

National Tertiary Education Union

Objective 1

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

Many of the proposed reforms are positive in terms of supporting sector integrity. However the NTEU is also concerned over some measures that provide government (through Ministerial powers) the ability to cap, reduce or even completely close down, international education enrolments.

The NTEU has consistently maintained that over time, Australian higher education has become both increasingly and disproportionately reliant on international student fee income. This dependency has been driven by the proportional decrease in public funding by successive governments as well as a profit focused, corporate culture in public higher education providers (encouraged by government) that has manifested over the last two decades. However, like with many dependencies, sudden reductions can create serious problems, in this case for the health of the sector. This was seen directly during the COVID pandemic shutdown of Australia's international education sector, where international enrolments collapsed and over 30,000 higher education workers, (almost all in public universities), lost their jobs.

The NTEU is concerned that the caps on growth, or reduction to existing numbers, will lead to further job losses in the sector if not managed with the input of the union and university staff, and if not appropriately offset by increased public support for teaching and research.

Secondly, however, there are fundamental implications around the proposed reforms that enable direct government intervention, not only on student numbers but also in relation to providers and course and subject offerings.

While we understand that the premise for these powers is to allow government to deal with problematic providers who may be engaged in illegal and/or unethical conduct, there appear to be few, if any, guardrails on the new proposed powers. As such, this authority opens the door to opportunities for ministerial interference should a more interventionist, partisan government exist in the future. While there may be an undertaking by the present government to take a moderate approach, drawing from the experience of the Union, we are of the view that it is highly likely that the full ministerial powers allowed under the proposed legislation and supporting regulation on international education would be almost certainly used by a future government.

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

A concern for the NTEU is that some higher education providers are already telling staff that the changes in government policy and the proposed legislation supporting this strategy mean that the institution needs to shed more jobs.

While the sector is still recovering from the COVID related job losses (around 30,000), there are several institutions that are struggling to recover their previous international (and for many, domestic) student numbers. Others, however, are recovering, but are currently telling their workers that more jobs must be shed due to future projections of slower growth, or even potential reductions, of international student numbers under proposed government policies.

The loss of more jobs in the sector will almost certainly impact on the quality and integrity of international education.

The NTEU strongly recommends that the international student caps should be published to ensure that providers cannot game the system by claiming that they are being adversely impacted by the caps on enrolments, when that is not the case. It also ensures that there is transparency and equity in the caps

process, as a future government could decide to favour a particular institution, or set of institutions, or even a sector, over others, without this being known or understood.

Objective 2

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

The NTEU has concerns over the potential for international student enrolments to be gamed, or even used as political leverage, in the future. It is vital therefore that transparency, accountability and equity are foundational elements in a framework that is used to allocate international student enrolments.

Caps should be set to a published formula that provider numbers on international students are publicly available. While we understand that some regional institutions (and some states) are looking for exemptions to caps, the NTEU's view is that any weightings/exemptions must be public, transparent and equitable.

Any reductions in provider allocations should be phased in slowly to avoid undermining the funding of vital teaching, research and infrastructure.

The views of stakeholders, including staff and international students, should also be part of the consultation process in establishing caps.

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

International students are a benefit to Australian higher education, providing important diversity to the student experience and helping to internationalise Australian higher education curricular and research.

They have also become important for higher education institutions, as a source of up to now, unregulated funding.

Some institutions rely on international fee revenue to subsidise high level research programs as well as infrastructure and endowments. However, others rely on international fee income to subsidise domestic teaching as well as their research (including basic).

All public universities rely to varying extents on international student fee income, as a result of the decline in public funding for domestic student places over time (and overall, the sector sees more funding from international student fees than from the CGS). This systemic reliance has been encouraged by public policy settings for the past 20 years.

When looking at international student numbers for institutions, the resourcing, support and capacity for a provider to ensure that their international students are successful in their studies must be a priority consideration.

Also of consideration should be the level of dependence of that institution on international student fee income to deliver the core functions of teaching, research and community engagement. To suddenly reduce that capacity will only result in job losses, as was evident during COVID.

This policy must be carefully managed - while the NTEU has called for nearly two decades for governments to address the increasing reliance on international education as a source of funding, sudden reductions, without government also increasing the commonwealth funding for student places and research, will only create further stress on a sector still recovering from the pandemic.

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

As already outlined, the NTEU is concerned with transparency in the management of the new policy and legislative directions on international education.

While we support many of the new integrity measures, we are concerned that a lack of transparency will drive uncertainty and even distrust of both providers and government, from both staff and students.

Arrangements on international student numbers must be publicly available, be related to policy or a formula that is agreed to by the sector, and have consideration for the particular circumstances of that provider.

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?

While there are relatively low numbers of international students in schools and non-award, we do support ELICOS being included with the Higher Education and VET sectors, as ELICOS is often delivered in partnership with these sectors.

However, there will

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

The NTEU has serious concerns over government determining what courses may be available to international students when offered by self-accrediting providers.

Government capping, suspending and ceasing enrolments in courses offered by such providers undermines institutional independence and autonomy.

The NTEU therefore opposes this measure for self-accrediting institutions.

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

Higher education providers should ensure that students can safely access affordable accommodation. However, we caution against making higher education providers defacto property developers, as their function is to provide teaching, research, expertise, community infrastructure and resources that underpin their role as providers of public good.

We are also aware that some institutions with existing property investments and/or large sources of investment income and savings are better positioned to meet this requirement than others - ironically, these institutions also tend to have had the bulk of the international student market to date.

The NTEU recommends that rather than have a direct link between student numbers and increased housing, that other options be also examined, including funding opportunities for government investment in student housing in specific areas of need (eg regional/outer metro).

We also note that several major providers have ended up in financial trouble due to predatory clauses buried in contracts with unscrupulous student housing property development businesses. Government should be cautious about indirectly empowering such operators.

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

It is vital that any transition be measured and equitable, taking into account individual provider circumstances and the level of dependence on international student fee income, so as to minimise any potential job losses in the sector.

It is also important that the government ensures that Australia's reputation for quality and integrity as a provider of international education is not damaged by the new policy approach, but rather it be strengthened.

Some providers will require some form of additional funding to support their transition to a capped system - however, as a base, the level of commonwealth grant scheme funding must be restored to at

least pre-Jobs Ready Graduate levels, if not the real 2017 levels (prior to the freeze on CGS funding from 2017-2019).

Objective 3

- 1. What are the barriers to growth in offshore and transnational delivery of Australian education and training?**
- 2. Where can government direct effort to support transnational education?**