

Mr Tony Cook PSM  
Secretary  
Department of Education  
GPO Box 9880  
CANBERRA ACT 2601

Dear Mr Cook

RE: Consultation on the Draft International Education and Skills Strategic Framework

English Australia welcomes the opportunity to give feedback to government on the Draft International Education and Skills Strategic Framework ('the Framework'). Please accept the below as the formal submission of this feedback. Along with this feedback, English Australia notes that it is actively engaging with the Department to provide further input via individual meetings and participation in the International Education Stakeholders Forum meetings. Finally, we note that we would greatly appreciate further consultation on these matters.

### **Executive Summary**

English Australia acknowledges the importance of the Framework in its role of setting out "a path for government and the sector to work together so international education can continue to deliver benefits to our economy, communities and international students."

English Australia wishes to go on record with the view that the most significant changes introduced by the Framework and its implementation via the Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024 ('the ESOS Amendment Bill') are fundamentally misaligned to the realities of the sector and will have severe negative impacts on Australia's economy, including widespread job losses.

English Australia urges government to delay the timeline of the implementation of many of the key changes introduced in the Framework while it carries out meaningful consultation with the sector, including by carrying out an economic impact study of the consequences of those changes.

## **English Australia**

English Australia is the national peak body and professional association for the English Language Intensive Courses for Overseas Students (ELICOS) sector of international education. For more than 40 years, English Australia member colleges have comprised those English language teaching institutions around Australia who have made significant and ongoing commitments to quality, support, and assurance for the international students who come from around the world to study, stay, travel and work in Australia. These colleges commit to going above and beyond the minimum standards set for the sector and commit to supporting and enriching the ELICOS sector through active involvement in the professional development community that English Australia leads. In recognition of this quality commitment, more than 80% of ELICOS students choose to study at English Australia member college centres throughout Australia.

For four decades English Australia has supported, collaborated with and championed the dedicated professionals in private and public sector English language teaching institutions. Along with the other sector peak bodies and their member institutions, and with local, state and federal governments and government agencies, with education and migration agencies, and with the many other organisations that provide vital services to international students and the sector, including insurance, accommodation, English proficiency testing, and legal support, English Australia has been a part of building Australia into one of the most popular destinations for international students in the world. English Australia is proud to be a part of this incredible success story.

## **Introductory Statement**

As government notes in the Framework, international education has “delivered significant economic and social benefits for our community.” Prime Minister, The Hon Anthony Albanese MP, gave a speech some years ago declaring that “Australia’s international education industry is one of our great success stories.” He noted Australia’s “reputation for high-quality education” and reflected that the enormous

value of the sector to domestic education and the Australian community was certainly clear in his personal experience when he studied at the University of Sydney.

Today, international education is a vital element of the Australian economy. It is an employer of hundreds of thousands of Australians, a major contributor to Australia's regional and global strategic position and reputation, one of the key sources of university funding and capability for research and development, a key source of entrepreneurs and young professionals, and a key element in Australia's balance of trade and GDP growth.

In this context, English Australia notes that the most significant changes introduced by the Framework and the ESOS Amendment Bill are not related to 'quality and integrity', were not developed in consultation with the sector, are wholly misaligned to the realities of the sector, and are likely to have dire consequences for the sector and Australia's economy. English Australia notes that these changes focus on an alarming move away from a free-market economy to a central-government-controlled economy.

English Australia voices the concern that the primary impetus for this move is an effort to hold international students responsible for Australia's housing crisis. This is a crisis of more than 30 years in the making and one that, as economists and researchers have conclusively demonstrated in recent months, international students neither caused nor significantly contribute to. English Australia urgently calls for an injection of facts into the discussion around the role and relevance of international students in Australia's housing crisis, noting that when recently asked "Does cutting migration help [the housing crisis]?" the federal Treasurer, The Hon Jim Chalmers MP, responded, "At the margins at best."

English Australia is alarmed that government has not produced an economic impact study on the likely dire consequences of transitioning Australia's 4<sup>th</sup> largest export and its largest service export away from a free-market economy to one controlled by central government dictate. Engagement with the college and corporate affiliate membership of English Australia has revealed that the impact of the current action by government to severely restrict access to student visas have already begun to emerge, including:

- domestic and international divestiture from the sector;
- widespread job losses;
- closure of businesses;

- damage to regional economies and communities;
- reduction in investment in delivery and service quality;
- reduction in Australia's global standing;
- reduction in the attractiveness of Australia as a tourism destination;
- reduction in Australia's attractiveness to skilled migrants.

English Australia urges government to focus on transitioning to policy and practice that supports the international education sector and gives clarity and certainty to prospective international students and the sector as a whole. Such a transition is urgently needed and would include:

1. an urgent shift to efficient, transparent, fair, and consistent student visa processing;
2. an urgent shift in government rhetoric to celebrate the value and contribution of the international education sector and to inject research-based facts into the role and relevance of international students in the housing crisis and the nature and degree of the sector's integrity issues;
3. the removal from the ESOS Amendment Bill 2024 of measures to limit enrolments in specific providers, locations, courses and classes of courses and to remove courses and classes of courses from CRICOS;
4. urgent measures to support high-quality providers that have been severely financially strained by recent restrictions on visa grants;
5. an urgent focus on ensuring quality and sustainability of the sector through support for targeted compliance action by the regulators working in concert with other government agencies as appropriate.

English Australia strongly believes that any attempt to force the implementation of limits on enrolments or Ministerial removal of courses or classes of courses from CRICOS before 2026 would put 100s of organisations across the sector at financial and legal peril. English Australia urges government to delay implementation of these changes until at least 1 January 2026 so that meaningful consultation, planning and resourcing can take place both in government and in the sector and so that appropriate amendments to the Bill and Framework can be made.

## English Australia's Response to Consultation Questions

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

For more than 40 years, English Australia has supported and advocated for quality and integrity in the English language teaching sector and across international education. Australia's international education system is admired globally as high-quality, innovative, and based on a robust regulatory system. English Australia has long championed its members' commitment to and consistent success in going above and beyond minimum standards of quality and integrity. In this context, English Australia and its members wish to urgently voice their concerns over the dire consequences of government's current rhetoric that is exaggerating the integrity concerns in the sector, unfairly and inaccurately placing blame for the nation's housing crisis on international students, and severely restricting access to student visas.

English Australia notes that high-quality providers have been hurt most by the current focus on restricting offshore student visa grants. Most low-quality providers attract few offshore students except when incentivised by the government of the day through the availability of unlimited work rights and 408 visas. Low-quality providers generate most of their income from onshore applications and invest little in quality academic programs, campuses, facilities, or services. Their assets and investments are significantly less than those of high-quality providers and hence the damage to asset value from the dramatic reduction in student visa grants has disproportionately impacted quality providers.

English Australia welcomes government intent to address quality and integrity issues that do exist. However, we point to the many quantitative and qualitative metrics that indicate the vast majority of providers are already at a high or very high level of quality and integrity.

English Australia urges government to address the small minority of providers via targeted regulatory compliance activity as recommended in the Nixon Review report, not through broad industry-wide measures. English Australia believes that two issues have been key factors in the sector's integrity issues post COVID:

- a. visa policy and practices that have incentivised activity other than study; and
- b. long term under resourcing of regulatory and visa compliance.

Government maintained the availability of unlimited work rights, COVID 408 visas, and concurrent eCoEs for an extended period. As well as attracting parties more interested in economic rather than educational outcomes, this inflated the NOM figures by reducing departures. Having now removed these options, government must have the patience to let the impacts work through the system.

Regulation of compliance with visa and ESOS Framework obligations have been under resourced for many years. English Australia was pleased to see increased funding to ASQA and to visa compliance in 2023. We anticipate seeing this lead to an end to the types of issues flagged in the Nixon Review report.

In terms of further reform, decisive action against identified bad actors should be expedited. English Australia notes that warning letters were sent to 34 CRICOS institutions for undermining the integrity of the Student Visa program. English Australia also notes that this represents only 2.3% of the 1,479 CRICOS providers and that these warnings gave six months to improve performance. This suggests the size of the integrity issues amounts to 2.3% of the market and that the seriousness of the integrity issue only warrants warnings, not sanctions. This message is at odds with the rhetoric of Ministers in the media claiming widespread integrity issues justify the drastic measures reflected in the Draft Strategic Framework and in the ESOS Amendment Bill. It is also at odds with English Australia member views and the Nixon Report findings that the small number of bad actors warrant severe sanctions.

English Australia believes the sector's social licence relies on bad actors being shut down and shut out by appropriate regulatory action. This includes utilisation of the actual provisions granted by s 97 of the ESOS Act – suspending from CRICOS providers who have consistently and significantly undermined the integrity of the Student Visa program, not issuing warning letters. Further, where government has knowledge and just cause, English Australia believes that naming these bad actors would appropriately inform good providers, agents, and students so they can avoid inadvertent engagement.

English Australia notes that ASQA is no longer reporting on specific regulatory actions. English Australia is not aware of any significant increase in the sanctioning of CRICOS providers for serious non-compliance nor of any shutting down of providers for serious integrity breaches. English Australia is also unaware of any action on the illegal behaviour flagged in the Nixon Review by any law enforcement agency. English Australia urges increased transparency in this regard.

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

English Australia members have voiced a concern with the premise of this question. That is, relying on research, including the English Language Barometer Survey and QILT reports, along with past statements of government, and on the findings of the Nixon Review report, English Australia believes that the vast majority of CRICOS providers do not represent any form of integrity issue. English Australia notes that the 2022 English Language Barometer survey results showed almost identical very high levels of satisfaction compared with the 2019-20 survey, a remarkable result given the challenges for students and providers due to the COVID-19 pandemic. In one measure, student responses showed 82% would encourage or actively encourage others to apply for a similar course.

English Australia does not believe it is in any way appropriate to suggest that quality education providers have a role to play in managing the small number of bad actors in the sector. Such action requires a well-funded and effectively empowered and directed independent regulator along with other government agencies, including the ATO, DHA, and law enforcement agencies.

With respect to those integrity issues that do exist, English Australia agrees with the recommendations of the Nixon Review that urged:

- increased investigative capacity;
- targeted compliance activity by the ESOS regulators working collaboratively other government agencies, such as the Australian Federal Police;
- development of a more systemwide risk framework to guide regulator focus;
- effective regulation of education and migration agents.

English Australia commends the ESOS regulator, ASQA, for launching and maintaining a ‘compliance hotline’ on its website to gather anonymous complaints from students, agents, and providers about integrity issues and bad actors. ASQA has reported that this ‘hotline’ has received well over 1,000 tip offs in its first 6 months. English Australia urges the appropriate publication of regulatory actions that result from this and other compliance activities.

English Australia members have voiced the view that the government incentivising the rapid return of international students by allowing unlimited work rights and maintaining the availability of the COVID 408 visa well after COVID had passed were key factors in attracting and enabling providers, agents, and international students whose primary focus was not quality education. Similarly, the time taken to

close the concurrent eCoE loophole enabled widespread transfers to low-fee VET courses. This was exacerbated by the Department of Home Affairs failing to act on students reported by providers for failure to meet their visa obligations and the Department also failing to compel students transferring sectors or moving to lower AQF programs to apply for a new visa.

English Australia notes that approximately 80% of students study English in Australia with providers who go above and beyond minimum regulatory compliance and make a genuine commitment to professional development, quality and support of students through English Australia membership. Some providers also invest in dedicated academic governance staff, in gaining independent quality endorsements from organisations such as NEAS, IALC, International House, and Quality English, or commission external experts the lead operational and quality reviews.

It is the role of providers to meet and exceed minimum standards of delivery and support in natural competition for international student enrolments as part of a free-market economy. It is the role of government to control negative externalities of the system, such as bad actors attracted by the sector's economic success.

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

English Australia strongly supports a free-market economy and a market led approach to achieving sustainable growth in international education. Under a free-market economy, international student enrolments naturally go to the sectors, providers, courses, and locations in which the needs and interests of the students best align with the offerings of providers. English Australia believes that any attempt to restrict or ignore the interests of students or attempt to control choice in an otherwise free-market economy would have significant negative impacts for students, the sector, and the broader economy.

English Australia champions the decades of work that have built Australia into a destination of choice for international students. This work has been done by English Australia and its members, by universities and colleges, by government and government agencies, such as Austrade and the state-based study destination organisations, not to mention countless others in the testing sector, the insurance



sector, the accommodation sector, ICT service organisations, and so on. It is an incredible success story. Australia has become one of the most popular destinations for international students in the world.

Students choose to come to Australia because of its high-quality education providers and the diversity of the providers, courses, and locations in which a student can study and live. Those students who prioritize international rankings of the university at which they study, choose one of our highly ranked universities. Those universities achieve those high rankings because they are able to fund exceptional research, courses, and facilities thanks in significant degree to the fees paid by international students. Some students come to Australia for a rich, regional experience. They study English in high-quality colleges in one of Australia's wonderful regional centres. Often students choose locations that are familiar to their home-country situations.

Many students, on graduation, are joined by family and friends and travel as tourists before returning to their home country to continue their lives and careers. Often, these family and friends become future international students, even living with the same homestay families and studying at the same institutions.

The trends of student enrolments change gradually over time and as entrepreneurial organisations add new courses, locations, and services that meet emerging needs and interests. Any attempt by government to move to a controlling central government approach is likely to stifle entrepreneurialism and engender a risk averse business community that does not modernise at the rate of the global economy. This has certainly been the experience of the economies controlled by central government dictates globally.

English Australia urges government to focus on supporting a free-market economy approach and the diversity and flexibility it represents. English Australia urges government to maintain and strengthen its focus on ensuring regulators are appropriately funded to enforce minimum standards of quality and compliance for both existing and new providers. The rigorous and expert enforcement of these standards ensures that every provider and every course contributes to Australia's rich, robust, responsive international education sector.

English Australia notes that successive local, state and federal governments have encouraged and incentivised international students to move to regions and/or to take courses that qualify them to fill professions with high vacancy rates in Australia. These efforts have had limited success as they have failed to address a range of systemwide issues. (See detailed response in Question 7).

One factor that is not often addressed, however, is that international students have consistently been attracted to study in locations in Australia in volumes that are directly proportionate to the population of those locations. The more populous a location, the more resources it has to attract and welcome international students. Thus, small regional locations will only ever attract a small number of international students.

Measures to restrict numbers in one location will not automatically draw prospective students to choose to study in other locations. Students' choice of study destination is not 'somewhere in Australia', but usually a specific location. Hence, should students not be able to study in their preferred major city in Australia, the vast majority will not then choose to take a course in a regional centre; they will instead not come to study in Australia at all. Equally, where a student wishes to study in a regional centre in Australia, they will not switch to a major city because it is the only option government offers.

Consumer choices are complex and are not easily directed or controlled. As such, the flexibility and responsiveness of a free-market economy is the only efficient and effective solution.

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

English Australia holds the view that government should focus on enabling and supporting quality educational outcomes and a secure, sustainable sector, not on setting limits on enrolments. Australia has a market led economy with free consumer choice and free enterprise. The government's proposition is to move from this to a managed or controlled economy with a central government dictating levels of production. This will drive away investment in the sector both in terms of growth focused investment and quality focused investment.

English Australia notes efforts to reduce student enrolment numbers has been in response to community concern relating to the housing crisis. However, when asked "Does cutting migration help [the housing crisis]?" Treasurer, The Hon Jim Chalmers MP responded, "At the margins at best." Recent research clearly shows that international students have neither caused nor significantly contributed to Australia's housing crisis (see response to question 8).

English Australia strongly opposes enrolment limits at provider, course, or location levels being set each September for the coming year. This would be wholly at odds with the realities of the timeframes involved in students being attracted to, applying for, being accepted into, and commencing a program, which may have a lead time of 18 months or more. It would be even more at odds with the realities of the timeframes involved in a provider deciding there is a particular level of enrolment demand in a particular course at a particular location and then resourcing the provision of that course by investing in course curriculum and assessment development, and then making available campus, facilities and equipment, appropriate staffing and academic expertise, not to mention planning, resourcing and implementing the student recruitment cycle.

English Australia urges government to recognise that the sector has taken decades to develop and represents billions of dollars of assets, expertise, and potential. As such, government should invest a more appropriate amount of time in negotiating with the sector to develop a sensible approach to managing enrolment numbers based on facts and research. English Australia notes that government has provided no economic impact study to demonstrate depth of understanding of the impact of these measures.

Government should also develop and implement, as recommended by the Nixon Review, a broader set of systemic risk indicators for CRICOS providers based on a multi-agency and sector consultation process. This may provide government and regulators with insights into the capability and integrity of individual providers that may inform decisions on adjustments to provider CRICOS capacity levels. That is, where a provider displays a problematic risk profile, poor performance in attendance, learning and course completion outcomes, inadequate learner support, and poor student visa integrity outcomes, this might provide impetus for appropriate reductions in CRICOS places at that provider until such time as those quality and integrity concerns are addressed.

Currently, CRICOS provides an upper limit on the number of students each provider can enrol. Allocations within CRICOS continue to increase even in 2024. Between January and May 2024, it has increased 41,242 places. Each place listed on CRICOS represents investment in campus, facilities and equipment, course development, staffing and a multitude of operational requirements. Should government plan to introduce enrolment limits then it is unreasonable to ignore these investments. Equally, ignoring the capacity limits in CRICOS to introduce a separate system of enrolment limits adds

yet another layer of operational and compliance complexity and places an unnecessary and unreasonable burden on providers as well as on government and regulators.

English Australia members have voiced their concerns that the mass delays and application refusals of offshore applicants have been an attempt to achieve a quick fix to the perspective that the Net Overseas Migration figures have been higher than in the past. Research has clarified that the surge in arrivals (approximately 100k higher than expected in 2023/24) is not the core issue. It is government extensions of onshore temporary visas leading to reduced departures (approx. 334k fewer departures than expected). The same research has also revealed that measuring net migration across the whole pandemic and recovery period shows Australia has received 350k fewer people through net migration over the last five years than it would have had COVID-19 not closed our borders.

English Australia would finally urge government efforts away from restricting offshore applicants and toward putting adequate resources behind ensuring onshore students are required to go through an appropriately robust visa application process should they wish to enrol in a course at a lower AQF level than their current or most recent enrolment.

##### ***5. How will this approach to managing the system affect individual providers?***

English Australia views requesting sector feedback on the impact of a system enabled by a Bill already before parliament, for which government has not even shown the due diligence of commissioning an economic impact study, as representing a significant failure of governance. This is even more true when the sector represents Australia's 4<sup>th</sup> largest export and its largest service export, represents a significant proportion of the export earnings on the country's second largest service export (tourism), employs more than a quarter of a million Australians, funds the lion's share of research at universities, subsidises the facilities, staffing, and program development for domestic students' studies at university, and provides much needed part-time labour force for Australia's retail, hospitality, childcare, aged-care and construction sectors.

The government's approach to restricting student visa grants through dramatically increasing delays and refusals of student visa applications has already led to significant job losses at individual providers.

A number of English Australia members have communicated that the impact has already been worse than the COVID years and that they are working to divest from the sector, laying off staff and closing campuses.

With respect to government's intention to set enrolment limits for each provider, course, class of courses, and location each September for the coming calendar year, a number of English Australia members have communicated that this would lead them to minimise any future investment in campuses, facilities, program development and additional services. Announcing enrolment limits annually with three months' notice is completely at odds with realities of the timeframes involved in a provider determining that a particular level of enrolment demand exists in a particular course at a particular location and then resourcing the provision of that course by investing in course curriculum and assessment development, by investing in campus, facilities and equipment, by employing and onboarding appropriate operational and student support staff along with academic expertise, not to mention planning, resourcing and implementing the student recruitment cycle. This becomes increasingly problematic the more specialised the course.

English Australia members have noted that even in the wholly unrealistic hypothetical situation that they did invest in and have ready all the elements of the system and have the students ready and waiting to apply in September, the system would still likely fail to function adequately to support a sustainable business model. The reality of visa application processing is that an application in September for a start early in the new year would expose the student and the provider to too much risk that the visa application would be too delayed to allow a timely start.

The cost of the commercial real estate required to operate a quality campus is far too great for providers to not use their full capacity efficiently. Government enrolment limits would put management of that utilisation out of reach of the provider and make operations financially unviable. Further, commercial leases tend to be for 5 or 10 years. Government setting enrolment limits annually would expose leaseholders to significant financial and legal risk.

Similarly, government setting enrolment limits annually would have significant impact on staffing arrangements. While significant reductions in visa grant volumes have led to job losses, setting enrolment limits annually would lead to increased casualisation. The lack of dependability caused by the annual limit setting would also make employment in the sector far less attractive which would have further negative impacts on financial viability of institutions and on the quality of educational service

provision. In the context of modern employment legislation relating to casual conversion, this would also expose institutions to significant legal risks.

English Australia urges the government to either abandon the elements of the strategy and Bill that introduce annual enrolment limit setting or shift the limit periods to 5-yearly rather than yearly. This would at least allow a modicum of certainty.

English Australia also notes that the provision in the ESOS Amendment Bill allowing the Minister to shut down courses where there are integrity issues or where it is not in the public interest has also been flagged as likely to lead to minimisation of future investment in quality beyond the bare minimum. Any investment would be at risk of the current or any future Minister shutting the course down without recourse and voiding the value of any investment. English Australia urges the removal of this power from the Bill.

***6. 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?***

English Australia strongly supports a free-market economy and a market led approach to achieving sustainable growth in all aspects of international education. Ensuring regulators are appropriately funded to enforce minimum standards of quality and compliance should be government's primary focus.

English Australia also notes that ELICOS, non-award programs such as Foundation Programs and Study Abroad, as well as school programs represent a small part of the international education sector in Australia. Many of the students in these parts of the sector are in Australia for a relatively short period of time. The recently completed English Australia survey of all ELICOS providers showed that the average length of study in an English language course in 2023 was 15.7 weeks.

These shorter stay students are more likely to spend all of their stay in some form of student accommodation (i.e. homestay, on campus accommodation, private purpose built student

accommodation). In its recent survey of all ELICOS providers, English Australia found that 85% of ELICOS providers surveyed were able to facilitate 100% of accommodation requests from offshore applicants with the remaining 15% involving the provider needing to rely on external accommodation providers to meet a small proportion of requests.

Similarly, due to the nature of these programs, regulators have consistently noted lower levels of providers cited or sanctioned for regulatory compliance issues. English Australia also notes that higher degree research students bring a disproportionately higher value for Australia with research being done here and IP ownership often local and there being significant potential for skilled migration.

English Australia urges the government to either abandon the elements of the strategy and Bill that introduce annual enrolment limit setting or shift the limit periods to 5-yearly rather than yearly. This would at least allow a modicum of certainty. English Australia urges government to exclude from any enrolment limits in the Bill as well as in the policy document schools, ELICOS and other non-award, along with higher degree research students.

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

English Australia notes that Australia already has a system in place which supports the alignment of courses to skills needs. This includes the Skilled stream of the Migration Program. The 485 Temporary Graduate Visa: Graduate Work Stream allows international students who have recently graduated with qualifications that are relevant to specific occupations Australia needs to work in Australia temporarily. The Skilled Occupation List also sets out the occupations that are deemed 'skills gaps' and allows providers and prospective students to consider courses that are relevant.

English Australia notes that this system could be improved in a number of ways. For instance, providing a 'guaranteed relevance period' for the occupations on the list for a period of five years would enable prospective students to choose relevant courses, prepare to apply, go through the application process, be accepted, study, qualify and pursue work opportunities.

The government should consider mechanisms to support natural career development trajectories for students and graduates, including work-integrated learning. Government should also explore mechanisms that ensure these graduates actually participate in the core work areas of these occupations.

English Australia also notes that numerous submissions to the 2023 Migration Review flagged issues with the post-study work rights system available to student visa holders as preventing them from filling Australia's skills gaps with only 28% of eligible graduates using their post-study work rights at all. Of those, the Review noted that approximately 30% of graduate visa holders find only low skilled work in retail and hospitality, more than 20% are either unemployed or not participating in the job market, and nearly half as many are employed in roles related to their area of study as domestic graduates.

The complexity and inefficiency of the transition from student visa to post study visas was one key issue. Likewise, the transition from post study work visas to a sponsorship for permanency introduces requirements which are misaligned with natural career progression. Submissions to the Review urged making graduate work visas longer and including graduates from offshore campuses of Australian institutions. Other submissions urged making qualification for post study work rights visas automatic on graduation. However, the government went the opposite direction, shortening the length of these visas and maintaining the requirement for applications.

The government's Final Report in the Migration Strategy recommended simplifying the application process and changing the names of the visas. Neither of these have happened with recent visa processing involving significant delays and increased refusal rates that have left education providers, agents and visa applicants increasingly frustrated at the lack of consistency, fairness and transparency in visa decision making.

English Australia recognises the steps taken by government to address exploitation of student and graduate visa holders in the workplace by changes introduced, including allowing workers to move from employer to employer, and increasing penalties for providers involved in exploitative employment practices. Further investment in this area is vital to ensure employment outcomes of international student graduates are both valuable for the Australian economy and represent proof of the potential for future generations of international students who might begin to see Australia as a viable skilled-migration option.



English Australia also notes that approximately 85% of international students leave Australia at the end of their studies. The vast majority return to their home country as they always intended to do on graduation. Approximately 2 in 10 students seek permanency in Australia. This aligns with more than a decade of government policy that worked to ensure students only came if they intended to leave and had significant reasons to leave. It also aligns with the fact that Australia is seen as a great destination for study and experience that attracts students from around the world. Australia has become a key player in the global education market. This has enormous value, not just immediately, but over the long term, as the regional and global workforce is increasingly pro-Australia.

English Australia supports measures that would lead to better employment outcomes for graduates and that would make Australia attractive to young, smart, eager students keen on graduating from courses in areas that represent skills gaps in Australia. However, this should complement, not come at the price of the current international education landscape in Australia.

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

English Australia calls for an injection of research-based facts into the discussion around the role and relevance of international students in Australia's housing crisis. The rhetoric of MPs and in media suggesting that international students are responsible for or even significantly impacting the housing crisis are at odds with the truth. The current treasurer confirmed on the Insiders program on 19 May 2024 that the impact of migrant engagement in rentals was "at the margins at best". Indeed, it has been argued that, with more than 250,000 unique residences currently listed on Airbnb, the short-term tourist rental market has had a far larger impact than international students.

The recent reports by the Student Accommodation Association, the Property Council of Australia and the Group of Eight Universities, have illustrated the following key facts:

1. The increase in the median cost of rent over recent years was most significant and dramatic between 2020 and 2022, precisely when international student numbers in Australia were at their lowest. From December 2019 to December 2023, median weekly rent increased by 30% while international student arrivals decreased by 13%. As such, the return of international students in 2023 was neither a cause nor a significant factor in the increase in rental costs.
2. The average household size significantly decreased between 2019 and 2024, meaning that the same population demands more housing. International students tend to live in homestays, purpose built student accommodation, or high-density rentals. Hence, international students are not a factor in this trend.
3. Rising house prices means home ownership is increasingly inaccessible to larger proportions of Australians and this leads to more people renting for longer. International students do not purchase residential dwellings in Australia. Hence, they are not a part of this trend.
4. The creation of new residential dwellings has not matched demand for a number of years due to rising construction costs, supply-chain disruptions, property developers keeping stock off market to maximise profits, delays due to complex planning and development approval processes, rising interest rates. International students have no impact on these trends.
5. In 2022 the short-stay rental market increased by 23%, with Airbnb alone listing more than 250,000 unique dwellings. These represent dwellings that are no longer available to Australians (or international students) looking for a standard term rental.

If government wishes to see increased availability of student housing, then it may wish to consider seed funding new builds for student housing and coordinating across local and state government to support efficient planning approvals. In addition, English Australia would urge government to consider initiatives such as:

1. Homestay

The expansion of tax incentives for families that make spare rooms available to international students.

2. Short-Stay Rentals

The rapid expansion of short-stay rentals has significantly reduced the availability of standard term rentals. Disincentives for investment in the conversion of residential dwellings into short-stay accommodation should be considered.

### ***9. What transition arrangements would support the implementation of a new approach?***

English Australia is aware of no relevant models of best practices involving a government taking a highly successful segment of a free-market economy that has taken decades of dedication and investment from the private sectors in collaboration with and supported by successive governments and then transitioning this into a central-government-controlled economy, let alone doing so in the space of months. Moving from a free-market sector to a centrally managed one will require extensive ongoing consultation to ensure dramatic unintended consequences are avoided. English Australia notes that such a dramatic shift should certainly be prefaced by the development of economic impact studies and economy-wide research. However, to date English Australia is not aware of any research at all by government that indicates awareness of the likely outcomes or risks of the policy detailed in the Draft Strategic Framework, nor any research that has led government to have confidence that the policy will not have disastrous impacts.

English Australia believes that the current trajectory of government policy and practice is leading to severe economy-wide repercussions that will likely take many years to recover from if they are not irreversible. Engagement with the membership of English Australia has revealed a number of these repercussions have already begun to take hold, including:

- domestic and international divestiture from the sector;
- widespread job losses;
- closure of businesses;
- damage to regional economies and communities;
- reduction in investment in delivery and service quality;
- reduction in Australia's global standing;
- reduction in the attractiveness of Australia as a tourism destination;
- reduction in Australia's attractiveness to skilled migrants.

Initial estimates of the impact of a continuation of the current cuts to enrolments via visa application refusals and delays has been estimated at \$15-\$20 billion dollars in the coming 12 months and without rapid correction this could amount to more than \$80 billion dollars of lost export earnings over the coming five years. This estimate attempts to account for the cut to direct earnings by the international education sector, export earnings of the tourism sector, loss of profit multipliers of the international student labour force to retail, hospitality, aged care and child-care, construction and tourism. It does not factor in the economic impact of the lost benefits of the 85% of international students who return to their home countries with a deep and lasting connection with Australia from their time and studies here.

Rather than transitioning to such a significantly weakened economy, English Australia urges government to focus on transition to policy and practice that supports the international education sector and gives clarity and certainty to prospective international students and the sector as a whole. Such a transition is urgently needed and would include:

6. an urgent shift to efficient, transparent, fair, and consistent student visa processing;
7. an urgent shift in government rhetoric to celebrate the value and contribution of the international education sector and to inject research-based facts into the role and relevance of international students in the housing crisis and the nature and degree of the sector's integrity issues;
8. the removal from the ESOS Amendment Bill 2024 of measures to limit enrolments in specific providers, locations, courses and classes of courses;
9. urgent measures to support high-quality providers that have been severely financially strained by recent restrictions on visa grants;
10. an urgent focus on ensuring quality and sustainability of the sector through support for targeted compliance action by the regulators working in concert with other government agencies as appropriate.

Putting all the above aside, English Australia notes that the concept of making such a dramatic shift in the ideology and implementation of Australia's international education system by 1 January 2025, completely ignores all practical realities. Providers have already entered into contractual agreements for 2025 relating to real estate, equipment, and employees not to mention having already entered written agreements with students. Government has in place no systems, staff, resources or procedures to establish, communicate, maintain, monitor, report or act on limitations on enrolments. The Bill enabling

such limitations has not yet passed either house or the senate committee that will review it. English Australia strongly believes that any attempt to force in limits on enrolments before 2026 would be wholly unreasonable and border on recklessness. It would undoubtedly put 100s of organisations across the sector at financial and legal peril. English Australia urges government to shift the implementation schedule back to 1 January 2026 so that meaningful consultation, planning and resourcing can take place both in government and in the sector.

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

Over the last twenty years, Australia has focused on becoming an exemplary destination for the provision of education. Students find Australia attractive not only for the high quality of education but also to experience the Australian lifestyle. This has created enormous value for the country with the sector enabling the employment of approximately 250,000 Australians, generating significant capital investment, supporting the country's balance of trade, contributing a significant proportion of the tourism sector's export earnings, funding research and development, and subsidising the quality and capacity of domestic education delivery. The enormous soft diplomacy that the sector creates must not be undervalued or understated.

While English Australia supports the premise that there is value in offshore and online delivery, we urge recognition of the fact that this should not come at the cost of onshore delivery as offshore delivery contributes only a small fraction of the benefits noted above. English Australia notes that for the ELICOS sector in particular, offshoring the delivery of English courses would lead to the loss of the economic benefit the sector brings, both directly and through its nexus with the tourism sector.

English Australia also notes that the business of English language delivery outside Australia is already a highly crowded market with long standing operations meeting market needs. Further, English language learning is well recognised as being more effective and far more efficient when done in an environment of language-immersion. Indeed, the vast majority of students of English language coming to Australia have already had extensive tuition in English throughout their schooling. They come to Australia to learn in an immersive context.

English Australia notes the comments from Business Sydney recently that, “Sydney loves and appreciates international students and backpackers. Without them, our wonderful city would struggle”. We similarly draw government’s attention to the recent study by senior economists at the NAB who noted that approximately 60% of GDP growth was from international students. Finally, we draw government’s attention to the comments in The Australian Financial Review article “Foreign Students are Saving the Economy” that noted that the current efforts of government to reduce international student numbers in Australia through visa refusals (and now Ministerial decrees on enrolment limits) are likely to lead to recession.

English Australia urges government to shift its focus to support rather than add further pressure to the thousands of businesses in Australia and hundreds of thousands of workers in Australia who are increasingly at financial risk due to the government’s current approach to visa processing and these pending caps. At a time when Australia is experiencing a cost of living crisis, government policies and practices causing severe and potentially lasting damage to an economic and social success story like Australia’s international education sector must be urgently reconsidered.

### ***11. Where can government direct effort to support transnational education?***

The vast majority of non-university, CRICOS education providers are small to medium businesses. These organisations lack the capital, or the depth of human resource capacity to establish and operate transnational education businesses. The vast majority have no interest or intention to operate multinational organisations.

If the government is seeking to support activity in the transnational space, significant investment over many years would be required to support Australian businesses to develop capacity for offshore delivery. Investment would also be needed in the country of delivery to assist with navigating the local operational and statutory landscape. English Australia would urge government to focus on supporting the development of quality and impact of the sector here in Australia rather than focusing on offshore delivery.

As noted above, English Australia does not support a significant shift to transnational delivery as developing English language proficiency has enormously superior outcomes when the student is immersed in an English language-speaking environment such as Australia. English Australia again

cautions against offshore delivery as it may have the unintended impact of significantly reducing the economic and social benefit of students coming to Australia. That is, it would likely lead to improving the expertise and environment for thriving international education sectors outside Australia, at the expense of Australia's sector and economy. This would most likely be a long term and to a significant extent irreversible outcome.