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Chief Executive Officer:
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Our Ref: K-01-004

6 October 2011

Ms Amanda Rishworth MP
Committee Chair
House of Representatives Standing Committee on
Education and Employment
PO Box 6021
Parliament House
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ee.reps@aph.gov.au

Dear Ms Rishworth

Inquiry into Bills referred 22 September 2011: Tuition Protection Service

Universities Australia welcomes the opportunity to comment on the Higher Education Support Act (HESA) and Education Services for Overseas Students (ESOS) bills which were referred to the Committee on Thursday 22 September 2011.

Universities Australia is committed to ensuring all international students receive a quality education and have a positive experience while studying in Australia and therefore supports any moves by government that will ensure that Australia's reputation as a high quality study destination is maintained.

With regard to the proposed changes to the HESA and overseas campuses, Universities Australia understands the intent behind the proposed changes, which is to clarify the original intent of the legislation and remove any ambiguity. However, I would note a possible inconsistency between the proposed changes and the broad objective of encouraging Australian students to gain overseas study experience. The definition and application of the term 'primarily' in the legislation will determine just how significant this inconsistency will be.

Regarding the proposed changes to ESOS, Universities Australia has previously stated that it is opposed to a universal tuition protection scheme. However, the sector is committed to working with government to establish a framework that will be most effective and provide the best outcomes for the sector.

Universities Australia is pleased that the TPS legislation differentiates between universities and other international education providers through the four tiered risk based fee structure while still providing an assurance of Australia's commitment to protecting the interests of all international students. Universities Australia understands that this distinction will also be reflected in the TPS website design and student

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placement mechanism. However, Universities Australia is concerned that the inclusion of the 'special levy' provision will mean that, given university students are much less likely to draw on the fund, universities will be in effect underwriting the private sector, notwithstanding the CRICOS fee reduction.

Universities Australia welcomes the proposed amendments to limit the collection of pre-paid course fees to no more than one study period and to require providers not in receipt of recurrent government funding to place prepaid course fees into a designated account. However, universities are the largest education providers in the country and are extremely complex institutions and we would recommend some streamlining of the processes to ensure that universities are provided with appropriate timeframes in which to make reports as problems occur.

Some of the proposed changes are not appropriate for universities who are administering significantly larger student enrolments compared to providers in other sectors. One of the premises of law is that it should be possible for those at whom it is directed to comply with it. This is not the case with some of the proposed changes to the ESOS Act contained in the TPS Bill. These and related concerns are described in detail in the attached supplementary submission from the Deputy Vice-Chancellors (International) Committee.

Universities Australia is also concerned that the proposed commencement date for the TPS is too soon. It is important not to rush the implementation of such an important service and Universities Australia would support a start date of January 2013.

I would also take the opportunity to note that once again the sector has been given a very short timeline to provide input into this important consultation process. Considering the significance of the series of changes being proposed to implement recommendations from both the Baird and Knight reviews, it would seem reasonable to allow a more appropriate length of time for consultation with the sector.

That said Universities Australia is committed to working with government to ensure that we achieve the best possible outcomes for international students and international education providers.

Yours sincerely

A handwritten signature in black ink that reads "Glenn Withers". The signature is written in a cursive, flowing style.

Dr Glenn Withers AO
Chief Executive Officer