

This submission is primarily concerned with the higher education sector and only two of the terms of reference. I outline the disadvantages I perceive, in relation to the national interest and economic risk, of Australia's universities being overly reliant on foreign students, and suggest a way to mitigate the costs associated with a reduction in foreign students. I begin by noting two points made in earlier submissions, with which I agree:

- There are both economic and geopolitical dimensions to the question of diversifying Australia's trade portfolio (John Coyne)
- Given the choice, China is more likely to target businesses in industries such as resources or agriculture [as opposed to higher education] (China Policy Centre)

I highlight these points because they underline why Australia's higher education sector, in its over reliance on foreign students, has become toxic to Australia.

According to the submission of the China Policy Centre, China is unlikely to target the higher education sector, because it has less political influence than other industries. I don't think that's the reason. Rather, China gains something of a foothold in Australia by sending its party-approved students here.

In 2018, Australia enrolled 158 thousand students from China (excludes SARs and Taiwan), which was 38% of the overseas student cohort. In the previous year, 2017, overseas fee paying students contributed 23% of university revenue. Thus it should not be surprising to hear of stories like that of Drew Pavlou, the UQ Philosophy student who has been persecuted by his own university administration for persistent criticism of the CCP.

The issues of national interest could not be more stark. If Australia is to retain its independence (in any meaningful sense of the word), then the university problem must be addressed.

As if to display their reliance on foreign students, during the travel ban imposed at the start of this pandemic, several universities offered Chinese students thousands of dollars (each) to compensate them for the cost of taking a circuitous route to Australia. It apparently did not occur to them that this would render "safe" halfway countries unsafe. There is a pattern of putting profit before country.

The current epidemic is the perfect opportunity for the Australian government to give serious consideration as to how it could diversify sources of university funding.

The sector is not willing to recognise, let alone solve this problem. Despite all of these issues being evident for more than a decade, Australian universities have sought only to push us further into an abusive relationship with a foreign dictatorship. There is no easy way out of the quagmire. I can only offer the unthinkable:

Develop university land for *public* profit, to offset the profits lost in reducing student intake.

Universities are already engaging in land development for their own profit. Since the public will inevitably foot the bill for an end to their irresponsible conduct, it seems fair to socialise the value of their land holdings.

*We were never asked* whether we wanted Beijing's cultural aggression to become a hallmark of *our* institutions. We ought to sell an education to countries who share our values, conduct honest diplomacy and respect our sovereignty. Though it would be wise to limit our exposure to any single cohort, simply pivoting from China would be an excellent first step.