



23<sup>rd</sup> September 2024

## **BASAIR Australia welcomes the opportunity to provide a response to the Senate Education and Employment Committee’s Inquiry into the Education Services for Overseas Students Amendment (*Quality and Integrity*) Bill 2024 (ESOS Act amendment Bill)**

I am writing to you as the CEO of BASAIR Australia, a CRICOS-registered aviation training provider, to express our significant concerns regarding the recently proposed cap on international student numbers. Under this policy, we would see our international student intake reduced from our current limit of 224 students per year to just 2 students annually, starting in 2025. Such a reduction would be catastrophic for our business and the broader Australian aviation industry, threatening our ability to deliver high-quality training and undermining Australia’s role as a key player in global aviation education.

As a specialised training provider, with bases in Sydney and Brisbane, our future programmes rely heavily on the intake of international students, not just for our financial viability but also for maintaining the strength and diversity of our programs. In addition, our students play a crucial role in Australia’s contribution to global aviation, as the majority return home to work in international airlines, fostering ties and reinforcing Australia’s status as a global hub for pilot training. We currently have hundreds of alumni flying for many of the globally recognised airlines.



## The Use of 2019 and 2023 Data in Policy Formulation

I understand that the proposed cap is based on calculations referencing international student intake data from 2019 to 2023. I must stress that this period is far from representative of normal conditions, particularly for the aviation sector and flight training. From 2019 to 2023 the industry was significantly impacted by the COVID-19 pandemic, which severely disrupted global travel and, in turn, the ability of international students to come to Australia for their studies. In those years, global aviation was effectively at a standstill, with strict border controls, lockdowns, and travel restrictions preventing the normal flow of international students into Australia.

Flight training institutions like ours saw a dramatic reduction in international enrolments during this period, not because of a lack of demand, but because the pandemic made it nearly impossible for students to travel. For example, in 2020, international aviation came to a virtual standstill, with airlines grounding fleets and suspending pilot recruitment programs. This created a knock-on effect, reducing the number of international students pursuing flight training. Similarly, throughout 2021, and into 2022 and 2023, the aviation industry was still in recovery, with many countries enforcing travel bans or quarantine restrictions that made it extremely difficult for students to leave their home countries.

The data used by the government to justify the new cap does not reflect the genuine demand for international flight training programs in Australia. Instead, it reflects an unprecedented and temporary disruption to global travel and aviation. Basing such a critical long-term policy decision on these anomalous years would lead to unintended consequences, severely undermining Australia's ability to remain competitive in the global market for aviation education.

## Impact on Our Business Model and Global Airline Contract

Our organisation has invested considerable resources to build a robust training infrastructure and worked to secure international agreements. One of the most significant recent achievements has been our partnership with a global airline, which has entrusted us to train its cadets, beginning with 30 cadets in 2025, expanding to 60 in 2026, and with an unlimited intake projected beyond that.

This contract is not just a financial boon for our organization; it gives us the opportunity to grow the number of bases we operate in and employ more instructors and administrative staff. With the proposed cap, we will be unable to meet the terms of this contract, which would force us to cancel the agreement, severely damaging our reputation in the aviation industry. Furthermore, failing to fulfil such a high-profile contract could lead to long-term financial and reputational damage, discouraging future international collaborations and contracts.

Additionally, the economic contribution of each international student to the wider economy is substantial. Each student invests approximately \$150,000 for their training, which includes tuition fees, flying hours, and other related expenses. Beyond this direct financial contribution, these students also spend on accommodation living costs, and local services, benefiting the broader economy.

## **Global Pilot Shortage: A Critical Challenge**

In addition to the direct impact on our business, we must also consider the broader global context, specifically, the significant and growing global pilot shortage. According to various industry reports, there is a looming shortage of pilots worldwide, with thousands of pilots needed over the next decade to meet the increasing demand for air travel. Airlines around the globe, including those in Asia, Europe, and North America, are facing unprecedented challenges in recruiting and training enough pilots to keep pace with this demand. Australia, with its strong reputation for high-quality, safe pilot training, is uniquely positioned to help address this global shortage.

By drastically limiting the number of international students we can train, the proposed cap will hinder our ability to contribute to solving this global crisis. The impact will be felt not just by our business, but also by the global aviation industry, which relies on training institutions like ours to produce the next generation of skilled pilots. If Australia cannot provide the necessary training, airlines will be forced to look elsewhere, potentially exacerbating the pilot shortage and reducing Australia's influence and standing within the international aviation community.

## International Aviation Students: Genuine and High-Value

Our international cadets are about as far from the government’s definition of “non-genuine students” as one could imagine. These students possess advanced English language skills (with an IELTS score of 6.5 or higher), have been through rigorous testing (both academic and psychometric), have strong financial backing, and are contractually obligated to return to their home countries upon completion of their training to begin careers with their sponsoring airline. The notion that these students are at risk of overstaying their visas or engaging in non-genuine educational activities is completely unfounded. In fact, these cadets have a clear and direct path from training in Australia to professional employment as pilots, they also return home as highly skilled ambassadors of Australia’s world-class aviation education.

Moreover, the cost of the flight training program, approximately \$150,000 per student, ensures that these students are committed to their career path and motivated to succeed. Given the highly specialised nature of pilot training, these students are driven by their desire to pursue professional opportunities in the aviation industry. They are not coming to Australia for casual study or to exploit the visa system; they are here to become skilled professionals in a highly regulated field.

## The Broader Impact on Australia’s Aviation Sector

The proposed cap will not only harm our business but will also have lasting effects throughout Australia’s aviation sector. Australia has long been recognised as a global leader in pilot training, attracting students from all over the world due to our strong regulatory framework, world-class training facilities, and favourable flying conditions. The aviation industry is fiercely competitive, and if Australia cannot meet the demand for international flight training, these students will inevitably look elsewhere—whether to the United States, the United Kingdom, or countries in Southeast Asia, where training facilities are expanding rapidly.

Furthermore, flight training is a key pillar in Australia’s contribution to the global aviation industry. By capping international student numbers so drastically, we risk damaging our reputation as a top-tier provider of aviation education. Over the long term, this could erode the relationships we have built with global airlines, who rely on Australian institutions to train their cadets to the highest standards.

## **Purpose-Built Accommodation and Minimal Impact on Local Housing Markets**

It is also important to highlight that many of our international cadets will not add pressure to the local rental markets. The plan is to house cadets in purpose-built accommodation facilities located directly on the airports where their training takes place. This cannot be rented out commercially and is only available for aviation use. This ensures that they have convenient access to their training while minimising any impact on local housing availability and prices. By keeping our cadets on-site in dedicated housing, we further demonstrate that their presence in Australia is entirely focused on their aviation training and is not contributing to housing shortages or rental market pressures in the broader community.

## **A More Nuanced Approach is Needed**

We strongly urge the government to reconsider the one-size-fits-all approach of this proposed cap. Aviation students are unique in that they are highly skilled, highly motivated, and genuinely committed to their education. They are not part of the broader issues facing other sectors of international education, where concerns about non-genuine students may be more prevalent.

Rather than imposing a blanket cap, we believe a more nuanced approach is needed—one that takes into account the specific needs and characteristics of industries like aviation, where international students are an essential part of the workforce pipeline. We are open to working with the government to develop more targeted solutions that address concerns about the integrity of international education while preserving Australia's ability to remain competitive in the aviation training sector.

## **Conclusion**

In conclusion, the proposed cap on international student numbers is based on data from 2019 and 2023, years that were drastically affected by the COVID-19 pandemic and do not reflect normal conditions for international student enrolment in flight training programs. The cap would have disastrous consequences for our organisation,

jeopardising contracts with global airlines and diminishing Australia's reputation as a leader in aviation training.

We urge the government to reconsider this policy and to engage with industry stakeholders to develop a more balanced and informed approach. By doing so, we can ensure that Australia continues to attract high-quality international students, strengthen our global aviation connections, and maintain our position as a world-class provider of flight training.

Thank you for your time and consideration of our concerns.

Yours sincerely,

David Newton  
CEO, BASAIR Aviation Australia