

Below are the points I will make in my opening statement:

1. Holmes Institute has been active in international education since 1987 and has been a registered Institute of Higher Education since 2004. The institute has 20 accredited courses, including six masters and six bachelor degrees. The degrees are delivered across four campuses in Australia in Melbourne, Sydney, Brisbane and Gold Coast.
2. I would like to open by saying that if the Northern Territory is exempted from caps, so should the private sector be treated differently to the universities and TAFE colleges. The public sector does not pay tax, the public sector does not pay rent. Private institutes of education cannot go to their landlords and say, "My revenue has been cut by 50%, could I please pay 50% less rent this year."
3. There should also be a distinction between private higher education and vocational education. The vocational sector is where the vast majority of unscrupulous behaviour has occurred. It is unimaginable that TEQSA-accredited higher education providers would be involved in criminal activity. The minister's comments this week that 'the shonks are back' is sensational and misrepresents the private higher ed sector, which has fought hard to establish a niche (16%) in the international education industry over the past 20 years. It would be un-Australian to send this part of the sector to the wall; knowingly destructive to force people into failure.
4. Holmes is a significant employer and taxpayer. We receive no government subsidies and as such must be treated in a very different way to public institutions. We have suffered a 50% reduction in student numbers in the post-Covid era and are now experiencing a significant increase in visa rejection rates due to the government crackdown. We are one of very few AL 1 providers and although we strictly apply Genuine Student requirements to all acceptances, students are being rejected on seemingly arbitrary grounds.
5. Holmes has concerns with the proposed implementation of caps to sector and institutional numbers of international students. We already have CRICOS caps based on our capacity to deliver courses. We maintain facilities and staff to service these CRICOS caps and are perplexed by the logic of implementing further caps. Covid reduced our occupancy rates and forced us to maintain staffing levels in preparation for recovery, which the government is now preventing. If we are forced to further reduce our capacity, we will not be in a position to maintain that staffing level, leading to redundancies and all the concomitant pain which goes with it.

It would be more sensible to freeze CRICOS limits, preventing private institutions from expanding. This would allow private providers to maintain their status quo and not force them to rationalise facilities and staff.
6. Holmes strongly supports the legislation's intent to add transparency to student recruitment practices and to protect both institutions and students from unscrupulous activity in the market place. High commissions and discounting are driving student demand by price and diverting students' decision-making from quality or educational outcomes. Greater

accountability surrounding the relationship between education agents and providers will assist this.

7. *Division 5-Suspension of applications for registration*

14D Minister may suspend processing of applications to add courses to registration

Holmes does not agree that the Minister should have the power to suspend applications to add courses to registration. Whilst this power may be applicable to an obviously non-compliant provider, it should be addressed within their overall registration. The broader implications of a minister limiting a provider's ability to respond to market demands, and course innovation, borders on a restriction of trade.

8. Holmes does not agree that the Minister have power to require institutions to align their offerings with Australia's skills and training needs.

Holmes teaches a range of masters degrees in information systems, cybersecurity and business. Our students come from all over the world and the majority of them return to their homes. They prize internationally portable qualifications, which may or may not fit to Australia's skills and training needs. It would be counter productive of the Minister to interfere with this internationally focussed curriculum driven by global demand.

Individual course caps and the alignment to the Australia's skills and training needs is, on the other hand, highly relevant to Vocational Education and Training. Vocational Graduate Diplomas are a good example of where course capping would be appropriate.

Kind regards

Stephen

Stephen F. Nagle

CEO

Holmes Institute