

Support for International Education and Melbourne's economic recovery

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Purpose and Background

1. The purpose of this report is to inform Councillors of the City Economy Advisory Board's (CEAB) advice in relation to the international education sector and seek the support of both the Victorian and Australian governments in having international students return to the City of Melbourne.
2. The CEAB was established by Council in July 2020 to coordinate and draw on advice and ideas from business and community leaders in relation to the response to the impact of COVID-19 on the central city economy. Chaired by the CEO, the CEAB consists of representatives from industry associations, private sector organisations, state and Commonwealth government departments, universities and economic advisers (refer Attachment 2).
3. The CEAB has subcommittees focused on key challenges faced by the city. The Knowledge City and International Education subcommittee, chaired by Martin Bean, Vice Chancellor of RMIT, has provided recommendations regarding the reactivation of the international education sector. The recommendations aim to redesign Melbourne's knowledge system, fostering new opportunities to support transformational experiences and create a thriving knowledge city (refer Attachment 3).
4. Pre-COVID, there were more than 200,000 international students from 170 countries living in Melbourne. International education has been Victoria's largest services export for over ten years and in 2019 it generated \$13.7 billion in export revenue for the state.
5. The Council has supported international students during the COVID-19 crisis via a number of programs. These include an International Education Virtual Workshop, the Our Shout food voucher system, online wellbeing initiatives, pathways to employment programs and advocacy to other governments to increase their support for international students.

Key issues

6. COVID-19 has devastated the international education sector in the City of Melbourne, with profound economic and social impacts. With no new arrivals, international student numbers are currently at half of pre-COVID19 levels. Economic modelling undertaken by PWC estimates the education sector in the City of Melbourne will experience a \$1.517 billion drop in output due to COVID-19, with 6800 fewer jobs. For every dollar lost in university tuition fees, another \$1.15 is lost in the broader economy due to a reduction in student spending.
7. International students are currently not able to arrive or return to Victoria from overseas due to current restrictions on incoming arrivals. The Australian government gave states and territories a deadline of the end of November to finalise plans for the safe return of international students. The Victorian Government did not meet the deadline, but advises that it is continuing to work on a plan.
8. The Victorian budget, released on 24 November, was built on an assumption that there would be no significant return of international students until 2022.
9. Given the success with which Australia has contained COVID-19, Australia is an extremely attractive destination for international students. If international students are able to return to Australia, this could represent a strategic opportunity to gain market share.
10. Countries such as Canada and the United Kingdom are already allowing the return of offshore students. If international education is unable to return to Australia in 2021, Australia risks losing market share to other countries, with severe long-term consequences.
11. Key recommendations from the Knowledge City and International Education subcommittee include:
 - 11.1 Create a dynamic digital platform to provide immersive and transformative student experiences.
 - 11.2 Provide students with 'a welcome like no other'.
 - 11.3 Ensure international students have access to quality transport and accommodation, enhancing

- 11.4 the value proposition of Melbourne as a study destination.
- 11.5 Develop and foster a vibrant set of innovation precincts across Melbourne.
- 11.6 Over the long-term, create more sustainable and open public spaces.
- 12. While some of these recommendations are being considered for incorporation into Council programs, many will require the support of the Victorian Government to deliver. These include, but are not limited to:
 - 12.1 A standardised accommodation accreditation system.
 - 12.2 Public transport discounts for international and postgraduate students.
 - 12.3 Further development of the Study Melbourne website.
 - 12.4 Support for students while in quarantine.
 - 12.5 Development of key innovation precincts, including Melbourne Innovation District, Parkville and Fisherman's Bend.
- 13. Recently, the Victorian Government announced a new \$33.4 million package to support policies and programs for the state's international education sector. As the State rebuilds from the economic and social issues caused by the COVID-19 pandemic, this funding package seeks to re-establish Victoria's position as Australia's top destination for international students.

Recommendation from management

- 14. That the Future Melbourne Committee:
 - 14.1 Notes that the return of international students will be critical to the recovery of the City of Melbourne economy.
 - 14.2 Requests the Lord Mayor urgently write to the Victorian and Australian governments requesting that all necessary measures be put in place to allow for the return of international students in time for the 2021 academic year.
 - 14.3 Requests the Lord Mayor write to the Victorian Government seeking its support for implementation of the recommendations from the Knowledge City and International Education Sub-Committee of the City of Melbourne City Economy Advisory Board.

Attachments:

- 1. Supporting attachment
- 2. City Economy Advisory Board – Terms of Reference
- 3. Knowledge City and International Education Sub-Committee Membership and Recommendations

Supporting Attachment

Legal

1. There are no direct legal issues arising from the recommendations.

Finance

2. The recommendations have no financial issues.

Conflict of interest

3. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

Health and Safety

4. In developing this proposal, no Occupational Health and Safety issues or opportunities have been identified.

Stakeholder consultation

5. The Knowledge City and International Education Sub-Committee convened leaders across Melbourne's education community. The Sub-Committee presented the five recommendations to the City of Melbourne City Economy Advisory Board.

Relation to Council policy

6. Alignment with Council Plan - A city for people, A creative city, A prosperous city and A knowledge city

Environmental sustainability

7. In developing this proposal, environmental sustainability issues have been considered and no direct issues were identified.