
Submission in response to the Australian Department of Education's consultation on the draft *Australia's International Education and Skills Strategic Framework*.

Thank you for the opportunity to provide a submission regarding the Australian Department of Education's (the Department) consultation on the draft *Australia's International Education and Skills Strategic Framework* (the draft Framework).

UTS supports the Australian Government's aim to ensure the sustainability, quality and integrity of our world-class international education sector. We are committed to delivering high quality learning experiences for our international students and understand the importance of balancing the economic benefits of growth in the sector, the State and Australia with the delivery of social services and infrastructure to meet student needs. We also observe that balancing the various needs, expectations and benefits requires transparency and consistency, regrettably absent in the current environment where ad-hoc visa processing is doing medium- and long-term damage that this draft Framework will need to address.

International education and the Accord

The Australian Universities Accord has set a visionary roadmap for a tertiary education system that supports a stable democracy, strong economy and fairer society for all Australians. This is underpinned by ambitious targets for tertiary attainment and equity outcomes that have been accepted by the Australian Government. The capacity for universities to deliver high quality learning experiences to this expanded cohort will be severely compromised unless growth in domestic student numbers is matched through increasing own-source revenue or greater government funding.

This strategy will need to consider the approach, timescales and mix needed to address Australia's skills challenge, and recognise that it is likely Australia will continue to rely on skills sourced internationally to fill short- and long-term workforce needs. International education should form part of that consideration.

In addition, under current funding arrangements, reliance on revenue from international education to produce the skilled workforce of the future is a necessity for many institutions. The collective impact of recent ad hoc migration policy changes targeting international students will compound the financial challenges for universities post COVID, as is evident in the recent annual financial statements of most higher education institutions. International education matters, and it matters for all students and stakeholders.

Economic benefits of international education

International education is an important export sector for the national and NSW economies. In 2023, it was NSW's second largest export after coal, and our largest services export, valued at \$17.9 billion to the State (\$48 billion nationally, according to Universities Australia) and supporting over 95,000 full time equivalent jobs (250,000 nationally in education, retail, hospitality and tourism).¹

International students are key to realising Australia's ambitions to progress our standing as a globally competitive innovation-driven economy. According to the Department's data, our domestic skills mix will not be sufficient to deliver on priorities such as advanced manufacturing and the green energy transition. In NSW, international students comprise a significant proportion of total NSW graduates in fields with critical skills shortages, including information technology (63%), engineering (52%), architecture and building (32%), health (16%) and education (14%).²

International students at UTS

UTS's international students are an integral and valued part of the UTS community, and we benefit from the global experience they bring to our university community. Importantly, revenue from international education supports the delivery for high quality facilities and learning experiences for our domestic students, which is not possible with the current level of government funding alone and the absence of any alternative reliable source

¹ Australia Bureau of Statistics (2023), [International Trade: Supplementary Information, Financial Year \(Table 3\)](#); Australian Department of Education (2019), [Jobs Supported by international students studying in Australia](#).

² Australian Department of Education (2023), [Higher Education Statistics, Award Course Completions Pivot Table 2022](#).

of capital funding. Moreover, many of the services we deliver, and experiences we provide for both domestic and international students, would be compromised by significant reductions in international student numbers.

Our preferred position is to maintain the numbers of international students we have on campus at around 30% of our total student body, consistent with pre-COVID settings. UTS international student load is currently tracking well below this figure and puts at risk our post COVID financial recovery, reputation and the wider benefits identified above.

We look forward to further discussions with the Department regarding a sustainable growth plan for the sector and for our institution. The challenge is now – delays in finding solutions even to the end of 2024 will have the potential to set back our shared aim to deliver a workforce, and the innovation to support it, for our future needs.

Key points of feedback on the draft Framework

1. Genuine co-design and an extended transition period to 1 January 2026

There is limited information in the consultation paper regarding how the Framework will be operationalised and whilst we have been appreciative of recent departmental briefings, details remain unclear. UTS is concerned that the implications of the proposed strategy are not well understood outside the sector and the risk of unintended consequences is high. The unrealistic timeframe for implementation from 1 January 2025 exacerbates that risk. We urge the Department to consider a longer transition period in consultation with the sector.

We also suggest that the Australian Government minimise further changes and disruptions to current settings related to recruiting international students during this period of transition and consultation, and in particular immediately implement the proposed freeze on changes to education provider evidence levels under the Simplified Student Visa Framework (SSVF). Ideally, an alternative to the current SSVF would be desirable given the circumstances in which we operate are now very different to when the scheme was conceived, and it now has the potential to cause significant inequity across the university sector, let alone the wider range of quality providers.

We also believe it is essential universities are fully involved in the next phase of designing the draft Framework. This should involve practitioners who work in or manage international offices and who are most likely to understand the complexities and consequences of different options.

2. Prioritise public providers and university pathways colleges

UTS recommends the government adopt an approach that clearly distinguishes between public (universities and TAFEs) and private education providers (particularly for-profit providers), noting the different levels of accountability. Universities and TAFEs also have strong track records in providing courses to domestic students and in doing so meeting government objectives to address skills needs and educate the workforce of tomorrow.

The contribution of dedicated university pathways colleges, such as UTS College, should also be recognised. These pathway providers deliver dedicated programs to support students to enter university in first or second year and are established, high quality, stable and a small component of the overall sector.

3. Decouple student accommodation from growth caps

Linking the provision of purpose built student accommodation to growth in international student numbers unfairly impacts city-based institutions, such as UTS, who face constraints on land availability and affordability. The lead time for the planning and approval of such projects and uncertainty of outcomes also makes this an unsuitable consideration for setting annual caps.

Whilst we agree universities have a role to play in mitigating any impacts of international education on housing affordability and availability (which evidence suggests are minimal), seeking to achieve this

through student caps is a blunt and unproven instrument for responding to a deeply complex and entrenched social problem.

4. Separate discussions on diversification and Transnational Education

Diversification of countries from which international students are sourced should be separated from this draft Framework and discussed in other fora.

Similarly, discussion on a long-term strategy for Transnational Education should be continued through existing mechanisms and not as part of this process. Transnational Education, while likely to be a significant part of Australian providers international teaching and learning effort, operates at profit margins well below those associated with bringing international students to Australia and should not be seen as a potential mechanism to replace the funds currently generated from recruiting international students.

UTS is committed to continuing to separately engage with government on both issues.

UTS appreciates the opportunity to contribute and would welcome future engagement regarding the co-design of the draft Framework. To assist with this consultation, our submission also includes:

- an appendix of our specific responses to each of the survey questions (**Appendix A**)
- indicative timeline for undergraduate and postgraduate international students moving from application to commencement (**Appendix B**)

Please do not hesitate to contact Danielle Woolley, Head of Government Affairs and External Engagement (danielle.woolley@uts.edu.au) should you wish to discuss this submission further.

Appendix A – UTS’s responses to the survey questions

A sector built on quality and integrity

1. Are there further reforms governments should consider that will improve the quality and integrity of the sector?

- Implement and optimise controls through the visa system to target areas where quality and integrity issues are known to be of concern.
- Introduce consistent and clear policy guidelines, improve processes and data sharing and consider introducing country/region-based expertise to facilitate accurate assessment of visa applications.
- Alternatively, re-introduce and appropriately resource centralised visa screening and approval at Department of Home Affairs (DoHA) and overseas posts. Presently, education providers are expected to undertake screening and compliance.
- If this is to continue, government should implement a 12-month minimum study requirement at the primary education provider and limit the maximum number of visas an international student can apply for/hold in any given period (e.g. 18 months). This is to prevent ‘visa-hopping’ and poaching by unscrupulous providers.
- Consider existing mechanisms to assist with monitoring international student enrolments between education providers. For example, similarly to domestic students, international students are issued with a Unique Student identifier (USI) within 10 days of arrival in Australia. The Department could consider if this mechanism, in combination with VEVO, could be enhanced to support integrity measures.

2. What more can providers do to improve the integrity of the international education sector?

Providers need to be informed of significant fraud and integrity risk issues so they can better respond to emerging threats. For example, where DoHA and the Department have insights of non-compliance or serious fraud associated with agents, the information should be shared with providers to improve the integrity of an education provider’s functions and systems.

A managed system to deliver sustainable growth over time

1. What factors should inform government’s approach to allocating international student enrolments across sectors, providers, and locations in Australia?

Factors that should be considered:

- The type of education provider, preferencing public education providers. Where there is a higher level of compliance and existing regulatory oversight by government then allocations should be more generous versus lower quality providers.
- The profile of the student body. Whether as a ratio or percentage, public education providers are primarily expected to be delivering education to Australian students.

Cohorts that should be excluded:

- Non-award (inbound study abroad and exchange) students. This cohort by nature is in Australia for a short stay and has no impact on migration numbers.
- Government sponsored students, including international students receiving Australian Awards Scholarships administered by the Department of Foreign Affairs and Trade because of the foreign policy aims to foster relations with other nations.
- International students transitioning through university pathways programs. Universities have embedded, high quality pathway providers, usually on their campuses, which provide a high value, high quality student experience, leading to strong student academic outcomes. These pathway providers also operate offshore, usually through partnerships. Students coming via these pathways

should be carefully considered. Including them in caps reduces the incentive for education providers to continue expanding these offshore pathways as well as the delivery of specific programs and support offered onshore that contribute to strong student outcomes.

2. What considerations for government should inform the overall level of international students in Australia?

Relevant considerations include:

- The roadmap for reform outlined in the Australian Universities Accord
- The need to protect the reputation of Australia's international education system as a stable, reliable and welcoming destination for international students
- The future skills needs of Australian employers and the Australian economy and the contribution of international graduates to meeting those needs
- The economic contribution of international education to Australia's export earnings and economic growth
- The economic spillover benefits of international students: International students accounted for 64 per cent of all international tourism dollars spent in NSW in 2022-23
- The contribution of international education to high quality facilities and learning experiences of domestic students, and
- Meeting the transport, housing and other social infrastructure needs of a growing population.

These considerations and their relative importance and impact now and in the future should be further developed in consultation with State and Territory Governments and sector experts.

3. How will this approach to managing the system affect individual providers?

As explained in our overarching feedback, there is limited information in the consultation paper to understand how the draft Framework will be operationalised and affect individual providers. Various scenarios must be modelled thoroughly prior to implementation otherwise government risks damaging the quality and competitiveness of one of the most significant export industries in Australia and the learning experience for all students.

The unrealistic timeframe for implementation from 1 January 2025 exacerbates that risk and we urge the Department to consider a longer transition period in consultation with the sector.

4. Should the sectors other than higher education and vocational education and training, such as schools, ELICOS and non-award be included in approaches to manage the system for sustainable growth?

These sectors should be considered in a future phase after the initial settings are embedded and any unintended consequences become clear and are mitigated.

5. How should government determine which courses are best aligned to Australia's skills needs?

UTS urges against linking allocations to courses offered by public institutions.

- The higher education sector is diverse and should be encouraged to maximise offerings in their areas of strength.
- Domestic skill demands shift over time, and government-imposed caps may not be sufficiently responsive and flexible to adapt to such shifts.
- International students may face different skills needs in their local economies and it is important to cater to those needs to maintain the international competitiveness of our sector.

6. How should government implement a link between the number of international students and an increased supply of student housing?

UTS opposes the proposal to link the number of international students with an increased supply of student housing. Like other city-based institutions, UTS faces land availability and affordability constraints and would be unfairly disadvantaged by this approach, relative to outer-metropolitan and regional universities. Moreover, given our excellent public transport connections, the geographical concentration risk is mitigated significantly and local housing solutions are unlikely to be attractive to many students. A much better understanding at a granular level of student housing preferences and provision is required before such a link can be contemplated.

As an additional note of caution, in NSW planning approval and delivery of major projects are subject to lengthy Council and State Government processes. Zoning, planning approval and design precede construction and may take up to 5-6 years to complete. UTS would welcome Federal Government support in working with the NSW Government to simplify and expedite planning and approval processes for purpose-built student accommodation. Investment by the Australian and NSW Governments to support the provision of PBSA is also critical.

7. What transition arrangements would support the implementation of a new approach?

Government must commit to genuine co-design of the draft Framework and transitional arrangements. To illustrate this imperative, UTS has mapped in **Appendix B** an indicative timeline from application to commencement for undergraduate (407 days) and postgraduate (258 days) international students.

These timelines demonstrate the forward planning required by students and universities and the disruption and unfairness of introducing new caps without adequate consultation and co-design with sector experts. For this reason, we urge consideration of a 12-month transition to new arrangements, with the introduction of caps from 1 January 2026.

Taking Australian education and training to the world

1. What are the barriers to growth in offshore and transnational delivery of Australian education and training?

Discussion on a long-term strategy for Transnational Education (TNE) should be continued through existing mechanisms and not as part of this process. While likely to be a significant part of Australian providers' international teaching and learning effort, TNE operates at profit margins well below those associated with onshore delivery and experiences extended timeframes for return on investment.

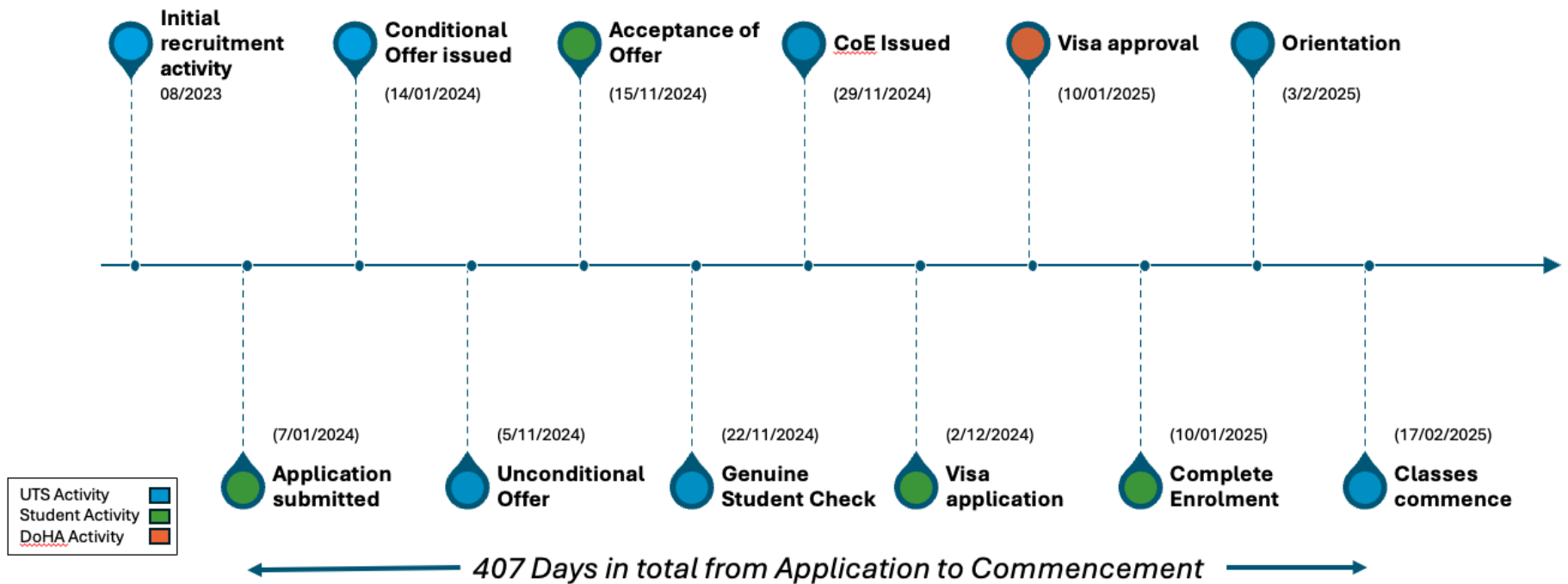
In addition, the mutual benefits for domestic students and the capacity to address Australian skills needs are not met through TNE, which largely serves the national needs where the campus is located, and the spill over economic benefits to local communities are not realised for Australian businesses. For these reasons, TNE is not a viable replacement for onshore earnings that currently support our research efforts and high standards of teaching, learning and pastoral support for domestic students.

2. Where can government direct effort to support transnational education?

In an increasingly competitive global TNE market, Australian universities seeking offshore and TNE delivery need adequate, authoritative and timely advice and support from the Australian Government. This support could take the following forms:

- Reform of Australia's regulatory framework to facilitate offshore and transnational delivery. The current approach is fragmented and no longer fit for purpose.
- Funding for Austrade and peak bodies to build capacity in assisting education providers,
- Negotiations on market access through bilateral and multilateral treaties and in agreements.
- A pre-approved visa assessment service for TNE students in offshore/onshore (hybrid 1+2 and 1+3) programs seeking Student Visa (subclass 500) to provide them with assurances they will be able to complete degrees in Australia that they commence in their home countries.

Indicative timeline for 2025 commencement International Undergraduate Consideration period from interest to commencement



Note: Transition from 'conditional' to 'unconditional' offers are typically based on preparatory academic pathways or English courses that students are currently undertaking with the expectation of an 'unconditional' offer on completion of those preparatory programs.

Indicative timeline for 2025 commencement International Postgraduate Consideration period from interest to commencement

