

6 August 2024

**Education and Employment Legislation Committee
Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024 [Provisions]
Public Hearing**

Opening statement from Vicki Thomson, Chief Executive, The Group of Eight

Migration is shaping up as a key battleground in the lead-up to the federal election and the university sector is shaping up to be the fall guy – unfairly and unjustifiably so.

This rushed and poorly framed legislation is a classic example of retrofitting policy to suit dubious politics.

The rationale for capping international student numbers chops and changes as each excuse is discredited whether it's the housing crisis, cost of living, rental availability, rental affordability, redistribution of students to regional areas, or the removal of 'shonks', 'crooks' and 'dodgy providers' from the system.

What we DO all agree on is an international education system which is grounded in quality and integrity and the Go8 is absolutely committed to a more nuanced approach to **managing growth**.

But let's be clear. That archetype of 'shonks' and 'crooks' is NOT representative of the university sector and certainly not the Group of Eight whom I represent.

For that reason, we support Parts 1-6. But we very clearly, with no ambiguity, **do not support a blunt cap on international students** - and that is what parts 7 and 8 will deliver.

These two parts give the Minister of the day the power to apply caps on international student enrolments at universities, down to the course level - they are draconian, interventionist and amount to economic vandalism.

On the day when we've seen Wall St suffer its worst result in two years creating massive global economic uncertainty why would we make a deliberate move to attack our own economic growth? And we know that international students were directly responsible for over half of our economic growth for 2023.

Go8 estimates – and they are conservative - indicate that capping international student enrolments to pre-pandemic levels of 2019 for Go8 members against 2023 post-pandemic enrolment figures would cost the nation over \$5.3 billion in economic output and over 22,500 jobs in the economy.

And the interventionist nature of this proposed legislation is unprecedented.

Consider what this means in practice:

Go8 members **have 4,252 courses registered on CRICOS**. The proposed legislation (Part 7) says the Minister may determine a total enrolment limit **and** a course enrolment limit - **two possible caps for the institution and each course**. **So, across the Go8 there is the possibility of over 8,500 different caps**.

Which Minister could justify this level of command-and-control, let alone the administrative burden of determining caps for, in our case, in excess of 4000 courses. It simply beggars belief.

And it's not just universities who are concerned.

This Bill, not surprisingly, has few friends.

It IS right to have a discussion about what the international sector should look like. What shape, what size, what proportion - are all legitimate issues to unpick BUT - they cannot be considered in isolation to other factors – such as addressing high end skills shortages, funding of university research and delivering on defence projects such as AUKUS.

One size does NOT fit all.

That premise goes to the heart of our proposed amendments. There is a solution:

- 1) Exempt public providers from Part 7 and 8
- 2) Revoke *Ministerial Direction No. 107*
- 3) Work with universities through the existing mechanism under the HESA Act and target levels of enrolment appropriate to each institution.

And we need time.

Rushing through this legislation is a critical mistake.

Go8 universities have already made over 4,000 unconditional offers and over 50,000 full and conditional offers to international students for 2025.

This reflects the 18-month timeline required to recruit students to Australia. If caps are imposed at the eleventh hour, then many offers or even enrolments will have to be rescinded. These students won't come back the year after.

This last-minute decision not only makes managing University budgets impossible for 2025 – but the last-minute reversal - withdrawing offers to students we have long courted burns them in a cavalier and lasting way.

Ironically while the Australian government is effectively building a wall to lock out international students, the US presidential nominee Trump is demolishing one by promising Green cards to anyone who wants to study in the US.

Caps in 2025 will not be a reset - it will damage the sector for years to come – particularly in combination with the recent increase in visa application fees and the impact of Ministerial Direction 107.

It is reckless to do this in 2025.

As I've said we understand the extent of the broader economic challenges the Government is trying to manage, and we certainly get the politics.

No-one is suggesting open slather - but we cannot support this policy approach.

***Check against delivery*