

CQUniversity

Objective 1

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

The success of Australia's Higher Education sector internationally has been built on a reputation for quality and integrity. Over recent years, CQUniversity has invested heavily in measures to ensure rigorous scrutiny of student applicants and uphold stringent genuine student protocols. Notably, our international operations across the nation, including our metropolitan campuses, are operated solely by CQUniversity, not through partnership arrangements. This approach safeguards our quality practices and reputation both domestically and internationally.

While we welcome measures that improve the integrity of our sector, it is important to consider the broad impacts of any policy changes. We commend the removal of the concurrent Confirmation of Enrolment provision. However, CQUniversity has observed that approximately 30% of students continue to transfer to private providers within the restricted period post-reform. It is crucial that the implementation of any new system, particularly in an environment of student number limits, addresses the ability for duplicate CoEs to be created and for providers to be able to bypass the required processes (i.e. a valid release letter) for a student to transfer between institutions.

The draft framework suggests banning agent commissions as a measure to prevent student transfers. However, CQUniversity remains concerned that this measure will lead to unethical behaviour among agents and unscrupulous providers, with payments being made through offshore branches, subsidiaries, or other methods. Such practices would be incredibly difficult for the Government to monitor, potentially disadvantaging providers who comply with regulations.

Additionally, as an interim measure, we strongly propose the establishment of a mechanism to report providers who poach students within the restricted period. However, this mechanism must be acted upon by the Government to ensure its effectiveness.

It is also important that any measures introduced to preserve the integrity and quality of our system are applied equitably across institutions. For example, increased English language and financial requirements have been introduced as integrity measures, and we strongly believe that these requirements must be verified for all students applying to all institutions. Currently, if an Indian national applies to the University of Queensland (EL1), they do not need to provide evidence of their English ability or financial capacity for visa purposes, whereas they must do so if they apply to CQUniversity. If these measures aim to enhance the quality and integrity of the sector, they should apply uniformly across the entire sector.

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

Providers must implement adequate processes to hold agents accountable for transferring or poaching students within the restricted CoE period. Additionally, providers must ensure their admission processes are robust enough to avoid enrolling students who have not been released by their original institution during this period. Strong oversight by the Government is necessary to ensure compliance, with appropriate consequences for non-compliance.

Objective 2

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

CQUniversity notes the discussion in the draft International Education and Skills Strategic Framework on the relationship between Australia's skills needs and international student recruitment. Both domestic and international students contribute to meeting Australia's current and future workforce needs. Therefore, we propose developing a more cohesive policy framework to address Australia's workforce needs holistically rather than treating domestic and international student issues as separate policy topics.

As one of its key recommendations, the Australian Universities Accord proposes that the Australian government set a target of 55% of 25 to 34-year-olds having completed a Bachelor degree or higher qualification by 2050. The Accord notes key challenges in achieving that goal, including addressing the current downturn in domestic Bachelor degree enrolments and improving attainment rates among Regional, Low SES, and First Nations students. However, the Accord does not fully discuss the required contribution of international student enrolments toward achieving that attainment goal.

The Department of Education's most recent data on Australia's domestic higher education commencements identifies declining growth rates among domestic students and notes that the 2022 student cohort had the lowest number of domestic bachelor commencements recorded since 2013. The Australian Universities Accord Report projects a fall in domestic graduate numbers in 2025-27 due to reduced domestic intake numbers in prior years. Softened domestic enrolment growth, combined with limited international commencement numbers, and the ambitious attainment targets proposed in the Accord will create a challenging policy environment for the Department and providers.

CQUniversity is particularly concerned that failing to consider the relationship between domestic and international policy issues may have a more nuanced and specific impact upon the attainment targets for equity students, noted in the Accord. The reliance of Australian higher education on international student revenue is well documented, evidenced by the \$1.8 billion decline in sector revenue during the first year of the COVID-19 pandemic. However, many of the universities most impacted by the changes introduced by the Australian Government's updated Migration Strategy are regionally based institutions with significant domestic equity enrolments. Any reduction in revenue would ultimately result in the retraction of key offerings from our regions, potentially in critical skill areas of Health, Nursing, Education and Engineering. Even worse, lost revenue could trigger the closure of campus locations, which would negatively impact the communities we serve through loss of employment and economic benefits.

The current fluctuating international policy environment forces our institutions to make major changes to their international operations while attempting to grow their domestic equity enrolments in response to the Accord. Additionally, they are still recovering from the financial impact of the COVID-19 pandemic. Placing additional policy pressures on these institutions while expecting them to prioritise multiple incongruent strategic goals significantly reduces the chances of achieving the equity targets identified in the Accord by some of the most important contributors in the sector (ie: regional universities).

When considering a reimagined approach to curbing national net migration numbers through institutionally applied international student limits, it is paramount for the Government to prioritise the sustainability of Australian universities. This will require a nuanced approach that recognises the specifics of individual institutions.

Such an approach will be particularly important for regional universities, like CQUniversity, that rely on international student income to cross-subsidise the delivery of our mission of broadening access to comprehensive tertiary education often in thin markets in rural, regional and remote areas. Implementing an unsustainable operating model would inevitably lead to course closures and significant job losses in our regions, directly undermining the objectives of the Australian Universities Accord.

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

CQUniversity calls on the Government to use 2019 international student numbers to set its institutional limits, distributed across its campus footprint as they were in 2019. Please note, this will reduce the number of international students in the sector whilst protecting the most vulnerable institutions, such as CQUniversity.

CQUniversity owns and operates all its city campuses and does not sub-contract the teaching to private institutions. All teaching and student support staff are contracted staff of the University. This has led to overall satisfaction ratings from our international students of 91.8% for metropolitan campuses and 91.7% for regional locations (International Student Barometer administered by iGraduate).

It is also important to note that it is not only regional universities who have a presence in a metropolitan city in which they are not headquartered in. Many metropolitan universities are headquartered in one city but also have a presence in another metropolitan city through third-party subcontracting. So, the new framework must not attempt to limit regionally headquartered universities to operating only in regional markets but must acknowledge the importance of delivery in metropolitan areas to subsidise income.

It is crucial that the metropolitan operations of regionally headquartered universities are capped at 2019 levels to ensure the ongoing sustainability of operations. There is no “trickle-down effect” of international students and their study destinations; capping a metropolitan location does not result in the ‘overflow’ of students simply choosing one of the University’s regional campuses. An example of this issue is the University’s Master of Laboratory Medicine that met its quota at the Melbourne campus in T1 2024, with students on a waitlist for this location, whilst the Rockhampton quota for the same program remained unfilled.

Resetting to 2019 levels (at a whole-of-institution level) will help address the terrible consequences of recent visa processing and evidence level challenges, leading to a more balanced student population across the nation.

To ensure effectiveness, this reset should be accompanied by several complementary measures:

- Recognising the significant change involved, the Government should exempt students already enrolled from these limits.
- Ministerial Direction 107 should be discontinued, and Evidence Level ratings for all institutions removed, providing greater flexibility in reaching the set cap.
- Allocations should be based on student enrolments rather than Confirmation of Enrolments (CoEs) issued.
- Student enrolments should be based on a head count rather than EFTSL.
- Again, the allocation must be set at an institutional level rather than at a course or location level.

While it would be a welcome reform to see regionally headquartered universities have an open limit for their regional campuses, it is important to recognise that this alone will not drive growth to regional areas. Past policies such as extended post study work rights based on regional and remote locations aimed at fostering international student growth in regional communities have not significantly attracted students beyond metropolitan areas.

Factors such as family, support networks, and work options heavily influence the decision-making factors of international students. It should be recognised that many regional locations such as Cairns, Mackay and Rockhampton, which sit within the footprint of the University, have acute accommodation shortages. Regional communities would need to be supported to provide the appropriate social and physical infrastructure to support these students appropriately.

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

As outlined in previous questions.

Furthermore, CQUniversity welcomes the opportunity to contribute to the consultation process for the Draft International Education and Skills Strategic Framework.

Over recent months, CQUniversity has actively engaged with the Government regarding the adverse effects of the newly implemented migration policy on Australia's Higher Education Sector, as well as its impact on our communities more broadly. The consultation regarding this draft framework is a welcome response to our call for universities to be involved in the co-design of policies affecting international student numbers.

However, we remain concerned that the timing of the consultation, which finishes on 14 June 2024, will not allow sufficient time for careful decisions about any proposed changes commencing in July 2024. This seems inconsistent with a genuine consultation process, so we seek reassurance that the feedback presented in this paper and other submissions by the sector will be thoroughly considered.

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?

The Government's focus cannot solely be centred on universities and must take into account other sectors such as schools, ELICOS and non-award institutions, as many of these students, would look to continue their studies in HE and VET. If these sectors ar

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

The idea of setting larger quotas for courses aligned with Australia's skills needs, such as nursing and teaching, is too nuanced for the Government to effectively manage. For example, while Australia faces a nursing shortage, and the Government might set a higher limit for this course, the Australian Nursing and Midwifery Accreditation Council (ANMAC) may have already set a lower quota per institution. Other courses that might not be subject to professional accrediting intervention, will also be limited by placement availability such as teaching, allied health and aged care. Such limitations exist across various fields, demonstrating the complexity of aligning government quotas with existing regulatory frameworks.

The vast majority of international students (more than 80%) return to their home country after completing their studies, so setting smaller caps on courses that do not align with Australia's skills needs is of limited value. Whilst international students might initially strive to achieve permanent residence, they understand that in most cases they will return to their country of origin with their Australian qualification.

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

There is little evidence suggesting that international students from price-sensitive markets, such as India and Nepal, reside in purpose-built student accommodation (PBSA) due to its high cost. Most of these students live within existing social networks, which is why they are attracted to metropolitan centres, where they can reside with extended family or friends, thereby reducing their living expenses. Therefore, drawing a strong link between the number of international students and the supply of student housing is not defensible.

In the most recent international student survey conducted at CQUniversity just 7% of its students lived in PBSA accommodation, this is largely due to the extensive rental cost associated with PBSA facilities. In fact, it is noted that current rental rates for PBSA accommodation would account for approximately 85% of the financial capacity requirement for a primary visa holder. As outlined above, the survey also shows that the vast majority of CQUniversity students live with relatives and existing social networks.

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

It is imperative that any transition to a new international education model does not affect students already studying at the institution. To ensure a smooth transition, the previously outlined reforms in this consultation paper response must be implemented. The new approach will not be viable if other elements of the current operating environment remain unchanged. Additionally, the removal of existing controls, such as Ministerial Direction 107 and Evidence Levels, will be essential for a smooth transition.

Objective 3

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

CQUniversity has actively explored Transnational Education opportunities as a means to diversify income streams, for example CQUniversity Indonesia. However, numerous challenges accompany the development and establishment of such programs. One significant challenge is that revenue derived from TNE is considerably lower than that from onshore education, and repatriating funds to Australia can be difficult. Consequently, onshore international student revenue often subsidises the delivery of transnational education.

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

To support Transnational Education, the Government could consider a number of policy provisions to make this more attractive such as:

- **Equal Treatment:** Providing students who have completed an Australian degree via transnational education with similar provisions to onshore international students, such as post-study work rights in Australia.
- **Impact on Institutional Limits:** Ensuring that students participating in Transnational Education Programs with an Australian onshore component of study do not count towards or impact institutions' set limits.
- **Dual Recognition:** Encouraging dual recognition of learning between countries would address the current lack of recognition, making it easier to offer a robust portfolio of courses via Transnational Education.