

Senate Inquiry into the ESOS (Quality and Integrity) Amendment Bill 2024

Thank you for the invitation to participate today. ATN Universities represents six institutions – Curtin, Deakin, RMIT, Newcastle, UTS and UniSA – across the country, and across metropolitan and regional campuses. Our members are known for educating high-quality, employment-ready graduates, and producing cutting-edge research with industry. Our approach to international education is no exception: a third of them are studying health, engineering or IT – all key areas of employment need in Australia.

ATN member universities had income of \$6.8 billion in 2023, of which 52 per cent was from the Australian Government. As a group, 26 per cent of income, some \$1.8 billion, was received from international students' fees, at home and offshore. 86 per cent of that international student income was from onshore students, representing over \$1.5 billion at risk from capped enrolments annually. All six universities reported a deficit in 2023 reflecting their post-Covid recovery and continued investments, with an average 2 per cent loss across the group.

Capping international student enrolments interferes with the market dynamics by which the sector operates. However, in principle, ATN Universities can accept institutional-level caps if they will provide greater stability and predictability for the sector. We are on the record making the case to Minister Clare for setting caps on a principled basis reflecting unique institutional contexts. We proposed that the negotiations with universities start from an assumption that there should be maximum 35 per cent onshore (headcount) international enrolments as a percentage of institutional total onshore student load, excluding higher degree by research international enrolments and short-term mobility students.

We note that implementing caps at this late stage in the recruitment cycle will have devastating effects for the 2025 cohort. Universities made their offers months ago. Students have made plans, bought plane tickets, and upended their lives in anticipation that they will be studying in Australia next year.

We cannot support course-level caps. Aside from the impracticality of implementing caps on tens of thousands of courses, they represent ministerial overreach. Students will – and should – study whatever makes sense for their aspirations and careers, noting Minister Clare has said that only around 16 per cent of international students stay on in Australia after their studies end.

Beyond the proposed legislation, it is critical that current visa settings are urgently overhauled. ATN's members have done everything asked of them by the Government:

- they're increasing the diversity of an already diverse cohort of international students;
- they have high proportions of students with disabilities and those from lower SES and non-English speaking backgrounds;
- they have kept proportions of international students to an average of 23 per cent of the student population;
- and they collectively educate around 40,000 students overseas each year, which equates to around a quarter of Australian transnational education.

And yet they have been badly hit by Ministerial Direction 107. As of last week, we calculated a total number of 2,333 missing students (for semester 2), equating to around \$289 million in losses in income for semester 2 and over half a billion for the year as a whole. A failure to reverse Ministerial Direction 107 will cripple the sector's ability to plan, to fund itself sustainably, and to attract the best and brightest students from around the world.

ATN's members are not the ones that crashed the system, and yet we, and Australia, are suffering for it. We invite you, the Committee, to take the opportunity to give our students, our institutions, and the whole higher education sector the certainty that they need now.

Thank you.

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