



Tasmania University Union

Submission to the

**SENATE EDUCATION AND EMPLOYMENT STANDING
COMMITTEE**

On the

**Education Services for Overseas Students Amendment (Streamlining
Regulation) Bill 2015 and the Education Services for Overseas Students
(Registration Charges) Amendment (Streamlining Regulation) Bill 2015**

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Table of Contents

Introduction.....	3
Context.....	4
The Deregulation of Education Services for Overseas Students	4

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1. Introduction

The Tasmania University Union (TUU) is the peak representative body for students at the University of Tasmania, representing over 33,000 undergraduate and postgraduate students across the state, including over 5000 International students. The TUU advocates on behalf of all students at the University for *'equity of opportunity, and ... to promote the intellectual, material, social, cultural and sporting life of the students and matters incidental and conducive thereto.'*

The TUU welcomes the opportunity to provide feedback on the Education Services for Overseas Students Amendment (Streamlining Regulation) Bill 2015 and the Education Services for Overseas Students (Registration Charges) Amendment (Streamlining Regulation) Bill 2015; and has used the opportunity to highlight the aspects of the recommendations that may have adverse effects on the ability of International students to receive fair and equitable treatment by Higher Education institutions.

While it is recognised that International Students contribute a significant amount to the funds received by Universities in Australia; the Tasmania University Union strongly believes that all students should have the right to access quality education, and be treated fairly within the Higher Education system.

2. Context

Over the last 12 months there have been several events, which have highlighted the need for regulation around the processing of International student enrollments. These have included the 2015 reports that Universities were accepting students through corrupt international agencies that present fraudulent academic and English language proficiency transcripts, and then giving them passing grades, whether or not their work met the required academic standards. The University of Tasmania was among a number of Universities being scrutinized for these actions.

Given that these reports have shown that Universities are not following regulatory processes in their recruitment of International students; it is concerning that the proposed amendments weaken the regulation around International students enrollments.

3. The Deregulation of Education Services for Overseas Students

The Tasmania University Union believes that further deregulating the provision of Education services for overseas students will increase opportunity for Universities to exploit overseas students, and decrease the ability of the Federal government to hold Universities to account for the provision of quality education in exchange for overseas students fees.

For these reasons, the TUU opposes the following measures:

a. Schedule 5 – Student default reporting

Remove the requirement on providers under section 47C of the ESOS Act to report a student default to the Secretary and the TPS Director, and;

b. Schedule 5 – Removal of designated account requirement

Remove the specific provisions requiring a designated account in which all non-exempt providers must hold tuition fees paid by students prior to commencement of a course.

While it is recognised that removing the requirement to hold student fees in a separate account will allow Universities to funnel the funds into teaching, and other areas; the Tasmania University Union believes that Universities should be held accountable for the funds they collect from overseas students.

If students do not start a course they initially enroll in, it is essential that they be refunded their payment. The requirement that Universities have a separate account for the funds paid by overseas students prior to commencing their course streamlines the process of checking that students have been refunded.

Removing this process not only removes transparency from the use of overseas students fees; but also increases the work involved in overseeing refunds.

The Tasmania University Union believes that it is particularly essential to maintain rigorous processes for overseeing the funds paid by International students to institutions, which have previously been investigated for using fraudulent records to accept increased numbers of overseas students. The University of Tasmania is included in this category.

c. Schedule 5 – Changes to the collection of tuition fees

Students or third parties will be allowed to pay more than 50 per cent of tuition fees up front if:

- **a request is made to do so (by the student or a third party), or**
- **the course has a duration of 24 weeks or less (is a short course). Removal of the restriction on the subsequent collection of fees (which also relates to a study period), and;**

While it is recognised that some overseas students may wish to pay more than 50 percent of the fees upfront when they commence a course; the Tasmania University Union is concerned that this amendment may lead to a decrease in the number of International students commencing at Australian Universities.

Although the provision does not require students to pay more than 50 percent of course fees before they commence; the Tasmania University Union believes that allowing students to do so will lead to an expectation for them to pay up to the full cost of their course before commencing.

This is particularly concerning for regional Universities like the University of Tasmania, which attract overseas students because the cost of its courses are lower. The majority of overseas students who attend these institutions are unlikely to be able to pay more than 50 percent of fees upfront for their course.

d. Schedule 5 – Removal of the definition of a ‘study period’

In order to effectively hold Universities accountable for the fees they collect from overseas students, course payments should remain specific to a particular study period.

The Tasmania University Union believes that removing this requirement will reduce the transparency of how Higher Education Institutions use the funds paid by overseas students, and will increase the potential for refund liabilities.