

Bond University

Objective 1

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

This submission calls for a measured approach to regulatory reform in the international education sector. This framework proposes to impose new obligations on providers without first understanding the impacts of the suite of targeted integrity reforms introduced as a result of last year's Migration Strategy.

Before pursuing additional reforms to international education, it would be appropriate to first evaluate the impact of previous changes to the sector. The full effects of recently implemented reforms are yet to materialise, making the introduction of new measures premature. A comprehensive assessment is vital to rigorously examine whether prior reforms have successfully addressed key concerns such as curbing unscrupulous recruitment or business practices by certain providers. Only after such an evidence-based review can well-informed decisions be made to uphold the quality and integrity of Australia's international education sector.

Curtailing opportunities for legitimate international students across all educational sectors would be an overly broad response that fails to distinguish the issues concentrated in pockets of the sector. Further reforms should be carefully drafted to address deficiencies and enforcement gaps in the current regulations, while avoiding unintended consequences that could harm our world-class higher education institutions and Australia's reputation as a quality study destination.

Any further tightening of international student entry requirements should be narrowly focussed on the vocational education and training (VET) sector, which has experienced significant and problematic growth in recent years. While international education is vitally important across all sectors, the recent concerns about quality and integrity have been more closely aligned with the VET sector, where there has been a substantial increase in enrolments.

The data in the table below show a significant increase in VET sector enrolments, rising from 281,000 in 2019 to 328,000 in 2023. This 17% growth is particularly notable when compared to other segments of the sector.

Full Year International Student Enrolments 2019-2023

	2019	2020	2021	2022	2023	% Increase 2019-2023
Higher Education	440,856	418,355	365,662	360,026	437,485	-1
VET	281,387	304,395	281,708	271,083	328,009	17
Schools	25,462	20,073	13,027	11,737	15,883	-38
ELICOS	156,455	104,773	41,837	79,378	161,591	3
Non-Award	48,219	32,329	13,590	20,108	32,261	-33
Total	952,379	879,925	715,827	742,332	975,229	2

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

No response.

Objective 2

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

We do not support the implementation of international student caps at the course level. Any central controls over international student enrolment should be informed by factors such as the proven ability of the university to provide high-quality education and student support services, the capacity of the institution to absorb change, and the strategic importance of various locations to Australia's overall educational and economic goals. Additionally, considerations should include the ability of providers to integrate international students into the broader community, enhance cultural diversity, and contribute to the local economy. A flexible and responsive approach, rather than rigid course caps, will better support the sustainable growth and global competitiveness of Australia's education sector.

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

In determining the optimal level of international students in Australia, the government should consider a weighted principles-based framework for evaluating education providers. This framework should support enrolment targets that reflect each provider's capacity and performance across key areas such as:

- Demonstrated Capacity and Quality: Considering provider's proven ability to deliver quality education and support services, including staff-student ratios, facilities, academic governance, and quality assurance mechanisms.
- Regulatory Compliance Record: Providers with a strong history of adhering to regulations should be prioritised in terms of growth plans and managing enrolment pipelines.
- Student Experience and Outcomes: Flexibility in enrolment caps should be granted to providers that excel in student experience metrics. This could include graduate employability, progression and retention rates, and alumni engagement.

The framework should include provisions for growth. A three-year transition period would be required to allow providers to adjust without immediate disruption. This nuanced approach will reward providers contributing positively to the sector's success.

Moreover, we suggest that 2019 enrolment data provide a valid reference point when determining a scale that supports long-term sustainability. Pre-pandemic figures represent a balanced system where student numbers are aligned with educational resources. This baseline allows for better planning and avoids overwhelming the system with sudden influxes. While gradual increases from this point can be considered, focusing on attracting high-quality students should be prioritised.

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

Centralised allocation systems will struggle because of the imperfect levers that providers have for managing the pipeline of student applicants, limited data, and delays in processing. The proposed penalties for exceeding the cap will ensure that providers adopt conservative enrolment strategies, creating a buffer zone even when demand exists. To avoid over-enrolment, providers will need to incorporate a margin for error in their planning, resulting in systematic under-enrolment against official

caps being set higher. This operational challenge will lead to missed opportunities and inefficient use of resources, ultimately harming providers, students and the economy.

Furthermore, the proposal for ministerial discretion in allocating student places adds uncertainty. A clear, principles-based approach would be more appropriate.

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?

Applying caps to school, ELICOS and non-award enrolments will be ineffective in controlling national student numbers and create unnecessary complexity. These sectors represent a small proportion of international student enrolment numbers and caps would c

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

It's crucial to recognise that international students, much like their domestic counterparts, are often driven by their own interests and passions when selecting a course of study. We can draw insights from policies such as the Job Ready Graduate package, which demonstrated that students are unlikely to be influenced by financial incentives when making informed choices about their education. Attempting to dictate course selection solely based on Australia's skill needs is unlikely to succeed and may have the unintended consequence of targeting a uniform group of international students. This approach could stifle the diversity of knowledge and perspectives that international students bring to our universities, ultimately weakening the overall educational experience and increasing sector risk due to an overreliance on fewer source markets that fit the desired profile.

Moreover, attempting to align international student courses with Australia's skills needs fails to recognise the fact that most international students will ultimately return to their home countries, where the skills required differ markedly from Australia. This approach could lead to a mismatch between international demand and Australia's capabilities, diminishing the value of an Australian education.

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

Recent research has shown that the link between housing shortages and international student enrolments is tenuous at best. Research evidence clearly demonstrates that international students are not the driving force behind Australia's housing affordability crisis. Data from the Property Council of Australia indicates international students comprise only 4% of the rental market nationally.

Moreover, rent prices began escalating rapidly in 2020 when international student numbers in Australia had fallen due to COVID-19 border closures. These facts refute any claims that international students are a primary causal factor in rental stress and housing affordability. The Treasurer's recent remarks (reported on 24 May 2024) echo this, acknowledging the international student contribution to the housing crisis is at the margins.

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

A three-year transition period is a minimum for successfully implementing a new approach to international student numbers. This extended timeline allows educational providers to carefully adjust their operations and strategies, avoiding disruptions that could potentially undermine the quality of education.

Crucially, the pipeline for the January 2025 intake is already being built, with many students having received offers and Confirmations of Enrolment (COEs) and are currently applying for visas given the Department of Home Affairs' recent advice for early submissions. Similarly, students already enrolled now will add to the total enrolment numbers in 2025, 2026 and beyond.

With the government planning to introduce international student caps on January 1, 2025, there is a real possibility that the existing pipeline of students may already exceed the final caps set by the new approach. This could result in undesirable behaviours that further impact Australia's reputation, such as revoking COEs, which could potentially breach compliance standards.

An extended transition period also enables providers to make informed decisions, allowing them to adjust course offerings, support services, or infrastructure to accommodate the new international student numbers. This ensures providers can adapt without compromising educational quality or the student experience.

A three-year transition period also recognises the diverse academic calendars of universities. Institutions with trimester systems, for example, can better align their recruitment and enrolment plans with the new policies.

The transition period would also allow for effective communication and coordination between the government, educational institutions, and other stakeholders. Clear guidelines, timelines, and support mechanisms could be established to ensure a smooth transition and minimise potential disruptions or unintended consequences, such as the need to revoke COEs or breach compliance standards.

By adopting an extended transition period, the government would demonstrate a commitment to supporting the education sector and ensuring a stable and sustainable approach to managing international student numbers. This measured approach would foster confidence among providers and reinforce Australia's reputation as a prime destination for high-quality international education while mitigating the risk of actions that could further damage the country's reputation or lead to compliance issues.

Objective 3

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

No response.

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

No response