

Charles Darwin University

Submission to Senate Inquiry into the
Education Services for Overseas Students
Amendment (Quality and Integrity) Bill 2024

June 2024

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Australia's most connected university

Charles Darwin University's (CDU) vision is to be Australia's most connected university by being courageous and making a difference in the Northern Territory (NT), Australia and beyond.

Being a dual sector university allows CDU to meet the education needs of Territorians in campuses in Darwin, Alice Springs, Palmerston and Katherine and in study centres in Nhulunbuy and Tennant Creek. CDU has a proud history of delivering on country in some of the NT's most remote locations, bringing training to communities who need it in places such as Galiwinku, Maningrida, Borroloola, Wadeye and Hermannsburg.

At the heart of CDU, is the engagement of First Nations students to support their attainment of vocational and higher education (degree education). The NT spans approximately one sixth of Australia's landmass and yet is home to just one per cent of the population, of whom 30 per cent are First Nations peoples.

CDU embrace the vitality and resilience of the Northern Territory, which is the focus of the nation's most ambitious plans for future development – to unlock the vast potential of Northern Australia and to engage with our neighbours in the Asia Pacific. Due to our location, we are in an enviable position to contribute to the future prosperity of Northern Australia through innovative and impactful training, education and research.

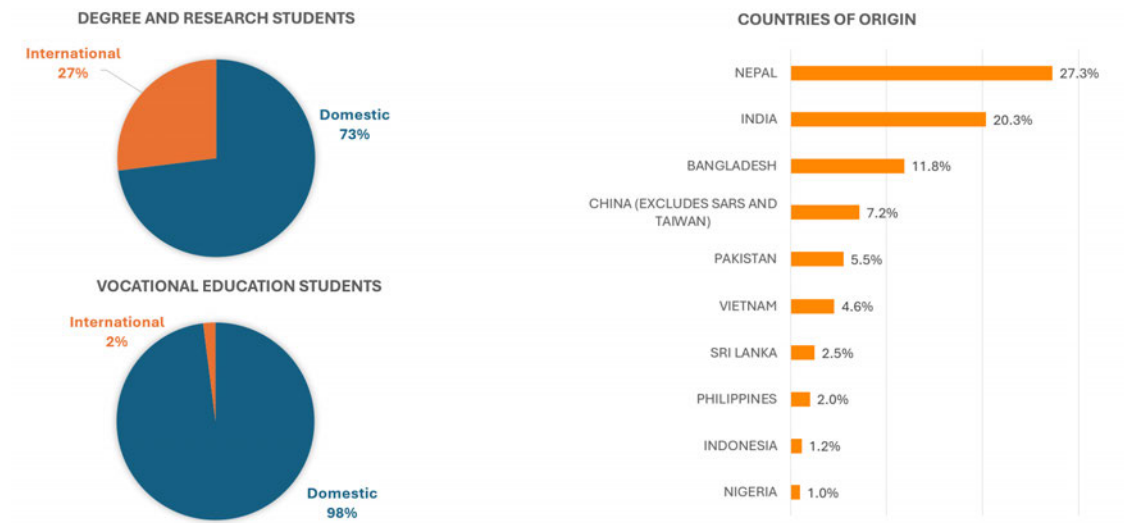
International education is a vital part of CDU. Nationally, our international student numbers are tiny, but to CDU and the NT they are very significant. International students bring a vibrancy to Darwin; are warmly welcomed into the community; and help fill skills gaps while studying and upon graduation. In the context of dire skills shortages, and lower than national average rental vacancies, the social license for international education in the NT is distinct from that in major metropolitan cities.

The Territory is ready and waiting to accommodate and welcome more international students - we have aligned our CDU growth plans with the NT Government's target to reach 10,000 international students by 2030.

The University notes that providers are calling for a delay in implementation to 2026, however due to the current situation, whereby the numbers are already being controlled by visa processing and risk rating, the environment for 2025 is very unpredictable. Should limits be implemented, CDU supports these being implemented in 2025.

For these reasons, CDU continues to strongly advocate for its ambition to reach growth projections for international education and training. As the only University headquartered in the NT, CDU continues to receive the strong support of the NT Government to realise the benefits of a strong and diverse international education environment.

At a snapshot, our current international student profile reveals:



CDU international students are enrolled in a diverse range of courses. Many of these students choose to study in disciplines identified as critical skills shortages within the Territory. This alignment not only helps address local workforce needs but also provides students with valuable opportunities to gain skills that are in high demand. These fields include healthcare, engineering, information technology, education, and other areas crucial for the region's development. By pursuing studies in these key areas, international students at CDU contribute to the local economy and community, enhancing their own career prospects while supporting the Territory's growth and development goals.

Program	Acceptances Semester 1, 2024
Bachelor of Nursing	81
Master of Data Science	63
Master of Nursing Practice (Pre-Registration)	59
Master of Information Technology (Cyber Security)	54
Master of Information Technology (Information Systems)	52
Master of Professional Accounting (Professional Practice)	46
Bachelor of Information Technology	46
Certificate IV in Kitchen Management	32
Master of Medical Laboratory Science	29
Bachelor of Humanitarian Aid and Development	29
Master of Business Administration Sustainable Leadership	29

CDU is dual sector in a thin student market.

Our main campuses are truly integrated dual-sector institutions, offering a seamless blend of degree education and vocational training as well as research. Picture this - on any given day at our Katherine Rural Campus, you might see cutting-edge drone technology and research, advanced agricultural educational programs, all set against the backdrop of a fully operational training cattle stud. This integration provides students with a unique and comprehensive learning experience, enabling them to pursue a wide range of academic and practical skills in one cohesive environment.

International students only make up 17% of the total student population at CDU. However, when focusing specifically on degree education, this percentage increases to 27%. This highlights the prominent role international students play within the university's degree education programs, contributing to the diverse and global character of CDU's academic community.

The NT has the lowest number of international students compared to other regions in the country. When considering the population base, the number of new enrolments, or commencements, into degree education or vocational education and training (VET) programs in the NT up to March 2023 is also the lowest in Australia. This indicates a significant disparity in attracting international students to the NT, highlighting the challenges faced in boosting international student numbers in this region.

The Territory embraces international students.

Nearly half of the population in Darwin is either born overseas or has both parents born overseas. This diverse demographic composition enriches the social and cultural fabric of the city, making it a vibrant multicultural society.

During their studies and beyond, international students play an integral role in this multiculturalism. They actively participate in various aspects of community life, including cultural, social, and advocacy efforts. By engaging in these activities, they not only enhance their own educational and social experiences, but also contribute significantly to the broader community. Furthermore, through their interactions and connections, they promote Darwin's diverse and dynamic culture to their friends and families worldwide, thereby fostering international awareness and appreciation of our city's unique character.

While the NT Government continues to incentivise Australian workers to move to the NT, there is broad consensus that the population base must also increase through international migration. There is recognition of Northern Australia's fundamentally different workforce trajectory than other places described as 'regional'. This is already reflected in migration settings, including regional considerations for post-study work rights.

CDU primarily attracts international students from India, Nepal, and Bangladesh. These students form vibrant community, religious, and social groups within the Darwin and Palmerston regions. Their active involvement in these groups underscores their strong community ties and familial support systems, which contribute to their successful integration and commitment to long-term residency. These students bring with them rich cultural traditions and perspectives that enhance the social tapestry of our regions. Their presence not only supports the growth and development of the local community but also exemplifies the welcoming and inclusive nature of Darwin and Palmerston.

By highlighting the significant contributions of international students, we recognise their role in promoting cultural diversity, economic vitality, and social cohesion within the Northern Territory. Their engagement and commitment to our community are indispensable to the ongoing development and prosperity of our region.

Case Study

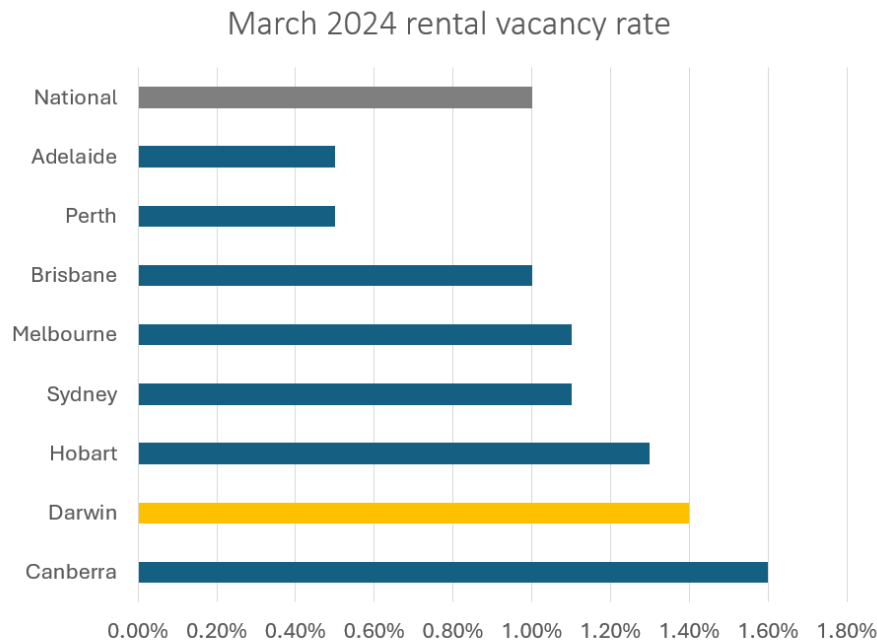
There are a few examples that highlight the strong connections CDU international students have with the community, the Territory Government, and local industry:

- **Education Placements:** Around 13% of CDU's international students study education in Darwin and are placed in NT schools. As full-time students, they graduate quickly and move into jobs sooner. They benefit from regional support and accelerated placement programs, gaining diverse experience. These graduates work in both urban and regional schools, including Katherine High School, a region that often struggles to fill teaching positions.
- **Internships and Graduate Programs:** CDU partners with Power and Water Corporation for internships and a pilot graduate program. We also collaborate with major industries to offer internships. While open to all students, many of these opportunities are filled by international students due to limited local participation. These graduates often step into key roles in Engineering and Information Technology that would otherwise go unfilled.
- **Medical Laboratory Sciences:** The diagnostic lab at Royal Darwin Hospital is predominantly staffed by CDU graduates from the Medical Laboratory Sciences program, many of whom are international students. Their contributions are vital to the hospital's operations.
- **Social Work and Child Protection:** The Department of Territory Families, Housing, and Communities requires numerous Social Workers and Child Protection Officers. A significant number of these positions are filled by current international students from CDU, demonstrating their crucial role in addressing community needs.
- **Health Placements:** Recently, the CDU Faculty of Health supported two international students in commencing placements in Tennant Creek. This exemplifies how international students and graduates often undertake roles that are not typically occupied by domestic students, thereby contributing significantly to healthcare services in remote areas.

Housing availability with room for growth.

Accommodation for domestic and international students at CDU is given significant attention. Unlike some major cities where housing can be a pressing concern, CDU has implemented measures to ensure that international students have access to secure, comfortable, and well-maintained living arrangements.

Darwin's rental market has distinct characteristics influenced by its geographical location, economic factors, and transient population. The market typically experiences fluctuations in rental prices and availability, with a moderate level of competition for housing, particularly in peak periods such as the beginning of the calendar year or during major local events.



International students at CDU generally do not significantly impact the broader rental market in Darwin. The university offers a variety of housing options:

- 740 student beds in the region:
 - International House Darwin (located on Casuarina Campus),
 - A facility managed by UniLodge,
 - Accommodation available on site at both the Katherine and Alice Springs campuses.
- CDU also offer accommodation through the HomeStays and StudyStays programs.
- 30 single rooms at a newly refurbished establishment in Darwin City.
- CDU have recently announced plans of the development of 350 beds in a parcel of land located directly behind the new Danala | Education Community Precinct.

In 2026, the projected ratio of CDU purpose-built student accommodation beds in Darwin to CDU international students will be a ratio of 1 bed: 6 students.

Overall, while international students do contribute to the rental market in Darwin, their impact is mitigated by dedicated housing options, university support, and the presence of purpose-built student accommodation, ensuring that their needs do not unduly strain the local rental market.

International students are essential to the economy of the Territory.

The NT has a small and volatile population base, with students comprising 40% of our net overseas migration. Our population base is limited, and figures reveal the net interstate migration figure is only marginally higher than that of the overseas component.



Source: <https://nteconomy.nt.gov.au/population#key>
<https://www.aspistrategist.org.au/migration-vital-for-northern-australia-and-national-security>

To underscore the critical importance of international student intake, demographers at CDU have projected that a reduction in international student numbers, when combined with national intake trends, will result in a population decline in the NT. This anticipated decline is particularly concerning given the already small and volatile population base in the NT.

The NT relies heavily on our education and tourism industries and these go hand in hand. Education is delivered to the students; the students deliver services to the community thereby boosting our tourism industry and creating critical injection to the economy.

This unique context establishes a social license in the NT where the community at-large recognise:

- whilst studying, students are essential members of the Territory's workforce, especially in the tourism and hospitality industries;
- the retention of students within the NT once qualified, allows industry to fill identified shortages in critical areas such as healthcare and education;
- during study and beyond, students are active and engaged members of Darwin's thriving multicultural society, advocating for and showcasing our community to their friends and families worldwide.

International students' economic contribution and their genuine connection to Australia is well recognised as a great Australian 'export' success story. In 2022, Deloitte had determined the education and training sector was worth \$165 million in estimated export revenue to the NT, accounting for 35% of the NT's international trade in services. The report estimated each international student's annual value-add per enrolment to be \$26,400 (on top of tuition).

International students not only contribute significantly to the local economy but also play a vital role in sustaining community growth and diversity. A decrease in their numbers could exacerbate existing demographic challenges and hinder long-term regional development.

The loan required to finance the new CDU city campus was predicated on growth.

The growth of international education across Australia in 2023 precipitated an intervention from December 2023 of a series of migration policy levers, which have drastically impacted the flow of international students commencing at CDU. This has a compounding impact on the future pipeline of students and has negatively impacted our financial viability.

In alignment with CDU's positive international student recruitment trajectory, financial investment upwards of \$250 million has been made by the University and Australian Governments into the Danala | Education Community Precinct (ECP), a new campus in the heart of Darwin City. This includes a \$100 million grant from the Commonwealth Infrastructure portfolio, and a \$125 million NAIF loan. The modelling for the NAIF loan was underpinned by CDU's ability to attract and retain international student numbers at levels much higher than our average pre-COVID average.

The changes to visa processing from December 2023 have already impacted individual providers and so the approach to managing the system in the Framework is now a corrective process.

Recent amendments are currently impacting CDU's revenue. The needs-based funding proposed by the Accord is not expected to be implemented until 2026 - making operations even more challenging for small providers in the meantime. The University also notes that these measures are already restricting international education a year before any funding reforms under the Accord are in place.

CDUs Position on the ESOS Act amendments.

CDU acknowledges the Commonwealth's overarching objective to moderate net overseas migration. However, visa restrictions are already severely impacting the University, resulting in a disproportionate disadvantage for regional and remote areas of Australia.

The Ministerial powers are broad within the Act. The University remains conscious of implementing course level or location limits in order to protect academic and provider integrity. Should limits be implemented, CDU does not support those limits being used at the course or location level.

CDU recommend Government consider transferring the extensive Ministerial powers granted within the Act to a special committee. This committee should represent the interests of Australia's states and territories, while also balancing the needs of metropolitan areas with those of regional and remote Australia. If established, responsibilities of this committee may also extend to the assessment of new academic programs undergoing CRICOS registration.

The University supports proposed integrity measures for new providers, particularly in the VET sector, recognising the importance of maintaining high standards in education and training.

Temporary Graduate Visas (TGV) offer international students valuable industry experience, which is highly regarded by employers when students return to their home countries. To maintain Australia's reputation as a quality and competitive international education destination, Government must provide adequate visa options for recent graduates to temporarily work in Australia and consolidate their classroom learning. If the Government is concerned about the number of permanent migrants, these options could include a non-pathway temporary work visa.

While the University did not oppose the introduction of migration caps, we are now contending with the resulting consequences. While CDU understands the rationale behind the implementation of caps, the present situation is damaging Australia's reputation of international education and making it difficult for providers to plan. It is imperative that such policies consider the unique circumstances and needs of different regions. A standardised approach is insufficient and could exacerbate existing disparities.

The critical point, therefore, is that these limits should not adopt a one-size-fits-all approach. They must be coordinated, analysed, and allocated based on the unique characteristics of each educational institution, region, and demographic composition. We advocate for a more nuanced framework that allows for flexibility and adaptability, ensuring that regional and remote institutions like CDU can continue to thrive and fulfill their vital roles in the community.

When limits are being considered, the relevant visa processing system (such as the Evidence Level of providers) must be adequately adjusted or modified. This will ensure the system does not hinder the granting of visas for regional universities and aligns with the Governments managed growth strategy to build a sustainable regional Australian economy.

Should limits be implemented in the NT, CDU asks that the Commonwealth allocate sufficient numbers to support the NT Government's goal of 10,000 international students by 2030, with at least 5,000 enrolments by 2025.

Even with this growth accounted for, international students will make up just 17 per cent of the total student population at CDU in 2025, or 35 per cent when just accounting for degree students.

In conclusion, CDU urges the Government to engage in a consultative process with stakeholders from diverse regions to develop tailored strategies that address the specific needs and challenges of each area. By doing so, we can achieve a balanced approach to migration that supports national objectives while fostering regional growth and development.