<u>Objective 1</u>

1. Are there further reforms governments should consider that will improve the quality and integrity of the sector?

Capping of Education Agents fees is pivotal to bring a sense of balance in the industry. A total marketing budget inclusive of spend on education agents commissions, bonuses, gifts, travel, including own marketing staff and spend needs to be under a designated number to stop the gold rush. This could be in line with SMIPA (Professional year) program where all marketing and commissions were capped at 15% of revenue.

It is important that there is transparency in each step of visa process as well as education process. Currently with the Genuine Student Test and its predecessor the GTE, it gave birth to corruption a wide scale with fraud funds as well as bank of writers working on the statement of students.

Simple tools like bank deposit in a trust account held with the Government released periodically to the student would ensure access to funds as well as student compliance to standards.

Students should be allowed to select their course of choice without being subjected to the judgement of a case officer at DHA who generally is ill equipped to give a career guidance to the student. As a paying student they should be allowed to follow their free will.

The SVP or risk rating system is a terrible system and forces providers to only get on shore students to protect their rating. It then unfairly penalises the provider who tries to source fresh students from overseas markets. This should be scrapped.

This will ensure lesser movement of students, lesser hypocrisy in the system and upholds the Australians standards of fair play.

2. What more can providers do to improve the integrity of the international education sector?

Providers can stop paying high commissions, spend less on marketing, spend more on academic standards rather than just better looking class rooms and ensure that students education remains the focus.

<u>Objective 2</u>

1. What factors should inform government's approach to allocating international student enrolments across sectors, providers, and locations in Australia?

The allocation of international student enrollments across sectors, providers, and locations in Australia should be informed by several critical factors to ensure sustainable growth and quality education. Analyzing data from 2021 to 2024 reveals significant changes in the education sector, particularly among CRICOS-registered private providers.

According to public data from CRICOS, the number of registered private providers increased from 1206 in 2021 to 1417 in 2024, adding 211 providers. This period saw an unprecedented rise in CRICOS allotments, with an increase of 312,459 students across new and existing providers. The capacity of private providers surged by 50% from 646,002 students, highlighting a period of rapid expansion reminiscent of a gold rush.

This explosive growth raises several concerns. Many new providers rapidly expanded their capacities, some increasing their enrollments tenfold in a decade. This growth often prioritized profit over quality, with aggressive marketing tactics, including high commissions and bonuses for agents, leading to questionable enrollment practices. Established providers unwilling to engage in these practices struggled, facing half-empty campuses and financial difficulties.

With new legislative measures and reduced visa allocations, the industry faces potential contraction. Established providers who avoided unethical practices might be forced to close, while those who thrived during the gold rush, now diversified into other sectors like property, remain resilient. The government's approach must address these disparities to ensure a fair and sustainable education market.

To manage this situation effectively, implementing caps and controlled growth is crucial. New providers should be restricted from expanding beyond a few hundred students for the initial years, with gradual growth based on performance and quality indicators, not exceeding a fixed percentage annually. Providers established during the gold rush should have their capacities reduced to manageable levels, ensuring they focus on quality over quantity.

The allocation of student numbers should align with national projections for international student intake, preventing market saturation and ensuring balanced growth. Encouraging enrollment in regional areas by providing incentives and increasing allocation to these regions will help decongest capital cities and promote regional development. A healthy mix of enrollments across ELICOS, VET, and HE sectors is essential, as each sector caters to different student needs and contributes uniquely to the education ecosystem.

While maintaining overall caps, flexibility in course selection within institutions should be allowed to avoid system rigidity. Students should have the freedom to choose courses similar to domestic students. Limiting the number of students per site will manage lease and operational expenses effectively, reducing dependency on high commission practices and ensuring providers operate within sustainable limits.

Establishing a baseline number of students per provider is crucial to ensure financial viability, particularly for smaller, passionate educators. This baseline should balance operational costs and quality education delivery. The government's approach to allocating international student enrollments must be multi-faceted, addressing the rapid expansion issues while promoting sustainable and quality education. By implementing controlled growth, aligning with national projections, and incentivizing regional education, Australia can ensure a balanced and thriving international education sector.

It is imperative that visas be processed speedily and earnestly along with the capping to ensure a controlled and healthy ecosystem. The combined efforts of strategic caps, alignment with national projections, regional incentives, and maintaining educational standards will foster a sustainable and high-quality educational environment in Australia, benefiting both international students and the broader community

2. What considerations for government should inform the overall level of international students in Australia?

Quite of these factors are very well listed in the legislation.

It is very important for government to consider that VET plays a hue part in the skill shortages in the industry. There is a huge skill shortage and international students can play and currently do a huge job in plugging these gaps.

3. How will this approach to managing the system affect individual providers?

This is a huge change and providers will have to rapidly adjust to this new model. Till all parts of the new approach are laid down in detail it is impossible to understand the severity of the impact. It is possible that the good providers will probably be forced to exit the industry leaving room only for the rich providers. This will remain a critical time.

4. Should sectors other than higher education and vocational education and training, such as schools, ELICOS and non-award be included in approaches to manage the system for sustainable growth?

No.

Only VET and HE should be managed. Managing these will automatically stop an uncapped flow from ELICOS and Schools at the same time.

5. How should government determine which courses are best aligned to Australia's skills needs?

Industry, skill commissions. job vacancies and skill shortage list are key and true indicators if done impartially.

6. How should government implement a link between the number of international students and an increased supply of student housing?

7. What transition arrangements would support the implementation of a new approach?

Objective 3

1. What are the barriers to growth in offshore and transnational delivery of Australian education and training?

A very strong auditory focus by regulatory bodies and the fact that TNE is seen as high risk would deter most providers. In addition, there are practical issues in terms of finding suitably qualified trainers and assessors specially in certificate in TAE which is sacred in VET. It is difficult to find RTOs who are happy to provide this qualification to overseas staff.

Australian staff becomes very expensive for training full time in TNE. Countries where TNE can work are generally lower wage economies and scales are important to ensure viability.

2. Where can government direct effort to support transnational education?