

Australian Catholic University

Submission to the Senate Education and Employment Legislation Committee

Inquiry into the Education Legislation Amendment (Integrity and Other Measures) Bill 2025



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Australian Catholic University (ACU) welcomes the opportunity to make a submission to the Senate Education and Employment Legislation Committee regarding its inquiry into the Education Legislation Amendment (Integrity and Other Measures) Bill 2025 (hereafter "the Bill").

ACU's submission focuses on the international education integrity and higher education regulation measures proposed in the Bill.

While ACU supports the underlying objectives of the Bill to ensure the integrity of Australia's international education sector and support quality and sustainable sector growth, ACU considers the Bill, as currently drafted, contains provisions which warrant reconsideration and/or require refinement in consultation with the higher education sector. Noting the short timeline for the Inquiry, ACU would encourage the Senate Committee to recommend the Federal Government further engage with the sector to identify and address these issues before the Bill is further progressed in parliament. It is also necessary to ensure that provisions in the Bill do not replicate provisions that are already in place under the *Education Services for Overseas Students Act 2000* (Cth) ("ESOS Act") and framework, and *Tertiary Education Quality and Standards Agency Act 2011* (Cth) ("TEQSA Act"), or add unnecessary complexity resulting in ambiguity.

Definition of "education agent"; Management of onshore commissions

ACU considers the proposed definition of "education agent" is too broad. It should be refined to avoid unintended consequences and ensure it is better targeted to fulfil the legislative intent. Education agents are paid commissions for successful student enrolments. Under the National Code of Practice for Providers of Education and Training to Overseas Students 2018 ("National Code"), appropriately, education agents must act honestly and in good faith, and in the best interests of the student (Standard 4). Providers are required to have written agreements with education agents to accept student applications.

Many higher education providers, including ACU, use vendor software solutions to support application management and processing, student enquiry management or digital resources such as online brochures or information. Under the proposed definition, each of these could be classified as an "education agent".

Furthermore, universities' offshore contracted representatives (distinct from education agents) would be captured under the proposed definition of education agent. ACU submits that these offshore representatives should be explicitly excluded from the definition. To illustrate, ACU has a network of in-country based representatives that are contracted to support ACU in that country, with contracting arrangements compliant with local laws as well as Australian laws. These representatives do not receive commission for this work and are not considered employees of ACU. They perform duties similar to Australian-based regional managers and they manage a number of activities integral to ensuring the integrity of Australian international education and outreach activities, including agent performance and student information. They complete genuine student checks and work to uphold the integrity of Australia's migration systems.

Reporting requirements and information management

The Bill proposes to require education providers to report, through the Provider Registration and International Student Management System (PRISMS), information on agent commission fees they have paid to an education agent. Implementing this reform will require significant intensive, manual work for many providers. Higher education providers all have different internal reporting systems and processes. At ACU, currently commission and student enrolment data is held in many different systems, and across different areas of the university, and the process to produce this will be administratively burdensome. Therefore, it is imperative that there is enough lead-time for providers to make the necessary changes, to support full implementation of this measure. Clear guidelines need to be developed in consultation with the sector to implement this reform.

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ACU further notes that the management of international student enrolments already involves significant resources, for all involved. Universities and other higher education providers shoulder considerable responsibilities in relation to government reporting, compliance, accreditation, and risk management. The proposed amendments will add significantly to the current administrative burden of universities. This would necessitate redirecting limited resources to compliance and monitoring, and away from critical areas of student support. ACU recommends:

- Limiting the reporting requirement to commissions and bonuses paid directly to an education agent, per student enrolment.
- The Federal Government be urged to provide additional resources to support providers to deliver on this reform. Additional investment in PRISMS is also necessary as the current system does not have the required capabilities.

ACU notes a working group has recently been formed to discuss the National Code of Practice for Providers of Education and Training to Overseas Students 2018 ("National Code") and associated guidelines, and with a view to addressing implementation issues. ACU welcomes this government engagement with the sector, which should assist in addressing the practical and policy complexities of these measures; acknowledging the many different systems, processes, and timelines individual higher education providers currently work to, and the significant work that is likely to be involved in extracting relevant data across these systems.

Ministerial powers

ACU considers provisions in the Bill that would grant the Minister for Education additional powers with respect to international education require further deliberation. For instance, ACU notes concerns raised by the Senate Standing Committee for the Scrutiny of Bills regarding the proposal to exempt from disallowance a legislative instrument made by the Minister under proposed subsections 14C(1) and 14C(3). As the Committee identifies: "Disallowance is the primary means by which the Parliament exercises control over the legislative power that it has delegated to the executive. Exempting an instrument from disallowance therefore has significant implications for parliamentary scrutiny."

TEQSA powers and higher education regulation

The Bill proposes legislative amendments with respect to the Tertiary Education Quality and Standards Agency's (TEQSA) regulatory powers. This includes proposed requirements for Australian higher education providers, including universities, delivering courses offshore to be authorised by TEQSA, that they notify TEQSA of any new or changed offshore delivery arrangements, and provide information to TEQSA regarding their offshore delivery arrangements on a yearly basis. ACU recommends:

- These measures be omitted or significantly revised in the Bill, particularly with respect to Australian universities, as they risk undermining the fundamental principles of university autonomy and Australian universities' self-accrediting authority.²
- The Federal Government undertake a comprehensive review of the regulatory environment faced by the higher education sector before any reforms are made to the TEQSA Act.

The provisions also run counter to TEQSA's overarching regulatory mandate and its guiding principles of regulatory necessity, risk, and proportionality. Requiring TEQSA to authorise all courses delivered offshore and the provider reporting mandates are not risk-based regulatory measures. While the Explanatory Memorandum to the Bill asserts the proposed amendments are designed to minimise the regulatory burden on Australian providers and that "amendments are light-touch" (p. 4), the provisions run counter to this. They are major legislative reforms which would significantly alter TEQSA's role and powers. TEQSA is appropriately, in principle, a risk-based regulator. As TEQSA acknowledges: "Providers are responsible for managing their own risk

¹ Senate Standing Committee for the Scrutiny of Bills. (2025). Chapter 1 Initial Scrutiny. Scrutiny Digest 6/25, p. 69. https://www.aph.gov.au/-

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² Higher Education Standards Framework (Threshold Standards) 2021.

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and are expected to demonstrate self-assurance consistent with the Threshold Standards."³ Fundamentally, any reforms should enable TEQSA to maintain a proportionate approach toward well-performing institutions assessed as low risk, particularly those with robust performance in evaluation metrics such as financial stability and student satisfaction. However, it should closely monitor high and moderate risk providers, especially the many non-university higher education providers which have not obtained self-accrediting authority.

The Bill also proposes a default period of up to 9 months, and potentially a further 9 months under certain circumstances, for evaluation of providers' applications regarding offshore arrangements. This default period should be significantly revised down if the proposed measures do proceed, as it runs the serious risk of stifling providers' offshore offerings and activities. Adding 9 months uncertainty (or potentially longer) would likely inhibit Australian universities' capacity to further beneficial offshore arrangements. Any new regulatory requirements would also need to include transitionary arrangements for self-accrediting providers who are about to commence course delivery under current arrangements.

ACU further notes the Federal Government is currently undertaking a review of TEQSA's powers and recently consulted on the future regulation of Australian higher education.

As such, ACU considers the amendments proposed in the current Bill are being advanced prematurely and should be considered as part of that review. The regulatory measures in the Bill effectively undermine that review process and create further uncertainty for higher education providers. ACU's recent submission⁴ to that consultation emphasised the need for a comprehensive review of the regulatory environment faced by the higher education sector before any reforms are made to the TEQSA Act, as Australian higher education providers are operating in an increasingly complex regulatory and compliance environment. Regulatory activities should be viewed through a productivity lens, in the national interest, as the cost burden of compliance is significant and compels universities to divert finite resources away from higher education to administrative activities.

³ TEQSA. (2025). Quality of Governance at Australian Higher Education Providers, p. 3.

⁴ Australian Catholic University. (2025). Feedback to the Department of Education – Modernising and Strengthening TEQSA's Powers: Consultation Paper. <a href="https://www.acu.edu.au/-/media/feature/pagecontent/richtext/about-acu/leadership-and-media/feature/pagecontent/richtext/richtext/richtext/richtex