

University of New England

Objective 1

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

Hasty implementation of the changes in 2025 will cause significant damage the reputation of the sector for quality and integrity.

Prospective international students make decisions about institutions, courses and countries over an 18 to 24 month period. Last minute policy changes will force institutions to withdraw offers with devastating impacts for students that will deter future cohorts from seeking out Australia's high quality institutions for years. This pattern can be observed whenever destination countries make significant policy changes to visa and study requirements.

It will also cause direct damage to the quality of the sector by upsetting long-term financial and investment plans in the facilities and courses that serve international (and domestic).

Consideration should therefore be given to a delayed and phased implementation.

An immediate measure to maintain the quality and reputation of the sector would be to ensure that applications for visas to study at Australia's public Universities are processed with equal priority. Under a capped visa system, there is no logic to deprioritise processing of visa applications for public Universities that sit at EL3, particularly where the EL3 rating arose during the unannounced and non-transparent changes to visa processing in late 2023.

There needs to be equity and transparency in processing timelines for both the international market and institutions. Consideration should be given the long-term brand damage currently being inflicted on individual providers in the market due to this ambiguity and apparent de-prioritisation of some public institutions.

At a tactical level, UNE has two suggestions to improve the integrity and quality of the sector: Firstly, the Commonwealth consider increasing the period of time that a student must stay with the Principal Provider before transferring to a VET or NUHEP provider to 12 months (instead of the current 6) to reduce students using public universities to access migration opportunities and then transferring to lower cost and quality providers once they have met the initial 6 month no transfer without release rule. Consideration should be given where there are extenuating circumstances for earlier release. Secondly, consideration could also be given to a requirement whereby students who seek to transfer from a Higher Education program to a lower VET qualification, are required to apply for a new visa. In both cases these interventions may discourage non-genuine students.

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

To help providers improve integrity of the sector, the Department of Education & Department of Home Affairs could provide more real time information about source country issues that small providers, without in-country representatives, may not readily access but could impact upon recruitment strategies and visa refusals. This would ensure that the providers are more likely to make decisions that will enhance the overall integrity of the system. Providers could also be provided with more information about agent behaviour that the departments may be aware of in relation to a specific provider, but other providers may not be aware of.

Objective 2

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

In allocating international student enrolments, provider characteristics such as location, industry linkage and regional workforce demand should be primary considerations. For example, campuses in regional locations like Armidale, should be allowed to grow enrolments as there is much room for growth without the metropolitan issues of overcrowding and accommodation, and significant regional workforce demand. Below, we propose that there not be caps on regional campuses of regionally headquartered Universities given that the absence of a policy rationale for such a measure and the imperative not to further embed distorted funding advantages for institutions able to attract significant international enrolments to metropolitan universities.

The current visa processing issues for providers on Evidence Level 3 means that student demand for study at some regional universities goes un-met – simply because visas are not processed in timely fashion and not because of a record of fraud or visa default. As noted above, under a capped visa system, there is no logic to deprioritise processing of visa applications for public Universities that sit at EL3. Moreover, deprioritisation will result in caps set under the new system not being met because students do not apply to these universities (because of the delay in processing) and that visas are not granted (because applications are not reached in the queue). This would defeat the objective of the system to manage growth across the sector. Addressing these issues will require an interdepartmental approach.

Further consideration should be given during an implementation phase to the management of potential provider default under section 46A of the ESOS act due to student caps on courses at specific locations.

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

Consideration must be duly given to the positive economic and social benefits that international students have across all areas of Australia but in particular to regional communities. For example, in the New England North West, many international students provide critical staffing for aged care services and local businesses. Universities like UNE have student accommodation to accommodate more international students who are an important part of our region's prosperity.

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

UNE proposes that the managed growth system not include caps for the regional campuses of an approach to managing the system that included support and consideration for regionally headquartered providers to grow enrolments in regional campuses. Australia's regional universities have capacity and capability to meet demand for regional study by international students under a managed growth system. Students who study in the regions help address regional workforce needs, while studying and (if eligible) after graduation. Without further detail on the way in which caps would be determined and then managed at an institutional level, it is difficult to determine the overall impact. The government's approach should not further embed distortions in the Australian public university sector by, for example, enabling large metropolitan universities to circumvent metropolitan caps by shifting load to regional campuses. However, care should be given to ensuring that a proposed system of management does not come with further significant administrative impost.

Australian universities, including UNE, have invested in facilities, courses and staff to meet growing international student demand in the years since 2019-2020. A cap set at enrollment levels from that era will result in sunk costs that the sector, and individual universities, can ill afford.

While there is some merit in ensuring that there is greater control of the international student system to ensure a higher level of integrity, an interventionist approach will damage the overall appeal of Australia's

international education sector if management of the system removes student choice or institutional autonomy and flexibility.

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?

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

The government should not determine which courses are best aligned to Australia's skills needs. As self-accrediting institutions, universities invest a significant amount of resources in ensuring that industry and skills demand are taken into consideration for courses offered to both the domestic and skills market. Jobs Skills Australia provides significant insight to national, regional and local skills requirements and gaps. It is unclear what further government intervention would achieve and how effective or efficient any interventions would be.

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

The Government should not implement a generic link between the number of students and an increased supply of student housing. Individual provider circumstances and regional characteristics must be taken into consideration.

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

UNE recommends that a longer lead time for implementation be considered. This should allow the current peak of student visa holders to settle before the introduction of any significant changes. Consideration should be given to implementing caps in 2026 not 2025, or implementing caps on those institutions whose growth has been considerably above sector averages to allow the market to redistribute to a lesser extent. This approach would also give a good indication as to the sensitivity of the international student market to a higher level of intervention and potentially a lower level of choice.

Objective 3

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

The cost of setting up an offshore campus is significant. This means that Australia's smaller public universities are not able to do this easily, when the focus of investment is in domestic student support and research activities. Although online delivery models of TNE are becoming more widely accepted there are still significant barriers in terms of the perception of these models in other countries. Many of these perceptions will take time to address.

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

Government can assist by continuing to work government to government with markets that are wary of online education. For this to be successful, foreign governments need to understand that online education is quality and a viable study mode. This will make it easier for Australian universities to engage in online offshore teaching.