

RMIT University

Objective 1

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

Quality and integrity underpins the success of Australia's higher education sector. RMIT supports the government's commitment to identify and remove unscrupulous providers and agents, in order to protect genuine international students and the ongoing reputation of our nation and our educational institutions. High quality institutions with a large domestic cohort that are publicly funded need protection. There is an opportunity for the Framework to distinguish public providers from private providers.

Prevention of student poaching

RMIT strongly supports the government's commitment to the prevention of student poaching.

It supports the recommendation to lengthen the six-month no-transfer period to 12 months in order to better prevent poaching.

Greater provider integrity

More work is required to clearly define what are legitimate versus unscrupulous agents and providers. Regulation that focuses on a minority of unscrupulous agents and providers under one policy would unfairly impact providers that offer legitimate services.

Developing evidence-based risk indicators to inform a sector-wide risk architecture would enable the government to drive targeted compliance activities via regulators and would allow legitimate providers to conduct their business without excessive oversight or interference.

Balanced approach to caps

RMIT supports market driven managed growth aligned to the University Accord compact. RMIT does not support the introduction of prescriptive caps on onshore international students.

Specifically, limiting international students by country of origin, field of education, location, or level of study opens up the proposed system to misuse by political forces and influential parties.

Restrictions that reduce freedom of choice in this way would cause unnecessary damage to Australia's international education sector and its global reputation, making it difficult for us to advance Australia's interests in a global marketplace.

A balanced portfolio of nationalities is good risk management practice for any internationalised education provider. Government should consult proactively with providers well in advance of any sector-wide legislative action.

It is important that any potential caps also consider location, to ensure education providers do not make location decisions to capitalise on local international caps at the expense of capped local competitors.

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

Supporting international student success

Under a capped system universities will need to closely manage to their cap levels, meaning a student's confirmation of enrolment and visa will need to align with their chosen institution.

RMIT believes that forcing students to apply for a new visa when shifting providers could result in students choosing to remain in a program for which they lack the necessary core skillset or are poorly suited.

It should be incumbent on education providers to support student success as part of their duty of care to ensure the integrity of the system. This must extend beyond academia to include mental wellbeing and welfare support as well as career and employability support, industry engagement opportunities and social connection.

For example, RMIT offers international students: 1:1 wellbeing consultations, 1:1 career consultations and a three week drop in opportunity for those new to Melbourne as part of orientation activities at the beginning of each semester.

Feeling included is a critical part of student wellbeing, with students supported through the Kirrip (RMIT mates) community. This community helps connect students, build friendships, explore Melbourne and build their confidence as ethical global citizens. This is in addition to the many cultural clubs and the RMIT Student Union community activities.

Objective 2

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

As an export industry worth \$48 billion (2023), Australia's provision of onshore international education is necessary to address skilled migration and support Australia's economic development. RMIT is the nation's largest dual sector university focused on addressing Australia's skills and workforce needs and operating with integrity and high-quality standards. RMIT is also committed to supporting the education requirements of the wider region with diverse market offerings tailored to local needs.

Establishing a clear fact base

Managed growth must be in line with the University Accord compact and support universities that have not returned their international student numbers to pre pandemic levels. RMIT's international student profile onshore is still well below pre-pandemic numbers. Contrastingly, other institutions have significantly increased their total volume of international students.

Given the slower return of international students, RMIT has yet to return to a surplus budget since the pandemic. Unless we continue the planned growth trajectory, we will have to make significant cuts to areas where we traditionally invest such as research and infrastructure, as well as staffing.

To avoid further disadvantaging universities like RMIT who have not yet recovered to pre pandemic levels, the Framework must focus on a fair distribution of student growth across providers, rather than assuming the same approach will work for all universities or that caps should recognise existing profiles.

Allocating caps When considering international student enrolments, potential settings could include existing size, a more equitable share, and location of enrolments. There is opportunity to consider an international allocation as a proportion of an individual provider's domestic enrolment. RMIT is currently enrolling students well below any previously agreed Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) allocations.

The Framework risks conflict with other policy settings, such as the Migration Act. RMIT recommends against aligning international student courses purely on the basis of Australia's skills needs. This is contrary to the genuine student requirement in the Migration Act that recognises some students will stay, but many will return. A large majority of international students decide to return home post study, so they are more likely to choose a course that benefits their home country, not Australia.

RMIT recommends the following student cohorts to be excluded from the cap:

-students undertaking postgraduate research, -short and non-award courses (including Study Abroad), -non-packaged short English language programs, -sponsored students (including any cohort where their

home government sponsor their students), -articulation (study pathways) partnerships, -dual degree arrangements, and -student transfers from branch campuses (such as RMIT Vietnam).

RMIT believes that unless TNE arrangements are considered above caps, they will be disincentivised which is contrary to the objective of taking Australia's education to the world. For example, RMIT's partnership with BITS Pilani in India provides students with an opportunity to undertake a dual degree program, to study in both countries, at two institutions, and receive two degrees. This prestigious partnership provides RMIT – and by extension Australia – access to a highly prestigious and quality cohort of Indian students, with positive benefits in terms of reputation and impact. A cap on onshore enrolments suggests a situation could occur in which a student is unable to complete their dual degree because RMIT cannot accommodate them in Melbourne. Reserving 'places' within a proposed cap will likely reduce flexibility in the system.

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

The Framework must support diversification, not disincentivise it. Government should balance the desire to reduce immigration with the broader benefits and value international students bring to Australian cities and regions in furthering our culture, diversity, and economy.

International students are cross-cultural ambassadors, bringing a wealth of global knowledge and history to the classroom and campus life. International students are not a homogenous group – they are as diverse as the education offerings they choose. It enriches the Australian classroom if we have students from a range of countries and experiences.

In support of Government's aim to diversify, RMIT now welcomes more students from India and the subcontinent than China. Students from these South Asian markets are more likely to study in STEM-related discipline areas. They are distinctly different, in both their short-term and long-term preferences, and reflect a more sustainable, balanced, and diverse cohort. Students from India and the subcontinent also tend to be more motivated by long-term prospects in Australia. They acquire skills that our economy urgently requires more of and, in many instances, choose to apply them here.

Students from China are more likely to gain knowledge and skills in readiness to return home to start their careers. As a result, local knowledge, relationships and cultural understanding adds value to our export economy.

Students from other countries in Southeast Asia, such as Indonesia, Malaysia and Singapore are attracted to top-ranked programs and universities. Ultimately, they return home after their studies but while here focus on building networks, gaining technical expertise and expanding their cultural understanding.

There is a need for the cap to reflect the diversity of our international student preferences. Restricting the intake of markets that prefer temporary residency runs the risk of weakening Australia's economy. These international students build a critical export industry and should be seen as separate to the issues caused by high immigration.

As the Framework finalises, it is important to consider in parallel that the Australian Tertiary Education Commission (ATEC) is set to be established by 1 July 2025. There is an opportunity for ATEC to act as a mechanism to support the design and operational aspects of the Framework. ATEC should play a key role in meeting the three objectives of the Framework given its remit to steward the tertiary education system, oversee the delivery of funding arrangements for higher education, and ongoing tertiary harmonisation and data collection and reporting.

Overall, the international student level should be market driven in line with the support universities are able to provide. This assessment could include an institution's capacity, student support services, facilities and infrastructure. RMIT encourages a co-designed approach with government and the education sector to best align to Australia's and our international student's needs.

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

The most immediate and pressing recommendation is to freeze current student service visa risk ratings to limit risks (financial, reputational and student experience) arising from current changes to the processing of student visa applications. Freezing the visa risk ratings will support the sector to focus on transitioning to implement the proposed legislation.

Given the short time frames for implementation, RMIT urges a whole-of-government approach to implementation in partnership with the sector with clear communication and staged and transparent implementation.

Already, there is confusion and mixed messaging in the market, with many international students concerned about what the changes will mean for them, putting one of Australia's largest export industries and employment sectors at risk.

We must quickly work together to manage the impact on 'Brand Australia' and maintain Australia's reputation as a high-quality education destination welcoming of international students.

The Universities Accord puts forward a vision for a more connected tertiary system. The International Education reforms should be careful not to reinforce existing institutional, regulatory and cultural divisions between the two systems, and should not disrupt the ability of dual sector providers to play this 'system integration' role.

When allocating international student cap numbers, government needs to consider the nuances faced by dual sector universities. The total allocation of VE and HE student numbers needs to be a flexible percentage allowing dual sector universities to navigate between HE and VE. There would be a major risk in defining a cap for VE and a cap for HE. This is in line with the definition of tertiary education in the Universities Accord and the important role dual sector providers play in meeting the ambitions of the university accords.

In 2023, 75% of RMIT's commencing INTON VE students had made applications to study a Bachelor program in 2024 meaning the majority of our INTON VE cohort are using it as a pathway to HE study. Similarly, our foundation pathway (English language) students, despite being a non-award qualification, are highly likely to progress to either VE or HE after completing foundation studies.

The perception of a cap and limited entry into Australia has the potential to significantly impact Australia's reputation and soft power. It is likely that students who are unable to study in their destination choice in Australia, are more likely to choose another country altogether.

The administrative logistics required to navigate this new environment would be extremely difficult. Institutions would become more risk sensitive, potentially recruiting under the given cap through fear of over offering. These risks could see a significant reduction to revenue and significantly impact universities' business models, driving cost cutting initiatives. As a result, there is a strong desire to support a managed growth model over a hard cap.

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?

International enrolments in the non-award education sector, including ELICOS, Foundation Studies, and Study Abroad, should not be included in any proposed cap or limit.

Students that undertake non-award programs as a preparatory pathway to ongoing stud

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

Only 16% of international students stay in Australia after their studies end (2022). Onshore students with an intention to migrate already refer to the Immigration's Skilled Occupations List (SOL) when selecting a

degree, to maximise their chances of securing a working visa. Making their chosen program of study irrelevant to meeting Australia's skilled migration needs.

The government should not consider capping areas in vocational education amongst quality providers for those skills in demand for Australia. This would enable institutions like RMIT to assist with educating increased numbers of students in those areas where we have capacity.

The skills and competency needs in an international students' home countries is an important consideration when assigning any prospective caps, as these needs will dictate student demand more than those in the Australian economy. Specific niche programs and smaller fields of education, including arts and humanities, must not be disadvantaged in comparison to more popular programs; indeed, it is these fields that are of growing appeal among developed student markets where the popularity of outbound student mobility is in overall stasis or decline.

Ultimately, any alignment of education programs to Australia's skills needs will be best served by stronger engagement and ongoing relationships between universities (especially dual sector institutions) and government agencies such as Jobs and Skills Australia, the Jobs and Skills Councils, and the Department of Home Affairs. That in mind, no purpose-built skills framework is likely to adapt as fast to changing industry and labour market needs as the free market.

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

Housing is not a one-dimensional issue. RMIT recommends further analysis on the substance and detail of where international students live while studying and drivers of their decision making (such as cost) to inform and shape the policy.

RMIT occupies a significant 6% of buildings in Melbourne's CBD. Our vibrant urban campus is at the core of our identity and value proposition to students, industry partners, and the community. RMIT's central location provides students with flexibility in housing. While 53% of our international onshore students live in the Melbourne Local Government Area (LGA) most other international students live in outer metropolitan LGAs.

RMIT currently provides two types of accommodation to its international students: Walert House Student Accommodation in Bundoora (more than 350 beds) and has agreements with 6 purpose-built student accommodation (PBSA) providers across 25 sites (over 2,000 beds occupied, or 15% of the total 13,972 in Melbourne). RMIT also offers housing assistance via scholarships, emergency accommodation, and links to the Australian Homestay Network (AHN) and hostels. Given the range of models, in our view, access to beds rather than owned accommodation is the more appropriate policy measure.

RMIT's international student community makes diverse choices when it comes to housing – some stay in PBSA's while others live with family or friends. Connecting international students to Australia's housing shortage could have perverse impacts and risk further diluting diversification efforts.

Partnering with investors who wish to pursue new accommodation developments is an option as to how universities can support Australia's housing needs.

Prioritising investment

RMIT's infrastructure investment to improve Australian education and research delivers greater economic benefits in our urban location beyond what additional student housing can provide. RMIT's City North Social Innovation Precinct has been designed in consultation with state and local government, and forms part of a broad renewal of Melbourne's inner north. Our physical infrastructure reflects our skills and innovation focus, with major investment in applied research laboratories, collaborative and public spaces, and affordable prototyping and design workspaces.

RMIT contributes to housing solutions, not simply stock. As Australia's largest dual sector provider, RMIT plays an integral role in supplying skills critical to the construction workforce required to meet our nation's National Housing Accord. In 2024 RMIT has 4,851 students enrolled in the VET Build Environment and Sustainability cluster. This is set to grow: RMIT has invested \$18m in the Trades Innovation Centre in Bundoora, providing infrastructure to scale up delivery of contemporary trades and related industry programs. These contributions to Housing policy solutions should count as a contribution to government's housing effort and be factored into any cap.

Partnering for investment

Linking international student enrolment growth with increased supply of student housing will not produce intended outcomes. Market dynamics including investor confidence, land access, workforce availability, and increased supply costs may all contribute to shortfalls in new accommodation. Policy settings must avoid scenarios where accommodation does not meet diverse student needs or reflect market dynamics, or where expediency in increasing student accommodation diverts money and resources away from pursuing alternative models of affordable housing across society.

Planning approval and construction timeframes make it unlikely additional student accommodation would be available within the next 4 years. Government should consider the full ecosystem of housing for international students. To meet the managed growth principles of the Framework, caps would need some level of increase without construction to prevent relative decline in overall international student numbers in the early years of policy implementation. University agreements with PBSA providers must be counted when increasing caps.

This proposed change is complex, featuring variables including PBSA profitability in a low-to-no growth market, workforce availability, revenue impacts of caps, and future changes in housing market dynamics. Given the significant financial risk for providers in periods of low-to-no revenue growth and the risk of future sector-wide crises such as global pandemics, the government should consider financial guarantees or underwriting of new PBSAs.

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

International student welfare should sit at the centre of the proposed Framework: the size of each provider's international student cohort should be considered against the provider's capacity to ensure students have a positive and safe experience in Australia.

There is a need for a margin of flexibility that relates to exceeding a cap, otherwise the proposed system will likely prove unworkable – particularly in its early stages. Support funding to administer the transition would be welcomed, to allow for student services, admissions, and management systems to make adjustments. Once benchmarks are agreed between providers and government, funding must still be guaranteed if providers recruit below those caps.

Recruitment of international onshore students for Semester 1 2025 is already well underway. Universities typically work on an 18-month pipeline for this cohort. RMIT is already receiving complaints from offer holders concerned about these foreshadowed changes. The majority of prospective commencing students that will be affected by the proposed cap have already been made offers to study based on their existing visa approval, and navigating any change in their situation will require careful management and messaging.

RMIT urges a whole-of-government approach to implementation in partnership with the sector with clear communication and staged and transparent implementation. There is a risk that RMIT and other universities may have to use visa rejections as a tool to reduce the pool of students with offers to study in Australia. This will impact 'Brand Australia' and threaten our national reputation as a quality study destination. An unwanted situation may easily develop in which student applications to Australian universities decline, driving a fall in commencements further down the recruitment funnel. We urge the

Department of Education to consider how best to maintain Australia's reputation and brand during the transition process.

Objective 3

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

TNE is a long-term commitment and could never be a substitute for international onshore education (INTON)

While there are opportunities for Australian institutions to engage in high-quality TNE, these must part of a responsible engagement strategy. Seeking rushed, short-term success is counterproductive.

Negotiating with TNE partners requires long lead times and careful management. Well-developed relationships and common understanding are critical.

RMIT has formed this position as a leader in innovation and engagement with TNE, operating a full suite of TNE models including dedicated RMIT campuses, offshore delivery partnerships, dual campus programs and articulation (study pathways). RMIT's TNE partnerships enable the University to play a key part in Australian soft power, such as during the recent 2024 ASEAN Summit.

There are 13,000 Higher Education (HE) students enrolled with RMIT Vietnam, a foreign branch campus, and an additional 4,200 through an offshore delivery model with Singapore Institute of Management. These presences in Singapore and Vietnam are 37 and 24 years old respectively.

A partnership with Birla Institute of Technology and Science (BITS) in Pilani, India, was launched in 2023 to deliver dual campus twinned degrees between India and Australia – the first under India's new national framework whereby students are enrolled at both partner institutions concurrently. RMIT and BITS partnership was preceded by two years of meetings, site visits, and in-depth discussions. The first students to commence in Melbourne are expected in 2025; four years after the partnership was proposed.

Further partnerships include offshore delivery with Hong Kong Arts Centre, VTC Shape (HK), Mandarin Oriental Hotel Group, and SUIBE in Shanghai.

With this experience in mind, high-quality sustainable TNE cannot be used to replace onshore international enrolments or revenue. In the case of developing markets, partnerships are tailored to meet local consumer and industry demands and do not lead to significant direct revenue. While twinning programs will grow in future, most TNE students outside of Australia have no intention – and often lack funds – to pursue education in Australia.

Pathways to onshore study are a key element to TNE, with other benefits including brand development, soft diplomacy, research linkages, and global citizenship.

Australia should not be seen to be 'taking' from the Asia-Pacific region or funding our universities by repatriating funds from less developed economies. TNE partnerships cannot be a financial substitute for onshore delivery. It would be contrary to Australia's development assistance policy to be seen to be extracting profits from developing countries to fund Australian universities.

TNE is distinct from INTON

While Australia's INTON and TNE are linked, they have distinct priorities, benefits, and demographics. A prospective student may elect to undertake TNE over INTON education for many reasons beyond cost. For a student seeking an international experience, factors such as tuition, accommodation, and living expenses

are likely to drive them to a less expensive option in a third country over an Australian education in their own.

TNE only partly serves as an onshore pathway. In these cases, it is generally a cost-saving measure because by undertaking preparatory programs at home, students can reduce the cost of their overseas experience. Twinning arrangements partly fall into this model as students gain learnings from two universities but also reduce their study cost.

TNE is most beneficial when delivered in countries where existing provision is unable to meet local demand or does not offer key programs to a sufficient scale or quality to meet industry need. TNE services foreign contexts and needs – not Australia's. They are conducted through a local lens and may involve dialogue and cooperation with, and funding from, local and national governments, aid and development agencies, and corporate partners.

Student caps put TNE at risk

A proposed cap on international students risks the viability of prospective twinning arrangements, as well as TNE initiatives generally.

Even the perception that students could be barred from entry to Australia can damage the viability of dual-degree arrangements. Since the release of the Framework RMIT is already fielding concerns from the parents of BITS students. The global education market is competitive and if an Australian option is unattractive students will simply redirect to British, American, or Canadian universities.

RMIT offers a regional network of campuses and partners that enables students to enhance their study experience through transfers and short-term experiences between Melbourne, Vietnam, and Singapore. It emphasises the international nature of RMIT and its status as a leading university of impact in the Asia-Pacific. Any proposed student cap should exclude campus-to-campus transfers.

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

Universities are core supporters and conveners of Australia's soft power. When government, the education sector, and industry work together, positive impact can be made. Our broader region needs millions of skilled, knowledgeable people in the next two decades to grow equitable prosperity and provide care in communities. As a region, our prosperity is linked to that of our neighbours, and progress is intrinsically linked to the growth of education and the opportunity that comes with it.

Australia's Federal government plays a key role in developing and supporting the TNE activity of providers through diplomatic activity, connecting Australian institutions to foreign government, and supporting soft power initiatives.

There is a desire for government to continue to facilitate partnerships across disciplines and sectors within Australia and with international partners. To ensure the continued and expanded success of TNE activity, the government should continue to invest in "Team Australia" and increase positive brand awareness and understanding among international students, markets, industry, and educational institutions.

The education sector would benefit from government support to address the challenges faced in creating TNE opportunities. Each region and country follow differing legislation and policy, and the university sector has made an effort to understand and adapt to varying legislation.

Some of the more significant challenges facing TNE projects include local taxation arrangements and the extracting of remittances from foreign markets. There may be opportunities for the government to negotiate improved financial terms for Australian providers in select key markets.

If the government is set on leveraging offshore education and skills training to alleviate skill shortages in Australia, there will be significant benefit in having proactive and ambitious conversations between government and the education sector about the provision of skills pathways to support a medium-term

migration strategy. As a dual sector university with strong TNE presence, RMIT welcomes the opportunity to share the advantages of employment focused and skills-based programs.