates four years.

8. DIAC should concentrate its compliance and integrity resources in relation to student visas on the highest risk areas.