

6 September 2024

Senate Education and Employment Legislation Committee inquiry into the Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024 [Provisions].

Written Opening Statement from Alec Webb, Chief Executive Officer, Regional Universities Network.

The Regional Universities Network supports improvements to sectoral integrity but remains deeply concerned about this legislation.

We cannot support granting a Minister the unprecedented and unnecessary powers to politicise a major export industry.

The Bill's application to Australia's high-quality, low-risk public universities has never been properly or consistently explained.

In attempting to justify this legislation the Government has performed moves that an Australian Olympic breakdancer could only dream of. We have been told the legislation:

- was designed to address capital city housing shortages,
- then it became a crackdown on shonks and ghost colleges,
- then visa hopping became the justification,
- and this week we've heard it was about integrity in the private VET sector all along.

This legislation is a political solution in search of a problem. Sadly, international students and universities have become the missing piece in the Government's search.

The Government has acknowledged that Ministerial Direction 107 has failed regional universities, and it will be scrapped on January 1st, 2025.

Unfortunately, this does not repair Ministerial Direction 107's damage to date, nor the damage it continues to inflict on every one of the 117 days between now and January 1st.

Waiting until January to remove Ministerial Direction 107 is like shutting the gate after the horse has bolted.

The long lead times for student visas means that future international students will continue to see their Term 1 2025 enrolment aspirations blocked by Ministerial Direction 107. A devastating impact for many universities, especially those who do not operate on a traditional semester model.

The Minister says, "*The big winners are regional universities*". That may be the case for some, but for others, winning has never felt so much like losing, due to the methodology used in setting institutional caps.

Regional universities have been jumping through more hoops than a rhythmic gymnast to satisfy the ad-hoc requirements of Ministerial Direction 107. As such, recent year enrolments have been atypically low for some institutions, resulting in punitive 2025 cap allocations that offer little-to-no growth, certainty, or sense. These universities would not have been disadvantaged if a more nuanced assessment of historical enrolment data were applied to the methodology.

If the Government's intention is for regional universities to participate in the international student market on a more equal footing, they cannot have their pathway to enrolment growth unfairly anchored by the legacy of an abnormal baseline year/s.

Visa processing requires certainty, transparency, and repeatability, so too does the planning for Australia's universities and future workforces. This Bill nor the cap methodology provide for longer term planning. While the caps afford short term restorative growth for some regional universities, without longer term certainty there will inevitably be job losses and universities having to consider the viability of some course offerings.

How can universities plan and invest for the future, when a crucial non-Government revenue stream is beholden to yearly political whims? How can we solve the skills crisis crippling parts of Australia without a clear plan for the future?

The caps do not consider linkages to regional skills needs, nor broader regional migration settings, despite these important matters being at the centre of recent policy direction. Instead, we have a formula seemingly designed to arrive at a politically convenient net number of students.

If the Government was serious about ensuring that regional universities were winners, here are three things that would have immediate impact:

- Revoke MD107 today,
- Reconsider the methodology used for the 2025 caps, and,
- Bring forward the September notification date for future years, and provide clear, multi-year pathways of growth so both universities and students alike can plan, invest, and position themselves for success in the long-term.