22 July 2016

Higher Education Reform Feedback
Higher Education Group
GPO Box 9880
CANBERRA ACT 2601

By email to HEReform@education.gov.au

Dear Sir

Driving Innovation, Fairness and Excellence in Australian Higher Education

Chartered Accountants Australia and New Zealand is a professional body comprised of over 115,000 diverse, talented and financially astute members who utilise their skills every day to make a difference for businesses the world over.

Members are known for their professional integrity, principled judgment, financial discipline and a forward-looking approach to business which contributes to the prosperity of our nations.

We focus on the education and lifelong learning of our members, and engage in advocacy and thought leadership in areas of public interest that impact the economy and domestic and international capital markets.

We are a member of the International Federation of Accountants, and are connected globally through the 800,000-strong Global Accounting Alliance and Chartered Accountants Worldwide which brings together leading Institutes in Australia, England and Wales, Ireland, New Zealand, Scotland and South Africa to support and promote over 320,000 Chartered Accountants in more than 180 countries.

As leaders of the accounting profession we share a common interest with you in supporting higher education in Australia. We are keen to provide advice and expertise where relevant.

As in many countries over the last 3 decades or so, universities in Australia have been subject to substantial change and expansion. The Australian higher education student cohort has grown from 441,000 in 1989 to 1.4 million in 2014 (Australian Government, 2015). This has been accompanied by a progressive decline in direct government support per student and a substantial increase in funding flowing from national research granting bodies. Australia’s universities have offset the decline in per student government funding by accessing the volatile international higher education student market. In 2013, there were 348,000 international students enrolled in Australian higher education institutions onshore and offshore (constituting 25% of the total student numbers) (Australian Government, 2015). As you noted in the Discussion Paper “Education is one of our largest exports. Higher education delivers the lion’s share of this, earning just over two thirds of Australia’s $19 billion in education export income in 2014–15 and a large proportion of the nearly 130,000 jobs nationally that international education supports. International students studying in Australia, along with visiting friends and family, add significantly to the tourism industry, as well as enriching our campuses and communities through increased cultural diversity. At the same time, the introduction of unrestricted competition between institutions for domestic students over the past 3 years has increased uncertainty and difficulty in forecasting enrolment numbers for some universities”.

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We draw your attention to one particular issue that required investigation and government policy that is the cash nexus. We do not advocate more government spending, but a fairer and equitable internal allocation of student fees to support quality educational and excellent graduate student outcomes. Of particular interest is the release of the Grattan Institute report, The cash nexus: how teaching funds research in Australian universities. The report outlines how universities use students’ tuition fees to subsidise research rather than teaching.

Our view is that this is not the only principal issue at stake in higher education funding. Of concern to us and our members is that revenue raised by accounting programs via students’ fees is used to cross-subsidise other disciplines and faculties in universities.

Our work in relation to higher education funding dates back to 2010 and is available from our Academic Leadership Series. These publications are aimed at thought leadership for the accounting profession and discuss and debate issues of importance to Australia’s national interests.

We highlight via attachment to our submission, Burritt, R., Evans, E, and Guthrie, J. (2010), “Challenges for accounting education at a crossroad in 2010”, in Evans, E., Burritt, R. and Guthrie, J. (eds) Accounting Education at a Crossroad in 2010, ICAA, Sydney, which highlights the issue of funding and the so-called "cash cow" effect of taking money from accounting student fees and using it to cross subsidise other disciplines since the 1990s.

Business Schools in Australia graduate three out of five students, half of which are international students. International students are mobile and discerning consumers of higher education and are spoilt for choice in the international education marketplace. To maintain and grow the number and calibre of these students necessitates investments aligned to their preferences for high quality education services that advance learning, engagement and employability.

The practice of higher education providers to appropriate most of the revenue earned by local masters and international accounting programs to other areas in their institutions is counter to this objective. While some level of cross-subsidisation is to be expected, we understand that the extent in many instances in excessive as indicated by our members who are accounting academics. The outcome is an undermining of quality, evidenced by recent movements in our top accounting and finance programs in Australia – from 2014 to 2015 the performance of each of Australia’s top ranked accounting and finance programs fell.


Professor Philomena Leung (2014), provides research capturing the unique position that Australian accounting schools play in the Australian higher education system. In her article, Leung identifies international students as a major export for Australia, and her article provides review and analysis of the trends and issues associated with international students, in particular, the significant challenges presented to universities and, especially, accounting schools. International accounting students are one of the biggest cohorts of international students. The Master of Professional Accounting in elite universities can cost an international student nearly $80,000 of which only a small proportion of this amount is spent on educating them.

Recently, the USyd VC article in Conversation highlighted cross-subsidisation of research by teaching and acknowledges the impact of mass teaching on quality....

Professor Philomena Leung argues that international student mobility from countries such as China is a complex and fragile phenomenon as it is subject to a range of factors including government policies, economic and financial growth of nations, currency exchange, and quality of education, reputation of institutions, cultural preferences and social influences.

Leung’s article examines in detail the overall trends in relation to international students, and the perspectives of Australian accounting schools in managing the complexity of student learning, research and revenue contribution. She highlights that accounting schools provide a significant source of income to universities. However, depending on the internal budgeting model used, accounting schools are subject to different internal tax rates (we are told as high as 80% of student fees) by universities and faculties, providing massive cross subsidies to other parts of the university. This leads to the commonly held view that accounting schools are ‘cash-cows’, helping to fund the overall growth of a university and assisting in the maintenance and growth of other departments. Also, in managing large numbers, Business Schools adopt large and growing class sizes sometimes with over a two thousand students registered in accounting class.

University research matters to Australia, but the evidence that it improves teaching is less clear. Much of the surplus funds from teaching fees is generated by Business Schools and the accounting discipline in particular, but the additional research spending is mainly in other faculties. The students paying for the additional research receive at best indirect reputational benefits.

Direct spending on teaching is more likely to ensure that universities offer the courses students want at a high quality.

We urge you to consider this important issue, placing the long term sustainability and quality of Australia’s higher education offering ahead of short term gain.

Yours sincerely

Lee White FCA
Chief Executive Officer

Attachments


Chapter 1
Challenges for Accounting Education at a Crossroad in 2010
Roger Burritt, Elaine Evans and James Guthrie

It is timely in 2010 to revisit debates about the future of accounting education in Australia. It is two decades since the Mathews report (Mathews et al., 1990) made a series of recommendations covering a broad range of issues for the accounting discipline including resourcing, quality of programs, and the need to integrate communication into accounting programs.

The main purpose of this book is to report on a forum that investigated contemporary challenges in accounting education in Australia. In particular, the various contributions discuss the interface between the academy and the profession in determining future directions. The book's objective is to provide a foundation for an open national discussion on possible strategies, issues and changing skill sets for accounting graduates, accounting academics and higher education providers, by identifying major challenges and strategies for addressing them. The major challenges for Australian accounting education in the near future are addressed in nine chapters and are presented by the following contributors.

First, Parker examines whether accounting education can survive a high-volume, low-cost, lean, casualised higher education delivery model. Ryan tackles the second major challenge, that is, what organisations will teach accounting students in 10 years' time? Will it be professional associations, private providers (all with low cost delivery systems) or public universities with social and research responsibilities? Lightbody then looks at the impact and future of professional accreditation on accounting education. Tilt examines the impact of academic accounting research on professional practice. Freeman deals with the likely impact of changes announced in the Australian Higher Education Sector (AHES) since May 2009. His focus is specifically on the academic standards project. Hancock, et al. take on a sixth major challenge for accounting educators, that is, what are the strategies for including non-technical skills in the curriculum while at the same time maintaining the quality and level of technical competency? Poullaos considers the shifts in the profession/academy relationship entry as a result of alternate pathways into professional programs and the future role of professionally accredited degree programs. Wright and Chalmers ponder the future for accounting academics in Australia. Finally, Evans carves out a jurisdiction for accounting education in universities where there is an academic approach that expands, develops, critiques and even defends professional accounting's knowledge base and field of practice.

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1. The Centre for Accounting, Governance and Sustainability (CAGS), a research centre at the School of Commerce, University of South Australia and the Institute of Chartered Accountants in Australia (the Institute) South Australia branch hosted the forum on 4 February 2010 with the purpose of investigating contemporary challenges relating to accounting education, academia and the accounting profession in Australia. Over 50 people registered for the forum which was co-chaired by Professor Roger Burritt, Director of CAGS, and Professor James Guthrie, Head of Academic Relations for the Institute.

2. The forum was attended by participants from 19 Australian universities, and representatives from two major professional accounting bodies, the Institute and CPA Australia, as well as representatives from the Accounting and Finance Association of Australia and New Zealand and the Australian Learning and Teaching Council.
This book is targeted at a variety of policy, professional and academic stakeholders and therefore treads the middle ground between a professional and research-type publication.

**Context**

While our personal observations are based on our own experiences as professors in large business schools in Australia, these observations also apply to business schools elsewhere. Higher education is one of Australia’s largest export industries and the AHES is the biggest provider of international tertiary education in the world (DEEWR, 2008a). One Australian university alone has over 17,000 effective full-time students (EFTS) enrolled in a business school, many of whom are undertaking accounting education (DEEWR, 2008b).

The last decade has seen significant changes in the AHES and there is no doubt that this has impacted on the quantity, quality and course offerings for accounting students in Australia. But where will business schools be in the future? Parker and Ryan, in Chapters 2 and 3 respectively, ask us to imagine the university 10 years from now – a university without a business school. A few academics may have reinvented themselves into experts in climate change, health or transport, and one or two management academics may have returned to their original disciplines in sociology, psychology or statistics. However, the majority, especially accounting and finance academics, will have retired or be employed with private higher education providers. Chapters 3, 5, 9 and 10 explore good reasons why the business school should remain within the university, not least of which is the important role of business within society and the values held by business academics.

And what is the role of the market and globalisation in creating the business school? Chapters 2 and 3 note that the rise of business degrees in universities was the direct result of the massification and later marketisation (deregulation) of the AHES (see also Ryan and Guthrie, 2009; Parker and Guthrie, 2010). ‘Business’ degrees appeared in universities following amalgamations with Colleges of Advanced Education (CAEs) in the 1980s, the beginning of the massification of higher education in Australia (Evans and Juchau, 2009). By responding to this demand and creating further demand through new international and offshore markets, business schools have flourished in the corporatised AHES environment and now provide a number of key challenges for accounting educators, professional accounting bodies, the profession and, of course, policy makers.

**The forum**

This book specifically focuses on the future of accounting education in Australia and has been developed from presentations made at a collaborative forum between the Centre for Accounting, Governance and Sustainability (CAGS) and the South Australia State Office of the Institute of Chartered Accountants in Australia (the Institute) in February 2010.

The main objective of the forum and hence this book was to bring together and express views of a variety of key stakeholders who have an interest in the future of accounting education, the challenges faced and possible solutions. Thus, the book draws attention to the views expressed at the forum by academics, practitioners and educators and suggests a way forward in relation to the issues raised. The forum and book provide support for the ongoing national open discussion on possible strategies, issues and changing skill sets for professional accounting graduates and accounting academia.
A second objective was to build dialogue relating to the relationship between professional accounting bodies and academia. Such dialogue is needed at a time when there is concern about globalisation of higher education of accountants, and tension between the growth of direct entry to the profession through the processes established by accounting bodies and indirect entry to the profession through universities accredited by the same bodies. Maintenance and improvement of the quality of graduate entrants to the profession, and mobility between different institutions from different countries, provide a substantial challenge for the future. Thought leadership is critical for the profession and for academia in these circumstances, and CAGS and the Institute are pleased to be able to encourage thinking about future strategies to address such issues through the ideas presented in this jointly sponsored book.

Finally, it is the intention of the book to encourage an exchange of views about current and future accounting curriculum design. Universities have moved over the years from a position of tightly prescribed degree structures with little latitude for the development of broader educational interests, towards a loosening of requirements for economics and mathematics and a broadening of areas of concern to include professional communication, sustainability and problem solving in an international environment. In an era where power relations are shifting between developed and developing countries, career opportunities are being enhanced through the removal of barriers between nations. In a world where people have lost trust in many of the institutions and systems, present and future entrants into the accounting profession need to receive a rounded education, faced with a sense of empathy, understanding and humility in the face of matters involving the public interest as well as the private interests of their firms, or their clients.

**Short summary of the contributions from the chapters**

The chapters can be briefly summarised as follows. Chapters 2 and 3 explore the globalisation of AHES and possible effects on business schools and, in particular, accounting education. Parker concludes in Chapter 2 that it is bemusing that the tools we teach our university students in accounting are the tools that are now being used to drive us, the teachers. However, most accounting academics do not seem to have realised this. Parker states: ‘Can accounting survive such a high-volume, low-cost, lean, casualised higher education delivery model?’

In Chapter 3 Ryan tackles Parker’s question and argues that if the aim of accounting education is simply to produce technical accounting graduates, then the private sector might be better placed to do this than the university. She indicates that if the worth of business schools and accounting departments is measured by their ability to attract fee-paying students, then it is questionable whether this is a legitimate reason for accounting education remaining in the university. Ryan states that private providers are more suited to managing high volume, lost cost delivery systems without the overheads of research and the pressure to make a social contribution. However, if business and accounting education is about more than filling labour market shortages, promoting immigration and generating institutional revenues, then the future may well be different, as recent empirical evidence in South Australia indicates (Tingey-Holyoak and Burritt, 2009).
Chapter 4 looks at the impact and future of professional accreditation on accounting education. Accreditation has traditionally been important for accounting schools. Lightbody states that while it is difficult to isolate the effect on accounting schools that are solely related to accreditation in general or to a particular accreditation scheme, accreditation has undoubtedly had a significant influence on accounting education in the past and continues to do so in the present.

Chapter 5 engages with the impact of academic accounting research on professional practice. Tilt argues that in the field of accounting there have been claims from the profession that research has become too far removed from the interests of practitioners. However, she shows that such claims have been refuted by researchers who in turn point out the shortcomings of current practices, and may even consider that practical issues of concern to accountants are not important enough to warrant the attention of researchers. Tilt concludes by stating that from a practitioner perspective there needs to be a little more understanding of what is the role of the academic: that a major part of the academic's role is to critique, to challenge, to engage in debate, and these are as important as producing practically useful research.

Chapter 6 deals with the likely impact of changes announced in AHES since May 2009. Freeman's focus is specifically on the academic standard setting process which aims to establish threshold or minimum standards for graduating students. He argues that this process, which in the Business discipline is focusing on accounting education in 2010, will have significant impact on its learning and teaching. Freeman concludes the chapter by stating that the process of developing appropriate standards is still not complete: 'active engagement' is the key to action for accounting educators.

In Chapter 7 Hancock et al. investigate accounting for the future. This chapter reports on their timely project on this matter, Accounting for the Future, and reviews the changing skill requirements for professional accounting graduates graduating from university accounting programs over the next 10 years. They found that accounting education should include some non-technical skills in addition to a minimum level of technical competency. Communication, problem solving, critical analysis, self-management and teamwork are all rated as important non-technical skills by Accounting for the Future and many other studies. Finally, they offer up several challenges for accounting academics and university administrators in terms of achieving the changes proposed.

Chapter 8 examines the profession/academy relationship entry into professional pathways programs. Poullaos's historically informed chapter provides insights into the implication that the profession/academy relationship will shift as the role of dedicated university 'accounting' programs as providers of entry-level accounting labour diminishes, at least in terms of numbers. In brief, the role of university accounting degrees in the production of professional accountants is up for renegotiation in 2010.

Chapter 9 looks at the future for accounting academics in Australia. Wright and Chalmers's thoughtful chapter argues that the accounting education landscape is impacted by two labour markets: the market for accountants, and the market for accounting academics. In many countries in the past decade, the market for accountants has been characterised by changes in both the demand for, and the supply of, accounting graduates. Similarly, there have been unprecedented changes in the demand for, and the supply of, accounting academics. These changes have had a major impact on accounting departments and accounting academics.
Finally, in Chapter 10, Evans reflects on many of the challenges presented by the other authors. She contends that accounting academics are the trustees of the accounting profession and as a consequence argues for an academic approach to education that emphasises the importance of a grasp of theory and general accounting principles underpinned by research. This approach serves to expand, develop and critique the profession’s knowledge base. Rather than engage in jurisdictional disputes with employers (about the nature of vocational knowledge) and with the profession (about who determines professional knowledge), the academy can co-operate with both these jurisdictions in widening and deepening the profession’s knowledge base.

**Conclusion and recommendations**

The opportunity for academics to engage in dialogue with the profession concerning the challenges facing accounting education is welcome. At the forum, the presentation of eight main challenges was subject to comment and rebuff by other participants. The outcome of robust debate in an open forum at the end suggested the need for a set of actions to help lead the debate forward. The following provides a list of seven proposed actions that emerged from the final question and discussion session at the forum.

**Action 1**

The Institute and CPA Australia should jointly commission a taskforce of employers, early career accountants and management educators to identify management skills, education opportunities and requirements for accounting students and professionals to discuss the issues and challenges facing accounting education. However, accounting academics are not to be included in this taskforce.

**Action 2**

Before academia ‘puts their house in order’ the professional bodies should clarify their strategic objectives. Are they the safe keepers of professional standards or are they businesses where market share growth and cash flow are the principal objectives?

**Action 3**

There is a need to explore what makes a well-rounded, employable graduate. What skills are required and where do they come from? Is this the responsibility of the universities? It is acknowledged that graduates need to have had part-time jobs or volunteer experience.

**Action 4**

The links between profession, academics and industry (not enough pressure is currently put on industry to contribute) to develop appropriate quality graduate skills need to be built. But universities need to help to develop work experience programs, etc., which have been shown to develop graduates’ skills greatly. The profession can be a conduit between academics and the industry.

**Action 5**

An annual forum of the professoriate in accounting to discuss strategy could be very effective in bringing new ideas relating to the profession and the development of government policy in relation to (accounting) education.
Action 6
The issue of how access to work experience positions can be improved needs to be addressed. Most positions are currently filled by local students and not international students.

Action 7
A forum needs to be established that focuses on key issues: funding of accounting education; new accounting academics; and lost PhD graduates to the United States because of salary relativities.

In conclusion, accounting education in Australia has not progressed much since Mathews et al.'s (1990) report. The challenges laid down for the profession and the academy could be taken up through the adoption of some of the avenues for action outlined above. But the key is collaboration and co-operation. The lack of recognition of accounting as a worthy discipline within universities; the chronic under-funding of accounting departments/schools; the high student/staff ratios; staffing shortages; the over-representation of international students in accounting/business schools; the dependence on full-fee-paying students; and the continued threat to quality are all issues raised in Mathews et al.'s report 20 years ago. Ryan, in Chapter 3 of this book, is hopeful that in 10 years' time accounting education (within business schools) will remain within the university, but warns that this depends on academics' contribution to professional knowledge being recognised – and valued – by employers and the profession. In the current climate, Australian accounting academics believe they have been relegated to mere fundraisers by the university administration.

The crossroad in accounting education in Australia is the intersection between federal government policy in relation to AHES, the professional accounting bodies, employers and academics. The way forward is an alliance between the academy and the profession that seeks to influence government policy and to co-operatively develop accounting education in the academy, in the profession and in the workplace.

The authors are indebted to the many people who made the forum and the book possible, especially the presenters and authors whose work appears in this book. The editors are also grateful for the number of colleagues who participated in contemporary debates about the future of accounting education in Australia. Gratitude is also expressed to participants in the Australian Accounting Education for the Future: Challenges and Possible Strategies forum held at the University of South Australia in February 2010.

All chapters in this book were subjected to refereeing and editing. The authors are most grateful to Graham Meyer, CEO of the Institute of Chartered Accountants in Australia, whose vision and financial commitment made this project possible. Our thanks are also due to Fiona Crawford and Sara Haddad, for their editorial support; to Joanne Tingey-Holyoak, Research Administrator at the Centre for Accounting, Governance and Sustainability, University of South Australia for her organisational and administrative skills; and to Julz Stevens, Knowledge Research, for her research support.
References


International Students in Australia: An Overview of Trends and Issues for Accounting Schools

PHIOMENA LEUNG

INTRODUCTION
The rapid growth of emerging economies has led to a shift in economic power and convergence. According to the OECD Development Centre’s publication, Perspectives on Global Development: Shifting Wealth, the economic and financial crisis has caused the acceleration of a long-term structural transformation in the global economy (OECD, 2010). The International Monetary Fund also reported that 2013 was the first year in which emerging markets accounted for more than half of the world’s GDP on the basis of purchasing power (The Economist, 2013). The Conference Board Global Economic Outlook 2014 projects that by 2025, the US and Europe’s share of global GDP will fall to 18% each, while China and India’s share will increase to 23% and 8% respectively (Conference Board, 2014). And, by 2030, nearly 60% of the world’s GDP will be represented by today’s developing and emerging countries (OECD, 2010).

The rate of development in emerging economies has resulted in a high level of demand for quality education for developing countries. Research from UNESCO’s Institute for Statistics indicates that enrolments at higher education institutions in emerging economies grew by 109% between 2001 and 2010, compared to only 28% at institutions in developed countries (OECD, 2013). Moreover, there is a growing trend for those who can afford it, of students from developing countries going abroad to gain quality education. Between 2000 and 2011, the number of international students studying outside their home country has more than doubled (OECD, 2011). At present, almost 4.5 million tertiary students are enrolled outside their country of citizenship. According to the OECD, the highest importers of foreign students are Australia, UK, Switzerland, New Zealand and Austria (OECD, 2013).

In Australia, the export income from education services contributed $14.5 billion in 2012–13 (the highest was $16.4 billion in 2009–10). While the largest numbers of international students are from China, India and Korea, Asian students account for 53% of all students studying abroad worldwide (AEI, 2013a). These
statistics show the fast-growing mobility of international students, especially those from countries with emerging economies. Australia is among the key destinations for these students.

International students primarily go to English-speaking countries to study, often in the fields of social sciences, business and law (more than 30% of the total are in these fields) (AEI, 2013a). The benefits of studying abroad as perceived by an increasing number of students are cultural enrichment, improved language skills, high-status qualifications and a competitive edge to access better jobs. Also, studying abroad helps students to expand their knowledge of other societies, languages, cultures and business practices. A reduction in the cost of international travel, the globalisation of businesses and the mobility of professionals also make it more attractive to study abroad. On the other hand, public and private providers of education increasingly see international students as a source of additional revenue from exports of higher education services. The revenue generated by international students during their period of study can be substantial to the host country, especially in terms of living expenses. Moreover, when foreign students stay on after graduation, they have a long-term influence on the economy.

While international students are a significant source of revenue for many Australian universities, they also present significant challenges. These challenges are arguably more acute in the discipline of accounting, as accounting has been the area that has attracted a significant number of international students in recent years. In Australia, international enrolments from 2010 to 2013 have been around 230,000 per year with a commencement figure of around 90,000 each year. Most of these students (nearly 60,000 of the commencements each year) came to Australia to study Management and Commerce (AEI, 2013a), and accounting is believed to have attracted a significant proportion.

International students represent a major export in Australia, and the present paper reviews and analyses the trends and issues surrounding international students, in particular in accounting, that have presented significant challenges to universities and accounting schools. In the following sections, I will discuss the trend of international students in Australian universities, and follow with a discussion of their impact on accounting schools.

TREND OF INTERNATIONAL STUDENTS

At the time of writing, government data in regard to international student enrolments and detailed summaries were only available up to the year 2012, while the latest research analyses of data by Australian Education International (AEI) was based on 2010 information. Hence I will discuss the 2010 trend as analysed, but where there is more up-to-date information, the 2012 data are used.

Tables 1 and 2 are based on the 2010 university student data. Table 1 shows the five universities that had the highest proportion of international students when compared with total students enrolled. Table 2 shows the five universities with the highest numbers of international students. These two tables indicate that for 2010, amongst the universities with the highest numbers of international students, Macquarie University in NSW had the highest proportion of international students when compared with the total student number. Also, almost half (48%) of the students at the University of Ballarat in Victoria were international students. In comparison, 6.7% of students studying at The University of New England in NSW were international students.

The high proportion of international students in some universities make these institutions more sensitive to fluctuations in the higher education system in Australia as a whole. On the other hand, the actual number of international students is more evenly dispersed. Larger numbers of international students can be found in Australia’s largest universities, with Monash University having both the highest number of domestic (40,300) and onshore international (13,400) students in 2010 (see Table 2).

A similar report into public vocational education and training (VET) institutions shows that the dispersal of international students studying in these institutions in 2010 was considerably more even than at universities, with no single public VET institution having an international student population greater than 16% (Holmesglen Institute of TAFE in Victoria) (AEI, 2011b). These differences are most likely due to the types of courses offered at different universities and VET

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1. Now The Federation University.
institutions, with some meeting the requirements of international students with specific international student programs.

However, since 2010, the number of international students has declined slightly due to factors that include the global financial crisis, the high value of the Australian dollar and the unfavourable publicity regarding some experiences encountered by international students in Australia. As a result, and as indicated in Appendix A, a decline in international student numbers, from around 21.3% to 19.7%, has occurred since 2011, based on the enrolments for 2012.

Appendix A shows that the top five universities that had the highest proportion of international students in 2012 (latest audited figures) were the University of Ballarat (44.1%) – which became the Federation University with effect from September 2013 – Bond University (35%), Central Queensland University (28.9%), Macquarie University (28.5%) and the Australian National University (26.8%). It is worthwhile to note that the University of Ballarat and Central Queensland University are regional universities, while Bond University is one of only a few private universities in Australia. Amongst these top five, Macquarie University is the only university in NSW with the highest proportion of onshore international students. The significant number of international students also means high risk in terms of any fluctuations in numbers, as there is a direct link to revenue dependency for the universities concerned. Indeed tertiary student mobility

### TABLE 1: INTERNATIONAL STUDENTS AS A PROPORTION OF ALL STUDENTS – 2010

<table>
<thead>
<tr>
<th>UNIVERSITY</th>
<th>INTERNATIONAL '000</th>
<th>DOMESTIC '000</th>
<th>TOTAL '000</th>
<th>INTERNATIONAL PROPORTION %</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Ballarat</td>
<td>5.1</td>
<td>5.6</td>
<td>10.7</td>
<td>47.7</td>
</tr>
<tr>
<td>Bond University</td>
<td>2.7</td>
<td>3.9</td>
<td>6.6</td>
<td>40.5</td>
</tr>
<tr>
<td>Central Queensland University</td>
<td>7.8</td>
<td>11.7</td>
<td>19.5</td>
<td>39.9</td>
</tr>
<tr>
<td>Macquarie University</td>
<td>12.2</td>
<td>24.1</td>
<td>36.4</td>
<td>33.6</td>
</tr>
<tr>
<td>Swinburne University of Technology</td>
<td>6.6</td>
<td>13.6</td>
<td>20.2</td>
<td>32.8</td>
</tr>
<tr>
<td>Total all universities</td>
<td>233.1</td>
<td>813.7</td>
<td>1046.8</td>
<td>22.3</td>
</tr>
</tbody>
</table>

**SOURCE:** AEI (2011a).

### TABLE 2: UNIVERSITIES WITH THE HIGHEST NUMBER OF INTERNATIONAL ONSHORE STUDENTS – 2010

<table>
<thead>
<tr>
<th>UNIVERSITY</th>
<th>INTERNATIONAL '000</th>
<th>DOMESTIC '000</th>
<th>TOTAL '000</th>
<th>INTERNATIONAL PROPORTION %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monash University</td>
<td>13.4</td>
<td>40.3</td>
<td>53.6</td>
<td>24.9</td>
</tr>
<tr>
<td>The University of NSW</td>
<td>13.2</td>
<td>36.3</td>
<td>49.5</td>
<td>26.7</td>
</tr>
<tr>
<td>Macquarie University</td>
<td>12.2</td>
<td>24.1</td>
<td>36.4</td>
<td>33.6</td>
</tr>
<tr>
<td>The University of Melbourne</td>
<td>12.0</td>
<td>33.4</td>
<td>45.4</td>
<td>26.4</td>
</tr>
<tr>
<td>Griffith University</td>
<td>11.0</td>
<td>30.8</td>
<td>41.8</td>
<td>26.2</td>
</tr>
<tr>
<td>Total all universities</td>
<td>233.1</td>
<td>813.7</td>
<td>1,046.8</td>
<td>22.3</td>
</tr>
</tbody>
</table>

**SOURCE:** AEI (2011a).
has become a significant matter in determining the trend of international students in terms of how it might affect universities and the related countries.

In a report on tertiary student mobility (AEI, 2013d), the share of international students who chose the US as their destination dropped from 22.9% (or 475,169) in 2000 to 16.5% (or 709,565) in 2011. During the same period, Australia’s share increased from 5.1% (or 105,764) to 6.1% (or 262,597). Also, based on the 2012 enrolment figures, higher education institutions from Victoria had the greatest number of both transnational students and international students in Australia, while the second and third largest institutions with international students studying in Australia were those in NSW and Queensland (AEI, 2014).

Though emerging economies in developing countries have contributed significantly towards students’ mobility, it can be argued that the recent heavy influx of foreign students in Europe means that there are increasing imbalances resulting in an unpredictable asymmetry (Myklebust, 2014), which renders a fragile landscape for educational institutions to manage in terms of competition and financial imperatives (Parker, 2013).

**CONTRIBUTION OF INTERNATIONAL STUDENTS TO AUSTRALIA**

The number of students enrolled in tertiary education outside their country of origin has increased more than threefold, from 1.3 million in 1990 to nearly 4.3 million in 2011, representing an average growth rate of 6.8% (AEI, 2013d). International education activities arising from international students studying and living in Australia contributed $14.461 billion to the Australian economy in 2012–13, compared to $14.467 billion in 2011–12. In 2012–13, an additional $574 million arose from sundry international education services (AEI, 2013b). Of this, the higher education sector generated $9.8 billion in export income. Contrary to what some observers expected, the income from international education has maintained a significant proportion of export income. The decline in the growth rate of international students following the global financial crisis has been around 4.7% per annum since 2009, from $16.4 billion in 2009–10, to $15.5 billion in 2010–11 and $14.7 billion in 2011–12. There was a further decline in 2012–13 of $14.461 billion (1.4%) from 2011–12. Of the total earnings from education provision in Australia, China contributed 26.4% and India 8% (AEI, 2013c).

Education export is the biggest non-resource earner for Australia, ranking fourth overall after iron ore, coal and gold. The competitive challenge is real and the stakes are high (Hartcher, 2014).

**INTERNATIONAL STUDENTS – PERSPECTIVES**

Along with quality education and course options, it is likely that international students consider other factors such as proximity to major cities and infrastructure when deciding where to study. The Australian Bureau of Statistics (ABS) reported the social trends of international students both in 2007 and 2011 (ABS, 2007, 2011). These reports look at the trends in student visas, enrolments and commencements, where the international students come from and so on. To address the various issues in relation to international students that were highlighted in these reports, the *International Students Strategy for Australia 2010–14* was developed by the Council of Australian Governments (COAG). The strategy paper (COAG, 2010) provides the bases for reforms in student wellbeing, quality assurance, protection, better information and governance in higher education that partly led to the introduction of a new Colombo Plan, as well as the recommendation to reduce Red Tape in processing visas by the Government, and a change in Education Services for Overseas Students (ESOS) amendments (COAG, 2010).

In addition to reports by ABS, AEI has provided a source of information about international students’ issues. For example, its 2012 survey of international students (AEI, 2013a) received 37,115 responses from 36 participating higher education institutions. Its key findings are:

- Eighty-eight percent of international students in Australian universities were satisfied with their living experience, and 85% with their learning experience.
- The quality of teaching, reputation of a qualification from the institution, reputation of the institution and the reputation of the Australian education system and personal safety were amongst the top factors that influenced the choice of where to study in Australia.

Also, the academic literature discusses the experiences and contribution of international students. These include
books and articles on matters such as globalisation of higher education (King et al., 2011, 2013; Parker, 2013), and international students’ security and how empowerment and regulation should help to overcome the different problems faced by international students (Marginson et al., 2010). Other researchers have approached the topic by comparing domestic and international students’ academic performance (Phang et al., forthcoming), examining attitudes towards accounting (Jackling et al., 2012), career drivers (Chia et al., 2008), and influences on the supply of international accounting graduates (Jackling and Keneley, 2009). A different perspective exploring on an expectation gap in accounting education that refers to the competency level of accounting students, including international students whose language barriers might have been an impediment to their learning, was pioneered by Bui and Porter (2010).

The above discussion of the trends and literature regarding international students supports the claim that international students’ mobility is a complex and fragile phenomenon as its trend is subject to a range of factors including government policies, economic and financial growth of nations, currency exchange, quality of education, reputation of institutions, cultural preferences and social influences. The remaining part of this paper will consider perspectives and challenges concerning international students, particularly within Australian accounting schools. Several illustrations are included.

### THE VALUE OF INTERNATIONAL EDUCATION TO ACCOUNTING SCHOOLS

First, regarding enrolments and commencements in higher education in 2010, Management and Commerce, which includes study fields such as Accounting, Business and Management, and Sales and Marketing, was the largest broad field of education that attracted international students; this field contributes about half of enrolments (52%) and commencements (54%). No other individual broad field of education contributed more than 10% of enrolments or commencements in the higher education sector.

In respect of Accounting, which is classified as one of the narrow discipline groups within Management and Commerce, the following trend was established for the period 2010–12 (see Table 3). It should be noted that the numbers are actual full-time equivalent student loads (EFTSL), which are the only available data for narrow discipline groups such as Accounting.

An EFTSL assumes a full-time student undertaking four subjects in half a year, or eight in a full year, equating to a multiple of four in actual enrolments. Table 3 shows that in Accounting, international students constitute an average of 60% of all accounting students in Australia, and not including those who have obtained permanent residency.

Further, as illustrated in Figure 1, the trend of international students undertaking accounting programs has plateaued since 2009, with a small reduction in 2011 and 2012.

---

### TABLE 3: STUDENTS IN EFTSL (ACTUAL LOADS) FOR MANAGEMENT AND COMMERCE (M&C) AND ACCOUNTING (ACC) IN AUSTRALIA

<table>
<thead>
<tr>
<th>Year</th>
<th>M&amp;C All Students</th>
<th>M&amp;C All Domestic</th>
<th>M&amp;C All International</th>
<th>ACC All Students</th>
<th>ACC All Domestic</th>
<th>ACC All International</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>180,111</td>
<td>78,108</td>
<td>102,003</td>
<td>44,703</td>
<td>16,409</td>
<td>28,294</td>
</tr>
<tr>
<td>2011</td>
<td>178,372</td>
<td>78,082</td>
<td>100,290</td>
<td>43,371</td>
<td>15,786</td>
<td>27,585</td>
</tr>
<tr>
<td>2012</td>
<td>176,154</td>
<td>79,628</td>
<td>96,526</td>
<td>40,642</td>
<td>15,724</td>
<td>24,914</td>
</tr>
</tbody>
</table>

**Source:** Summarised from the Actual Student Load (EFTSL) tables for all students by narrow discipline group and broad level of course for full years (Department of Education, 2013a, 2013b, 2013c).
The increase in accounting students from 2002 to 2011, especially from other countries, has been the consequence of internationalisation in the Australian higher education system, with Accounting being one of the preferred study disciplines. This was, in part, attributable to the Australian Government’s immigration policy that favoured accountants as one of the areas in skill shortage. Another possible explanation is that many Asian parents see accounting as a key to business success.

Financially, accounting has been a significant source of income for universities. However, depending on the internal budgeting model, accounting schools have been subject to different internal tax rates, providing cross subsidies to other parts of the university. This has led to the commonly used phrase of accounting schools being ‘cash cows’ (Burritt et al., 2010; Parker, 2013).

In managing large numbers, business schools adopt large class sizes, with some universities having to provide additional service support (e.g., English language classes) for international students. For example, at Macquarie University, a typical accounting subject enrolment in second year has up to 800 students per semester, with the highest reaching 1,100, with international students constituting a high proportion of this number. Owing to the large numbers, group assignments and examination-based assessments are used. There is also a noticeable increase in student misconduct cases being reported. Issues concerning the low levels of English competency, fail rates, adjustments of teaching methodologies to ensure accessibility by international students, have resulted in significantly higher workloads for accounting schools. Student-to-staff ratios have risen significantly from 14.1:1 to 16.8:1 for Go8 universities, and 19.1:1 to 24.4:1 for non-Go8 universities, based on data analysed from 2000 to 2010 (Gallagher, 2011). Student-to-staff ratios have been reported to be as high as 34:1, with many academics in the higher education sector expressing concerns about excessive workloads and the decrease in quality of coursework education (Larkins, 2011). An underlying tension is created between the perceptions of being good citizens returning significant international income, and directing sufficient resources to the university research efforts.

POSSIBLE BENEFITS TO ACCOUNTING SCHOOLS

So what is the value of international students for accounting schools? The possible benefits are summarised in the following four points.

1. Accounting is a mobile profession. Where international accounting graduates return to their home countries to work, there is greater exposure for the accounting schools’ reputation overseas. Moreover, international accounting students/graduates can form a global alumni network that further enhances the rigour of accounting education globally.

2. International students are a rich source of research for intercultural studies, accounting knowledge transfers and the development of new educational paradigms. As International Financial Reporting Standards are converging on a global scale, accounting is seen to be a key unit of measurement for a globalised capital market. Many international accounting studies enlist research support from international students. Research collaborations between universities are plentiful and international students are a good source of research opportunities.
3. As the requirements and learning styles of both domestic and international students are different, there is a need for accounting schools to develop and refresh appropriate teaching methodologies and pedagogical frameworks. Several universities have adopted special student learning software that is suitable for all types of students. Student engagement mechanisms are devised to ensure that the learning experiences of both domestic and international students receive the benefit of different types of academic interactions.

4. From the students’ point of view, international students provide an excellent opportunity for accounting schools to be more culturally aware, thus enriching the experiences of both domestic students and the staff concerned.

While international students might utilise advantages such as the availability of a post-study work visa and permanent residency after their graduation, many international students return home. In Australia we have seen increasing trends in outsourcing, offshoring and finance transformations, which have contributed to the drop in demand for entry-level accountants in both corporate and professional services firms over the last five years. Australian accounting schools have embarked on many programs to enhance the employability of their graduates (Rose, 2013; King, 2013). Graduate programs, which traditionally supported local graduates to earn a living and gain experience while completing their professional qualifications in accounting, are under pressure, and an increasing number of large employers are reducing their graduate employment intake. As the availability of graduate positions shrinks, demand for more experienced and specialist areas in financial management have increased. Sometimes accounting schools with a reputation for high-quality graduates are directly approached for different categories of accounting recruits (Rose, 2013). Thus accounting schools must ensure that they are engaged with industry and employers, and that their programs enhance the job-readiness of graduates. Hence while international students offer additional revenue, cultural diversity, opportunities and support for research and pedagogical developments, they present several challenges for accounting schools, as discussed in the following paragraphs.

**CHALLENGES TO ACCOUNTING SCHOOLS**

Like any business unit, accounting schools are required to produce quality outputs (graduates) that meet market needs and research outputs that are relevant and internationally recognised. Not only must accounting schools address the expectations of both domestic and international students, but they also have to be at the forefront of market changes in the practice of accounting. There are five main challenges facing accounting schools today: research assessment; workload and time to support students; students’ lack of motivation and engagement with courses; misconduct and plagiarism; and international students living in Australia. Each of these is discussed below.

**RESEARCH ASSESSMENT**

Research outputs drive a number of factors such as university rankings and reputation, so accounting schools must ensure that their research meets the expectations of universities. In terms of the assessment of research outputs, accounting schools are relatively weak compared with the sciences and health sciences. In the last round of Excellence in Research for Australia (ERA), only 22 out of 38 universities actually put in an assessment for 1501, the Field of Research (FoR) primarily for accounting, accountability and auditing (ARC, 2012, p. 323). Only 11 schools out of 22 were rated at or above World Standard (3 or above) and the other 11 schools were rated below World Standard (ARC, 2012, p. 323). This result is argued to be attributable to the small number of high-ranked accounting research journals, the professional orientation traditionally adopted by accounting academics for career focus, and the reduced amount of time that academics have to devote to research-related activities because of heavy teaching and supervision loads. Accounting schools are under enormous pressure to improve their research outputs and their ERA results (Guthrie et al., 2011).

Research by its nature is a personal endeavour, a journey to discover new knowledge. Accounting academics research in a range of topics. A major issue for the accounting discipline is that financial reporting and capital markets research dominate the rated journals. However, there are many other types of legitimate accounting research areas (e.g., accounting education, public sector accounting, social and environmental reporting, auditing, accounting history, management control and more recently, corporate
governance) that do not receive significant recognition (Guthrie and Parker, 2014). Accounting researchers who undertake interdisciplinary research such as international students’ issues and educational paradigms may produce outputs that are outside the FoR 1501.

International students provide rich ground for researchers to examine pedagogical implications, cultural impact on learning and, in accounting, the development of accounting knowledge and values amongst different cohorts of students. However, the disconnect between research activities and research assessment mechanisms means that research in accounting education, such as matters pertaining to the development of international students, may not be appropriately recognised.

The following accounting education journals (and their respective rankings) are recognised by the Australian Business Deans’ Council (ABDC). In the latest review of ABDC Journal Rankings in 2013, a total of 128 accounting journals were included in the ABDC list (9A*, 21A-, 30B- and 68C-ranked journals); here only nine education journals are included.

TABLE 4: RECOGNISED ACCOUNTING EDUCATION JOURNALS IN ABDC RANKINGS FOR ACCOUNTING

<table>
<thead>
<tr>
<th>Issues in Accounting Education</th>
<th>A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting Education: An International Journal</td>
<td>B</td>
</tr>
<tr>
<td>Journal of Accounting Education</td>
<td>B</td>
</tr>
<tr>
<td>Accounting Educators’ Journal</td>
<td>C</td>
</tr>
<tr>
<td>Advances in Accounting Education: Teaching and Curriculum Innovations</td>
<td>C</td>
</tr>
<tr>
<td>AIS Educator Journal</td>
<td>C</td>
</tr>
<tr>
<td>Australian Journal of Accounting Education</td>
<td>C</td>
</tr>
<tr>
<td>Global Perspectives on Accounting Education</td>
<td>C</td>
</tr>
<tr>
<td>IMA Educational Case Journal</td>
<td>C</td>
</tr>
</tbody>
</table>

SOURCE: ABDC journal list.2

Therefore, there is very limited opportunity for accounting researchers to publish educational research, especially regarding students, in highly ranked, recognised journals. Academic staff performance is assessed according to research outputs (with their ranking), grants income and PhD completions. Research outputs are assessed based on their discipline, in this case, accounting. This means that accounting educational and pedagogical research, which is typically in the Education discipline, may not attract the same level of recognition in accounting and business. Hence it is difficult to see the benefits of undertaking research regarding the impact of international accounting students and their learning, though it is reasonable to assume that such research is vital for universities to appreciate the necessary strategic attention required. Their impact in terms of education is a longer-term influence, and can normally be included in the Education discipline when universities are assessed on their research outputs.

WORKLOAD AND TIME TO SUPPORT STUDENTS
The tension generated by balancing time devoted to teaching and administration has a direct impact on how much time academics can spend on research. Many universities adopt a distributive model of workload where teaching, research and service are allocated in proportion. However, the time spent on coaching, re-explaining, managing appeals due to different cultural expectations of international students often means that these activities take longer time than expected. Accounting schools with very large cohorts of international students often have more than three times the volume of transactions due to a lack of understanding of university practices, language competency, expectations and a different approach to learning. An example of additional support for accounting students is illustrated below.

At Macquarie University, in the Accounting and Corporate Governance Department, a special project has been undertaken to manage students at risk. Every semester (session) a group of staff is asked to monitor the progress of those students who are allowed, as a concession, to enrol into the same subject for the third time (i.e., those who failed the first two attempts at the subject, which would usually mean expulsion from the degree program).

In semester 2, 2013, for example, there were 134 accounting students in the undergraduate accounting program who were registered for the monitoring program. Of these, 90 were international students and 44 were domestic students. The monitoring exercise

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requires these students to meet with an assigned staff member every fortnight. Each of the students monitored is required to attend six meetings over the semester, for an average duration of 30 minutes to an hour each meeting, to discuss their learning progress. The monitoring meeting is held to engage with the student regarding their learning experience, difficulty in understanding or to provide advice to improve their ability to progress in class.

In other words, an estimated maximum total of 804 hours is set aside to monitor student progress, in addition to normal teaching contact. Where students fail to turn up for the meeting, subsequent discussions and correspondence follow to ascertain the help that may be needed by the student. A comparison of the pass rate of students who attended more than four monitoring meetings is shown in Table 5. It can be concluded that the student-at-risk monitoring process has improved student pass rates overall. While the monitoring program appears to be successful, however, the additional work required and time spent result in a negative impact on research time and are not recognised in the typical academic staff workload.

LACK OF MOTIVATION AND ENGAGEMENT WITH THE COURSE

While the delivery of accounting subjects is typically undertaken in large lectures (attended by 250–500 students) and smaller group tutorials (attended by 25–40 students), low attendance at lectures has been a problem for many lecturers. This lack of motivation often begins at the start of the course – low attendance rates at the first lecture mean that students are generally not aware of the basic requirements of the subject, or the contexts required for study. Many students do not even know who their lecturers are. Reports from subject coordinators show that students tend to use material available online (all lecture notes and answers) as their key study material, and only study them closer to the time of assessments or final examinations. Where there are large cohorts of international students, or students whose first language is not English, such a lack of motivation provides some evidence that studying accounting for international students was primarily driven by the availability of permanent residency status (Baas, 2007; Jackling, 2007; Birrell and Healy, 2008; Chan and Ryan, 2013). It has also been found that they are influenced by reference groups such as parents and

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3. The report was prepared by Dr Rahat Munir with the support of Claudia Chau. Detailed reports are written every semester to evaluate the effectiveness of the student-at-risk program. Dr Munir received a University Award for his coordination of the project.
friends (Jackling and Keneley, 2009). However, their intrinsic interest in accounting is lower than that of domestic students (Jackling et al., 2012).

This scenario of engagement applies to all students concerned. Accounting schools resort to devising innovative mechanisms for lectures and tutorials, or alternative methods of delivery, especially with the use of technology to encourage attendance and motivation. Teaching innovations include using third-party resources such as online quizzes, software that contains both reading materials and self-assessments. Although such innovative activities provide some positive outcomes, there are also incidents of cheating and plagiarism, with an apparent growth of international communities that buy and sell ready-made assignments (Coughlan, 2008; Cai and Preiss, 2012). Extra time and resources are therefore needed to ensure that such online materials are refreshed frequently, and that proper integrity controls are in place to ensure that students genuinely undertake those learning tasks.

MISCONDUCT AND PLAGIARISM

While limited research has been carried out on student misconduct cases in accounting schools, many student misconduct case records can be accessed through university records and through anecdotal evidence. Accounting schools normally have quality assurance systems to ensure that the students’ academic results are free from bias, and are maintained with accuracy and integrity. However, the following case study illustrates the complexity of the issues regarding international students.

A second year international student, after receiving his results, found that he had failed an accounting subject. This was the second time he had attempted the subject and he was devastated. The accounting school allows students to apply to view the examination script, and to be advised with respect to areas of weaknesses. During the discussion of the examination paper and the intended solutions, the student stood in front of the lecturer, going through his arguments. He then left the lecturer’s office rather hurriedly and distressed. It was only a few seconds later that the lecturer discovered an envelope underneath the examination paper. The lecturer rushed out to tell the student. But the student cried out that his mother was concerned about the results and it was his mother’s wish. The lecturer was distraught and had just realised the significance of the case. Security was called in and it was discovered that the envelope contained $1,000. The envelope was handed to Security and the police were informed. Every step was taken to contact the student so that he could collect the envelope, with clear explanations that the action was criminal. The result of the case was that the student failed, the envelope was handed to the police and the lecturer concerned took time off to recover from the situation.

There are a number of cases that have been reported in the international press relating to bribery within schools and universities. One recent case concerned a Chinese student who was jailed for 12 months after offering his professor £5,000 in cash in a bid to pass his degree at the University of Bath in the UK. In sentencing, Judge Michael Longman said to the student:

> You attempted to persuade a university professor to behave in such a way that if it had been successful you would have undermined the integrity of the universities in the UK and the legitimacy of degrees from universities here, the University of Bath in particular (Longman cited in Hayhurst, 2013).

It should be noted that academics are generally not trained to deal with such matters. There is additional pressure for academics in terms of trying to ‘do the right thing’ and in their exposure to stressful situations. It also increases the psychological pressure on the international students.

Another common misconduct issue concerns plagiarism. Guo (2011) asserts that students who are poorly integrated into an academic environment are more likely to plagiarise. Academic integration refers to how well students fit into the overall academic environment and their academic life (Guo, 2011). Students who perceive themselves as well integrated are inclined to have good attitudes towards learning and assessment (Kreger and Wrenn, 1990; Michie et al., 2001). Disengaged students may feel bored in a class, and may be subject to feelings of alienation from their institution. These students may resort to plagiarising
in order to pass the subject. Ashworth et al. (1997) identify that the main reasons for students experiencing alienation include: lack of contact with academic staff; the impact of large-class teaching; widespread dislike by students of the increased emphasis on group work. However, group work is a common form of assessment due to the large number of students in accounting programs. Universities therefore develop policies that minimise the risk of misconduct or plagiarism, with specific attention given to providing instructions for the design of assessment regimes so that some controls are in place to detect such occurrences. Also, universities ensure students are given due process and not disadvantaged in these circumstances.

INTERNATIONAL STUDENTS LIVING IN AUSTRALIA

If academic integration is one of the issues faced by international students, then studies like Simon Marginson’s *International Student Security* (Marginson et al., 2010) should be examined to consider policy changes. Marginson reports many stories of international student experience, highlighting issues within the systems and work practices in Australia. Some examples are described below:

- International students do not have the same access as domestic students to many rights. These include access to bank services, welfare support, transport, translation functions, scholarships, etc.
- Many international students who work are seriously exploited. Underpaid international students constitute a large unprotected subclass
- Nine out of 10 students said they felt safe but some told of robberies and bashings
- Most students had unhappy experiences with the Immigration Department
- Two-thirds felt lonely at some point. Their problems diminished after the first six months but some experienced ongoing isolation
- Shortage of affordable housing is serious in Sydney and Melbourne. Many crowd in groups of 10–20 in three to four bedroom houses, often in unsanitary and unsafe conditions
- Half of the students in Marginson’s study experienced intercultural hostility or prejudice, mostly in the street, in public transport, shops and restaurants, or at work.

The above factors would have an impact on international students’ life in Australia, and how they integrate within universities. It appears that if the Australian Government wishes to continue to enjoy the benefits of such massive international student mobility, further investigation and a certain level of support are urgently needed to address the issues above.

On the positive side, a number of international students have achieved success, both academically and in employment. One example is that of Seah Kim Swee, a Singaporean student studying at Victoria University in 2006, who was honoured as one of the 90 legends of the University, being a multi-award winning Alumni Chapter President:

I’m humbled to receive the Outstanding Alumni Award. This is also for my Singapore Chapter! I’m proud of my volunteer work helping less privileged citizens. The Master of Business in Professional Accounting from VU helped me switch from a sole professional practitioner to working at an international professional firm, PricewaterhouseCoopers. I’d like to work with other Australian universities’ alumni groups to provide more opportunities for networking activities.

Many positive experiences and stories are cited on university websites that discuss international students’ experiences of living and working in Australia, and promoting Australia’s reputation internationally. Accounting schools have also increased support services such as peer-assisted learning programs, language and communication workshops, and presentation and job application skills development services. And universities also receive direct requests from businesses and professional firms for recruitment purposes. Professional accounting bodies are also active in providing not only support for international students in their academic environment, but have also taken steps to facilitate recruitments and internships (Guthrie et al., 2012)

SUMMARY OF ISSUES AND CONCLUSION
This paper has examined the overall trend of international students, the perspectives of Australian accounting schools in managing the complexity of student learning, research and revenue contribution. Key challenges highlighted include the management of a massive inter-cultural learning environment under a higher education system that is struggling between economic and social imperatives; the dilemma of the tension between recognised research output and a responsible attitude towards investigating and addressing the complex nature of international students’ issues; and the extensive difficulty of academic staff to meet performance requirements of both the universities, and for student learning.

In conclusion, the entire paradigm in respect of international students concerns several stakeholders and their responsibilities and interests:
• The role of government in maintaining national reputation, revenue and social wellbeing and equal opportunities
• The responsibilities of the universities towards global student mobility and their learning needs, mode of learning, knowledge creation and dissemination, together with research and development
• The universities’ and faculties’ role in support of international students’ learning experience
• The student cohorts who provide peer support and integration opportunities.

While the COAG’s document on International Students Strategy for Australia (COAG, 2010) has prompted reforms, there has to be a concerted effort amongst all stakeholders to seriously examine Australia’s direction in regard to enhancing its position in the international education market. There is also an urgent need for universities, quality agencies, the Australian Business Deans’ Council and professional bodies to work together so that there are clear and long-term strategies to safeguard Australia’s reputation for quality business education.

APPENDIX A: ONSHORE INTERNATIONAL STUDENTS AS A PROPORTION OF ALL ONSHORE STUDENTS BY UNIVERSITY 2012

<table>
<thead>
<tr>
<th>STATE</th>
<th>UNIVERSITY</th>
<th>ONSHORE INTERNATIONAL</th>
<th>DOMESTIC</th>
<th>TOTAL</th>
<th>INTERNATIONAL PROPORTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
<td>Charles Sturt University</td>
<td>3,304</td>
<td>32,957</td>
<td>36,261</td>
<td>9.1%</td>
</tr>
<tr>
<td></td>
<td>Macquarie University</td>
<td>10,871</td>
<td>27,312</td>
<td>38,183</td>
<td>28.5%</td>
</tr>
<tr>
<td></td>
<td>Southern Cross University</td>
<td>959</td>
<td>12,011</td>
<td>12,970</td>
<td>7.4%</td>
</tr>
<tr>
<td></td>
<td>The University of Sydney</td>
<td>11,161</td>
<td>41,195</td>
<td>52,356</td>
<td>21.3%</td>
</tr>
<tr>
<td></td>
<td>University of New England</td>
<td>1,254</td>
<td>18,677</td>
<td>19,931</td>
<td>6.3%</td>
</tr>
<tr>
<td></td>
<td>University of NSW</td>
<td>13,251</td>
<td>37,525</td>
<td>50,776</td>
<td>26.1%</td>
</tr>
<tr>
<td></td>
<td>University of Newcastle</td>
<td>3,758</td>
<td>29,101</td>
<td>32,859</td>
<td>11.4%</td>
</tr>
<tr>
<td></td>
<td>University of Technology, Sydney</td>
<td>8,482</td>
<td>26,879</td>
<td>35,361</td>
<td>24.0%</td>
</tr>
<tr>
<td></td>
<td>University of Western Sydney</td>
<td>3,955</td>
<td>35,942</td>
<td>39,897</td>
<td>9.9%</td>
</tr>
<tr>
<td></td>
<td>University of Wollongong</td>
<td>5,479</td>
<td>17,730</td>
<td>23,209</td>
<td>23.6%</td>
</tr>
<tr>
<td>Region</td>
<td>University Name</td>
<td>2011</td>
<td>2012</td>
<td>2013</td>
<td>% Change</td>
</tr>
<tr>
<td>--------</td>
<td>-----------------------------------------------------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>----------</td>
</tr>
<tr>
<td>VIC</td>
<td>Deakin University</td>
<td>7,552</td>
<td>35,060</td>
<td>42,612</td>
<td>17.7%</td>
</tr>
<tr>
<td></td>
<td>La Trobe University</td>
<td>6,197</td>
<td>25,483</td>
<td>31,680</td>
<td>19.6%</td>
</tr>
<tr>
<td></td>
<td>Monash University</td>
<td>12,581</td>
<td>40,948</td>
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<tr>
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<td>36,692</td>
<td>49,521</td>
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<tr>
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<td>4,997</td>
<td>6,337</td>
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<tr>
<td></td>
<td>Victoria University</td>
<td>3,609</td>
<td>17,970</td>
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<tr>
<td>QLD</td>
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<td>2,172</td>
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<td>5,334</td>
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<td></td>
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<td>2,891</td>
<td>14,487</td>
<td>17,378</td>
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<td>Queensland University of Technology</td>
<td>6,779</td>
<td>37,300</td>
<td>44,079</td>
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<tr>
<td></td>
<td>The University of Queensland</td>
<td>11,324</td>
<td>35,539</td>
<td>46,863</td>
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<tr>
<td></td>
<td>University of Southern Queensland</td>
<td>5,822</td>
<td>20,882</td>
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<tr>
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<td>University of the Sunshine Coast</td>
<td>960</td>
<td>8,789</td>
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<tr>
<td>WA</td>
<td>Curtin University of Technology</td>
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<td>30,418</td>
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<td>22,151</td>
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<td>14,016</td>
<td>16,160</td>
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<tr>
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<td>The University of Notre Dame Australia</td>
<td>381</td>
<td>9,859</td>
<td>10,240</td>
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<tr>
<td></td>
<td>The University of Western Australia</td>
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<td>19,740</td>
<td>23,737</td>
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<td>SA</td>
<td>Flinders University of South Australia</td>
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<td>17,710</td>
<td>20,038</td>
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<tr>
<td></td>
<td>The University of Adelaide</td>
<td>6,298</td>
<td>18,671</td>
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<td>University of South Australia</td>
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<tr>
<td>NT</td>
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<td>9,899</td>
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<tr>
<td>ACT</td>
<td>The Australian National University</td>
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<tr>
<td></td>
<td>University of Canberra</td>
<td>2,963</td>
<td>12,109</td>
<td>15,072</td>
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<tr>
<td>MULTI-STATE</td>
<td>Australian Catholic University</td>
<td>2,920</td>
<td>20,721</td>
<td>23,641</td>
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<tr>
<td>Total (Universities)</td>
<td>218,001</td>
<td>888,144</td>
<td>1,106,145</td>
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<tr>
<td>Total 2011</td>
<td>228,408</td>
<td>845,101</td>
<td>1,073,509</td>
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<tr>
<td>% change on 2011</td>
<td>-4.6%</td>
<td>5.1%</td>
<td>3.0%</td>
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REFERENCES


Opportunities for Asian Students to Study Accounting in Australian Universities

BARRY COOPER

INTRODUCTION

International education is Australia’s third largest export, generating income of $16.4 billion in 2010–11 (DIAC, 2011), and its largest service export, as well as a source of domestic economic growth (GO8, 2011). More than half of Australia’s international students undertake commerce and management studies and 80% now come from Asia, mostly from China, India, South Korea, Vietnam and Thailand (Table 1). However, growth has been stagnant in recent years, largely due to the high Australian dollar and increasing competition from other countries. Of the international students commencing a higher education course in 2012, 53% did so through a pathway from another sector. For example, more than one third recorded a pathway from English Language Intensive Courses for Overseas Students (Australian Education International, 2013). Others came from vocational education and training (VET) courses, non-award programs and secondary schools. The importance of these pathways as feeders into the Australian higher education sector is often not adequately recognised.

Most international students (80%) are engaged in higher education and VET courses. Of the international enrolments and commencements in higher education, ‘Management and Commerce’, which includes study fields such as accounting, business and management, and sales and marketing, was the largest broad field of education, with about half of enrolments and commencements in this field (Australian Bureau of Statistics, 2011).

<table>
<thead>
<tr>
<th>TABLE 1: INTERNATIONAL STUDENT ENROLMENT DATA</th>
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<tbody>
<tr>
<td>2012</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>China</td>
</tr>
<tr>
<td>India</td>
</tr>
<tr>
<td>Republic of Korea</td>
</tr>
<tr>
<td>Vietnam</td>
</tr>
<tr>
<td>Thailand</td>
</tr>
<tr>
<td>Other nationalities</td>
</tr>
<tr>
<td>All nationalities</td>
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