

Objective 1

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

The current emphasis on restricting offshore student visa grants have disproportionately affected high-quality providers who invest heavily in marketing to offshore recruitment sources. In contrast, most low-quality providers attract few offshore students unless incentivised by government policies, such as unlimited work rights and 408 visas. These low-quality providers primarily generate their income from onshore applications and invest minimally in quality academic programs, campuses, facilities, or services. Consequently, their assets and investments are significantly lower than those of high-quality providers, leading to a greater negative impact on high-quality providers' asset values due to the substantial reduction in student visa grants.

In support of quality providers, the government must ease the current opaque and unpredictable nature of offshore visa issuance.

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

I reject the premise of the question, that there is a role for quality education providers in managing the small number of bad actors in the sector. Such action requires a well-funded and directed independent regulator along with other government agencies, including the ATO, DHA, and law enforcement agencies. There is a perception within the sector that much of the current regulatory enforcement is focused on nit-picking minor matters with generally compliant providers while ignoring egregious breaches by the small number of providers seeking to operate outside the rules.

To ensure the continued integrity of the system, it is imperative that schools are provided transparent information as to all aspects of the management of the educational offering, including regarding visa processing. For example, schools are held responsible through the Assessment Level system for visa approvals, where the process of acceptance or rejection of applications is opaque and impossible for the provider to reasonably judge.

If the government is seeking the support of the sector in reaching new levels of compliance, the first step is to treat institutions as partners in this and provide the necessary tools to them.

Objective 2

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

There is little doubt that the sector has been punished by the current government for failures of it and previous administrations in the area of housing policy.

In attempting to utilise the immigration system to reduce housing pressure, policy makers have shown a disappointing lack of sophistication in their approach. While areas within the inner city areas have little need for labour and suffer from acute housing shortages, many regional locations are suffering from the reverse of that, with plentiful housing but serious need for labour. By failing to draw a distinction between the challenges and needs of regional areas and the inner city regions, the government has caused serious and accelerating issues to the sector operating regionally, all to deal with issues that are largely confined to a few inner city postcodes.

The government's plan to establish annual enrolment limits for each provider, course, class of courses, and location each September for the following calendar year is commercially unworkable and ignores the reality of operating in a business sector with a 'wide turning circle'.

The negative impact on future investments in campuses, facilities, program development, and additional services will be considerable. An annual announcement of enrolment limits with only three months' notice conflicts with the practicalities of assessing enrolment demand for specific courses at specific locations and then investing in the necessary resources. This includes developing course curricula and assessments, investing in campuses, facilities, and equipment, hiring and training operational and student support staff, recruiting academic experts, and planning and implementing the student recruitment cycle. The challenge becomes even greater for more specialised courses.

The high cost of commercial real estate required for quality campuses makes it crucial for providers to use their full capacity efficiently. Government-imposed enrolment limits would hinder providers' ability to manage this utilization, rendering operations financially unsustainable. To spread the cost of initial fitout, our company enters into leasing agreements of a minimum of ten years, and annual enrolment limits would expose us as leaseholders to significant financial and legal risks.

Moreover, annual enrolment limits would greatly impact staffing. While reduced visa grant volumes have already led to job losses within our company, annual enrolment limits would lead to an increase in casual employment. The uncertainty caused by yearly limits would make the sector less attractive for employment, further harming institutions' financial viability and the quality of educational services. Modern employment legislation on casual conversion would also expose institutions to significant legal risks.

Most importantly, it is imperative that the government should prioritise enabling and supporting quality educational outcomes and fostering a secure, sustainable sector, rather than imposing limits on enrolments. Australia operates within a market-led economy characterized by free consumer choice and free enterprise. The government's proposal to transition from this model to a managed or controlled economy, where central authorities dictate production levels, is concerning. Such a shift would likely deter investment in the sector, both in terms of growth-oriented and quality-focused investments, leading to institutions favouring an approach focused on short term profit within predictable timeframes.

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

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

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?

ELICOS institutions operate with an entirely different model to other areas of international education. Enrolments are typically shorter in duration (our company averages 12.5 weeks), and accommodation is entirely catered for by our company (in either ho

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

For many years it has been a requirement of students to demonstrate that they intended only to remain in Australia for the duration of their study, and then return home. As of current data, 84% of students return to their home country immediately following cessation of their studies. The bulk of the remained will return within two years.

The requirement to align courses with Australian skills shortages makes little sense in this context. As temporary residents to Australia, the impact of courses on a students' future in their own country is of far more importance.

Various members of the government have made statements in the media that certain vocational training programs represent "very low value qualifications ... with little apparent return on investment" . This shows a fundamental lack of understanding of the sector, and ignores entirely the very significant value for

a student returning to a non-English speaking country with the demonstrated ability to work and study in an English language context, something which can provide a substantial advantage in the jobs market.

Through examining education and training through a prism of 'Australia's skills needs', the government has entirely ignored the fact that the vast majority of students return home following their studies, and that Australian qualifications delivered in English provide real value to them in that context.

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

It is essential to incorporate research-based facts into the discourse regarding the role and relevance of international students in Australia's housing crisis. The assertions made by some MPs and media outlets, suggesting that international students are primarily responsible for or significantly affecting the housing crisis, are not supported by evidence and lack any measure of sophistication.

The current Treasurer confirmed that the impact of migrant engagement in rentals was "at the margins at best.", and it is clear that other factors such as short-stay accommodation have a far greater impact.

If action need be taken in this area, it must be on the basis of fact and not populist rhetoric.

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

There are no established models of best practices for a government to take a highly successful segment of a free-market economy, built over decades through private sector dedication and investment with support from successive governments, and swiftly transition it into a centrally controlled economy, particularly within a few months. Shifting from a free-market to a centrally managed sector necessitates extensive and ongoing consultation to mitigate significant unintended consequences. Such a profound change should be preceded by economic impact studies and comprehensive research across the economy. Currently, there is no indication that the government has conducted any research acknowledging the potential outcomes or risks associated with the policy outlined in the Draft Strategic Framework, nor is there any evidence to inspire confidence that the policy will not lead to disastrous consequences.

The current trajectory of government policy and actions undoubtedly points towards severe economy-wide repercussions that may require many years to recover from, potentially irreversibly.

Action by the government to this point have led to the following within our own company:

- We have cancelled planned investment in our regional campuses
- We have made 42 staff redundant. More will follow.
- We have decided to offer only casual employment in all new roles until more certainty exists within government policy
- We have moved investment to our operations in Japan and Korea, where there is a more attractive investment environment and where governments are highly supportive of international education

To rebuild even a modicum of confidence in the sector, the government must:

- Review student visa processing, ensuring efficiency, transparency, fairness, and consistency.
- Shift government rhetoric to acknowledge and promote the substantial value and contributions of the international education sector. This shift should be underpinned by research-based insights into the role of international students in the housing crisis and the sector's integrity issues.
- Immediately revise the ESOS Amendment Bill 2024 to eliminate provisions aimed at restricting enrolments in specific providers, locations, courses, and classes.
- Immediately implement support measures to assist high-quality providers that have faced severe financial strain due to recent restrictions on visa grants.

Objective 3

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

Our company has delivered training in Japan and Korea for the last twelve years. Initially, we provided entirely Australian qualifications.

Over the last decade, we have largely phased out delivery of Australian qualifications in favour of those from the UK, the US, Canada or sourced locally. Australian qualification provide no competitive advantage, are far more expensive and carry far more cumbersome regulation than those from equivalent source countries.

Since January, we have ceased providing Australian qualifications entirely. The current high level of visa refusals to Australia has impacted the number of students seeking a pathway from offshore programs into study within Australia, with students choosing to undertake qualifications for more welcoming countries providing greater visa certainty for future study opportunities.

The government must understand that the continue viability of providing Australian qualifications internationally is based entirely upon the reputation and attractiveness of Australia as a study destination. In the current context, where the government is perceived as entirely hostile to international students and where the immigration system is perceived as being largely punitive in nature, the ability of Australian institutions to compete with overseas alternatives is substantially reduced.

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

Transnational Education delivered by Australian institutions does not exist in a vacuum. The most meaningful support to be offered by government for Australian institutions operating internationally is a robust and respected education sector. Unfortunately, with recent changes in policy the reputation of Australian education is at an all time low, and this leads to significant headwinds for TNE providers.

Assuming that the current damage to the sector can be rectified, if the government aims to bolster transnational activities, it would necessitate substantial, long-term investments to enable Australian businesses to expand their capabilities for offshore operations. This would include investment in the destination countries to navigate local operational and regulatory challenges effectively. However, instead of primarily concentrating on external expansion, the government's efforts should prioritise enhancing the quality and impact of the sector within Australia.