



Submission to the Senate Standing Committee on Education and
Employment's inquiry into the provisions of the *Education Services for
Overseas Students Amendment (Quality and Integrity) Bill 2024*

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Executive summary and recommendations

The University of Sydney is pleased to provide feedback to the Senate Standing Committee on Education and Employment regarding the [Education Services for Overseas Students Amendment \(Quality and Integrity\) Bill 2024](#) (the Bill).

This submission builds on the feedback the University provided in its [14 June response](#) to the Government's [Draft International and Skills Strategic Framework](#), which the Bill seeks to enable. It complements submissions made by the Group of Eight universities and Universities Australia. The University of Sydney broadly supports the measures in Parts 1 to 6 of the Bill, which aim to enhance quality and integrity in the tertiary education system. These provisions arise from comprehensive independent reviews and have been subjected to regulatory impact assessment. **However, Parts 7 and 8 of the Bill were added after these processes and have not undergone impact review despite proposing significant changes to Australia's highly successful international education sector. These parts require careful review and should be struck from the Bill for the reasons set out in this submission.**

The proposed changes of concern include the introduction of arbitrary enrolment caps for individual providers and courses, severe penalties for non-compliance, and new powers for the Minister for Education to ban any provider from delivering a course to international students at any time, for any reason and without consultation with the provider. Taken together, the proposed changes would represent an unprecedented intervention by the Commonwealth in the affairs of Australia's independent and autonomous public universities.

The Minister for Education has recently stated that he does not intend to exercise the extraordinary powers he seeks through this Bill.¹ If so, the powers proposed for the Minister to cap and ban individual courses do not need to be included. **It should not be the legacy of one government to leave such powers with unfettered licence for potential use for unintended purposes by their successors.** If, at another time, such powers are considered essential, the minister of the day should seek them from the Parliament after full public consultation and proper regulatory impact analysis.

Previous similar government attempts to manipulate Australia's higher education market - like the Job-ready Graduates Package of 2020 - have failed to deliver their objectives and had unintended consequences because student choice ultimately drives demand. Providers rely on revenues from international students to educate and train domestic students in priority fields like medicine and health,

¹See: [The Hon. Jason Clare MP, Minister for Education \(9 Jun 2024\) interview transcript, Sky News Sunday Agenda](#)

engineering, teaching, agriculture and veterinary science, and to support Australia's sovereign research capability. Providers need legal and policy certainty and flexibility to respond quickly to changes in demand. They also need support from governments and industry to significantly expand the availability of quality professional learning placements for both domestic and international students in areas facing critical workforce shortages.

If enacted as proposed, the changes will disrupt operations in 2025. The sector is already experiencing increased market volatility in response to the uncertainty caused by the Government's introduction of the Bill. The longer uncertainty continues about the specifics of any caps that will apply to individual providers in 2025, the more damage that will be done to Australia's reputation in key education markets.

Based on the Government's stated targets for Net Overseas Migration (NOM) and data from its 2023 Population Statement, it is obvious that a significant contraction in international student numbers is being considered for 2025. Preliminary economic modelling undertaken for the University by ACIL Allen Consulting demonstrates the following impacts in 2025 from a 30 per cent reduction in international students in 2025 compared to 2023:

- **\$4.1 billion in lost GDP to the Australian economy and 21,922 FTE jobs**, including direct and indirect flow-on jobs.
- **\$1.1 billion in lost GSP to the New South Wales economy and 5,612 FTE jobs**, including direct and indirect flow-on jobs.
- The impact per **1 percentage point cut** in students would be a loss of **\$138 million in GDP and 731 FTE jobs**, including direct and indirect flow-on jobs.
- The impact per **1,000 students** would be a loss of **\$65 million in GDP and 344 FTE jobs**, including direct and indirect flow-on jobs.

These figures are conservative as they represent the impact on the Australian economy for 2025 only. The impacts would grow cumulatively as the cuts in 2025 flow through and if further reductions to international student enrolments are applied in future years. They also do not include additional negative impacts on the labour market due to lower numbers of skilled workers available to all sectors.

Nevertheless, this modelling demonstrates that any significant cuts imposed on the number of international students will have repercussions for the sector, local economies and workforces, and therefore must be carefully considered and calibrated following genuine consultation. Yet, this imperative for evidence-based policy and consultation is at odds with the Bill's accelerated timeline for a 1 January 2025 start date.

This submission identifies key deficiencies in the proposed Bill and recommends amendments to minimise unintended consequences.

Recommendations

The University recommends that the Committee urge the Senate to retain the measures focused on strengthening quality and integrity in the sector (Parts 1-6) but amend the Bill to remove the proposed ministerial powers to implement enrolment limits and ban courses (Parts 7 and 8).

Amendments

If the Committee supports progression of Parts 7 and 8, the University urges it to recommend the following amendments to the Bill:

- Set enrolment limits at the provider level only for commencing (new) students, removing both the ministerial power to cap at the course level and to count students who are already enrolled and studying onshore with the provider.
- Include a safety net clause so that enrolment limits for commencing students cannot be lower than the prior year.

- Defer the start of legislated caps until 2026 and treat 2025 as a consultation year, acknowledging the Government's proposed role for the Australian Tertiary Education Commission (ATEC) in managing growth in domestic and international students from 2026.
- Remove the ministerial power to ban individual courses offered by providers with no history of misconduct, quality or integrity concerns.
- Remove automatic Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) suspension for universities that exceed their enrolment limits.
- Ensure that for compliance purposes each student is only counted once (as occurs for NOM) and that the following groups of commencing students are excluded from the caps: Higher Degree by Research; internationally sponsored; Australian Government sponsored; Exchange and Study Abroad; students who have studied offshore at campuses of an Australian university; students who complete an articulation program overseas and complete their degrees onshore; students completing a dual degree program with an international partner institution; school students and students enrolled in non-packaged English Language Intensive Courses for Overseas Students (ELICOS).
- Include a sunset clause for the ministerial powers to cap student numbers and shut down courses, acknowledging the future role of the ATEC as an independent steward of the system.
- Require the Senate Standing Committee on Education and Employment to review and report on implementation of the reforms well before the sunset clause takes effect.

Impacts

The Bill does not address the consequences of arbitrary enrolment caps being imposed from 2025, including: how the teaching and learning of domestic students and from under-represented backgrounds will be affected; how the research capacity of Australia's universities and outputs will be impacted; the implications for investment in critical infrastructure for teaching, research and accommodation; and the flow-on consequences for the economy and jobs.

International student fees play a critical role in Australia's highly regulated tertiary education system, where this income is critical for sustaining teaching of domestic students in fields like medicine and health, veterinary science, agriculture and the creative and performing arts, where delivery costs exceed available Commonwealth funding. For example, for every full-time Australian citizen who studies medicine or veterinary science, the University of Sydney needs to find more than \$10,000 in additional funding each year to cover the full cost of teaching and training each of them - funding sourced largely from international student fees.

Moreover, it is unclear how the Bill will support the achievement of the ambitious skills growth and attainment targets included in the Universities Accord, given the structural funding realities. For example, with reductions in revenues from international students, universities' capacities to provide financial and targeted academic support to under-represented domestic students will be significantly diminished. The sector is already experiencing increased market volatility in response to the Government's introduction of the Bill, demonstrating the sensitivity of the market to the proposed changes. The longer that uncertainty continues about the specifics of any caps that will apply to individual providers in 2025, the more damage that will be done to demand and Australia's reputation in key education markets.

It should be obvious that any rapid and large cuts to international numbers will have an immediate impact on the viability and competitiveness of Australian universities and other providers. The University has commissioned economic modelling from ACIL Allen Consulting to demonstrate the potential impact of enrolment limits in 2025 alone. The modelling uses the Australian Government's 2023 Population Statement as the basis for estimating a reduction in net international student visas to Australia.² That statement forecasts that Net Overseas Migration will reduce from a peak of 510,000 in 2022-23 to around 255,000 in 2025-26. Based on ABS visa data, the potential impact would be a 30 per cent reduction in international student visas – from 190,000 in 2023-24 to 130,000 in 2024-25. Using 2023 as the base year, this would see around 63,500 fewer international students enrolling in 2025 nationally, resulting in \$1.1 billion lost revenue.

² See <https://population.gov.au/sites/population.gov.au/files/2023-12/2023-population-statement.pdf>

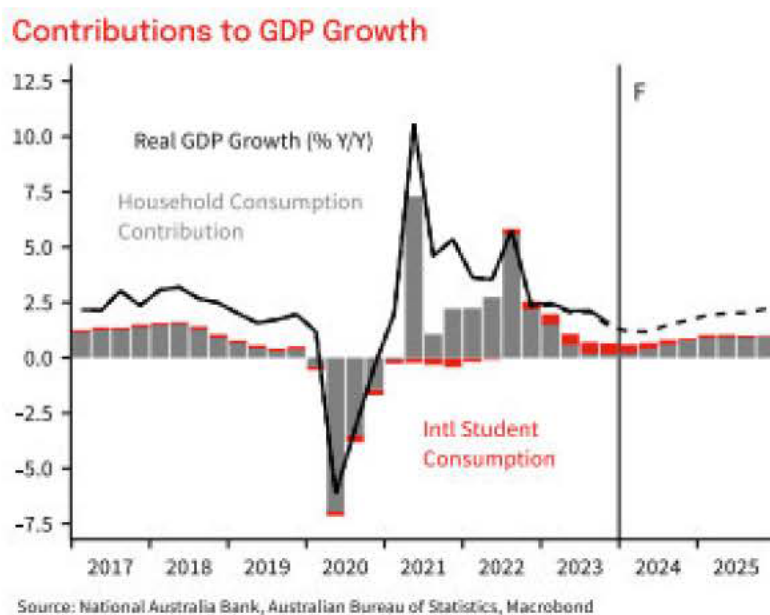
The modelling demonstrates that in 2025 alone the impact of such a cap would be:

- **\$4.1 billion in lost GDP to the Australian economy and 21,922 FTE jobs**, including direct and indirect flow-on jobs, including \$490 million from a reduction in university research.
- **\$1.1 billion in lost GSP to the New South Wales economy and 5,612 FTE jobs**, including direct and indirect flow-on jobs.
- The impact per **1 percentage point cut** in students would be a loss of **\$138 million in GDP and 731 FTE jobs**, including direct and indirect flow-on jobs.
- The impact per **1,000 students** would be a loss of **\$65 million in GDP and 344 FTE jobs**, including direct and indirect flow-on jobs.

Additional and compounding impacts on the economy will be felt beyond 2025 if the proposed policy results in further reductions to international student enrolments in future years. There will also be additional GDP impacts, not yet modelled, as productivity in the labour market decreases due to a lower number of skilled workers.

Value of international education

International education is an important contributor to Australia's economy, not only as a \$48 billion export industry but also as a driver of aggregate demand in the economy. Recent analysis undertaken by economists at NAB suggests that international students contributed to more than half of the nation's 1.5 per cent GDP growth in 2023.³



At a time when 'even weak growth is welcome'⁴ and the Government is focused on building a more dynamic and productive economy, the value of international students to Australia's future prosperity and sovereign capability should not be underestimated.

³ National Australia Bank (7 March 2024) [International Students drove growth in 2023](#)

⁴ [The Hon. Jim Chalmers, Treasurer, \(6 March 2024\), Press Conference, Canberra](#)

In 2023, revenue alone from international students including fees, expenditure on goods and services and associated visitor expenditure was \$47.8 billion, with the higher education sector accounting for 66 per cent of this revenue. In preliminary modelling commissioned by the University of Sydney, ACIL Allen has calculated the economic contribution of all onshore international students in Australia, estimating that, in 2023, they contributed:

- **\$19.9 billion to the New South Wales economy** (equal to approximately 2.57 per cent of New South Wales' GSP) and **103,263 FTE jobs**, including direct and indirect flow-on jobs.
- **\$63.4 billion to the Australian economy** (equal to approximately 2.48 per cent of Australia's GDP) and **335,356 FTE jobs**, including direct and indirect flow-on jobs.

Migration

International students are understandably part of the national discussion around migration, generally making up just under half of temporary visa holders per annum. In 2022-23 there was a marked increase in temporary visa holders including international students following the severe disruption during the COVID-19 years, where students were not able to travel to Australia to study. According to Emeritus Professor Peter McDonald from the ANU, the explanation for the burst of temporary arrivals in 2022-23 is simple:

When the border was closed in 2020, a large number of enrolled students were still overseas (especially Chinese students who had returned home for the Chinese New Year) who could not return to Australia. In addition, many enrolled students left Australia during COVID. Most of these enrolled students returned in 2022-23 in part stimulated by the Government of China forbidding internationally enrolled students to study on-line from China. In addition, in 2020 and 2021, the usual new intakes of students and working holiday makers were unable to enter the country. Many of those who had intended entering in 2020 and 2021 then did so in 2022 along with the usual new intake for 2022.⁵

Furthermore, since 2019, growth in enrolments have been highest in the VET sector (up 28 per cent) whereas enrolments in higher education are 10 per cent higher than they were than five years ago.⁶

There is now clear evidence that the post-COVID uptick in student numbers was a temporary peak. Particularly relevant to overall migration numbers is the low rate of departures of students and other temporary visa holders during the past two years, which will increase as students graduate and their visas expire.

The peak will start to diminish as the co-called 408 COVID visas that 120,000 people are on expire over the next six to 12 months. At the same time, there has been an 80 per cent decline in the number of state-issued skilled and regional visas for the financial year 2023-24 over the previous year.⁷

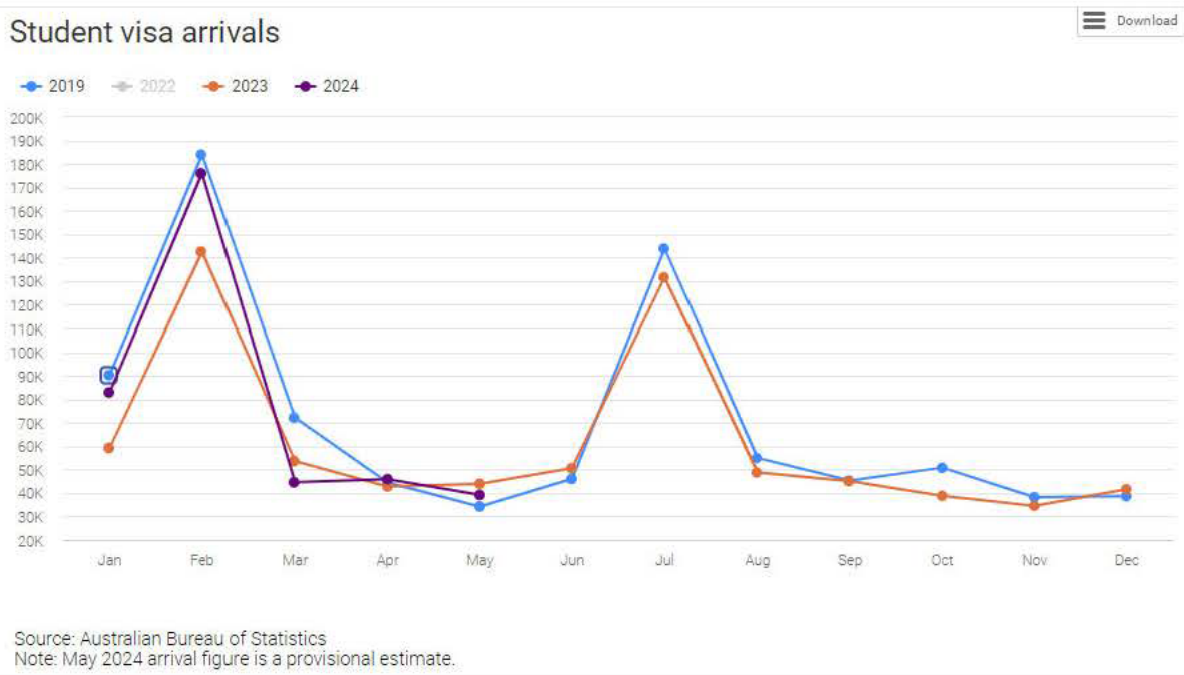
The student visa reforms the Government has made over the past year are taking effect – May 2024 student visa arrivals are down 34 per cent below the same time last year.⁸

⁵ Emeritus Professor Peter McDonald, ANU (13 June 2024) *Understanding Australian Migration*, p. 10.

⁶ Department of Education, *International Student Monthly Summary*

⁷ *Australian Financial Review* (24 November 2023), *Australia has reached 'peak migration'*, p.8

⁸ Department of Education, *Student Visa Arrivals*



In terms of higher education visa applications and grants, as of May 2024, there had been a 15 per cent decline in visas lodged and a 31 per cent decrease in visas granted compared to 2023. Part 7 of the Bill is unnecessary for universities given:

- the powers the Commonwealth has under the Migration Act to control total international student arrivals;
- the caps on international student enrolments at a provider capacity level that already apply for all providers under the ESOS Act;
- the legal avenues that already exist under the Higher Education Support Act for the Government to achieve managed and sustainable growth in international student enrolments.

Skills shortages and regional provision

The Bill is strongly aligned with the *2023 Migration Strategy*, which links growth in international education to students and graduates ‘realising their economic potential in the labour market’ and not remaining in Australia as ‘permanently temporary’. The Bill refocuses Australia’s international education system towards addressing skills shortages, where the Minister may take into account the value of a course to Australia’s current, emerging and future skills and training needs and priorities.

The challenge with this approach is that it largely ignores the fact that 84 per cent of international students leave Australia after they graduate, choosing courses that align with their own personal career goals rather than courses that align with skills needed to work in Australia. Attracting students who may help fill skills shortages should not come at the expense of students who study in Australia to then return home.

Lower course costs and additional migration incentives for regional study have been in place for years, but have not worked to attract international students to these locations. Indeed, many regional universities have established campuses in metropolitan areas in response to the realities of student demand.

The latest QILT [International Student Experience Survey](#) found that in 2022 the top reasons for international students choosing to study at their Australian providers were: the institution offering the course the student wanted to study (96 per cent); the reputation of the qualification (95.6 per cent); employment opportunities after graduation (94.8 per cent); the reputation of the institution (94.2 per cent), and the course fee (90.5 per cent).

Places allocated to regional universities, or places targeted at specific courses offered by certain providers located in regional areas, will only be utilised if international students choose to study with those

regional providers and in those courses. There is no evidence that they will choose to do this, and a policy which forces it creates unnecessary risk to the economy.

Furthermore, increasing participation of international students in regions and courses that align to Australia's skills needs is not necessarily a straightforward exercise. International students face the same challenges in courses that require work placements that domestic students do, such as in health, teaching, nursing & midwifery, engineering, and veterinary science. Yet the Government has not yet addressed the issue of placement poverty for international students.

The University of Sydney currently produces a substantial proportion of NSW's health workforce. Some twenty per cent of our enrolments in our Faculty of Medicine and Health are international students. Through their clinical training programs embedded within the health system, these students help deliver healthcare outcomes to patients across the State. Ensuring that we continue to provide training opportunities for international students in our Medical Practitioner, Dental, Nursing, Clinical Psychology and Allied Health training programs is critical to the NSW Department of Health and the NSW health workforce, given existing shortages in frontline services. Any reduction in international students into Faculty of Medicine and Health courses would directly impact on the healthcare of NSW citizens and hence on our partnership with NSW Health.

Timeframes

The timeframes set out in the Bill are impractical and fundamentally at odds with how universities work. Operating in a highly competitive global marketplace, international students consider offers and acceptances well before the year in which they are due to commence – they are making a commitment to live abroad for several years, after all. Typically, the student recruitment process of offers and acceptances takes place over an eighteen-month period.

The timing of Australia's academic year relative to the Northern Hemisphere also lengthens the pipeline in many instances. The timeframe in the Bill, where the Minister will advise providers of caps by 1 September each year for the following year is unworkable. For the transition year of 2025, the Bill allows the Minister until 31 December 2024 to advise providers of their enrolment caps. The Bill also gives the Minister the ability to vary these caps at any time.

The Bill gives the Minister powers to set enrolment limits by legislative instrument or notice but does not require the Minister to consult with providers before making an instrument or issuing a notice. Furthermore, the Minister 'may, at any time, vary an instrument if the Minister is satisfied that it is appropriate to do so' (Part 7, 26B (10)).

As our Vice-Chancellor has previously remarked, there is no business operating in Australia that could wait until September to find out what their business model is for the following year, nor does the Government operate in this way. It is also unrealistic to expect young people to uproot their whole lives with such little notice. Contrary to providing greater certainty to the sector, these timeframes have the opposite effect, creating significant uncertainty for universities and for students. Potential genuine students whose preferred study choices are denied at the eleventh hour by Australian Government policy are unlikely to consider Australia again, nor are their agents. Such late decisions will have multi-year impacts for Australia's global reputation and competitiveness.

Checks and balances

The introduction of Ministerial powers to impose enrolment limits at each institution, and even at the course level, will fundamentally change the relationship between government and universities in a way that diminishes institutional autonomy and may politicise university course offerings and finances.

Part 8 of the Bill gives the Minister powers to cancel a course specified by the Minister at any time if they are satisfied that it provides 'limited value to Australia's skills, training needs and priorities' or if it is 'in the public interest to do so'.⁹

⁹ [Education Services for Overseas Students Amendment \(Quality and Integrity\) Bill 2024, Part 8, 96B \(1\) \(b\) and \(c\)](#)

There is no legal requirement for the Minister to consult with universities prior to notice being given. With limited and time-consuming avenues for merit review of decisions made by instruments, the Bill lacks appropriate checks and balances to ensure decisions are made fairly and transparently.

The Bill's Explanatory Memorandum clarifies that, for decisions made by notice;

*This power to set enrolment limits for a provider ensures that overseas student enrolments are allocated beneficially for Australia's interest. It is appropriate for merits review to be excluded from these decisions as this could overturn the Government's delicate balancing of these resources.*¹⁰

University autonomy is recognised across the Western world as fundamental to the success of liberal democracies built around principles including the separation of powers, rule of law, freedom of speech and academic freedom. Indeed, the first recommendation of the Australian Universities Accord Final Report calls for the Government to specify in legislation that the objective of Australia's tertiary education system is to 'underpin a strong, equitable and resilient democracy',¹¹ while the objects of the *Higher Education Support Act 2003* (Section 2.1(b)) recognise that:

*universities are established under laws of the Commonwealth, the States and the Territories that empower them to achieve their objectives as autonomous institutions through governing bodies that are responsible for both the university's overall performance and its ongoing independence.*¹²

and its definition of academic freedom provides further respect in Australian law for:

*the autonomy of the higher education provider in relation to the choice of academic courses and offerings, the ways in which they are taught and the choices of research activities and the ways in which they are conducted.*¹³

Moreover, under the *Australia's Foreign Relations (State and Territory Arrangements) Act 2020*, a university does not have institutional autonomy if the government '...is in a position to exercise substantial control over the university' including if education provided at the university is required by a law to adhere to political principles or doctrines of the political party that forms the government.¹⁴

Under the Foreign Arrangements Scheme, organisations are not required to report arrangements with foreign universities assessed to operate with autonomy from their governments. The carte-blanche powers in the Bill for the Minister to cancel courses at any time based on vague concepts of what is in the public interest would see the Government put the Commonwealth dangerously close to breaching its own definition of, and legislated respect for, university autonomy.

Housing

The Explanatory Memorandum to the Bill states that when setting limits on a university's international students, the Minister will consider the supply of purpose-built accommodation available to both domestic and international students. However, the market certainty and long lead times required for new housing developments are likely to be undermined if the proposed arbitrary cap system is implemented. This will make new student accommodation developments less viable for universities and private student accommodation developers, which would be the opposite outcome to one of the key stated goals of the Bill and the new International Education and Skills Strategic Framework it seeks to implement.

While housing supply challenges are an urgent issue being addressed by all levels of government, the impact of students on housing availability and affordability is minimal, with students making up just four (4) per cent of the rental market.

¹⁰ [Education Services for Overseas Students Amendment \(Quality and Integrity\) Bill 2024 Explanatory Memorandum](#), p.61

¹¹ [Australian Universities Accord Final Report](#) (Dec 2023), p.16

¹² [Higher Education Support Act 2003](#), Clause 2.1 - Object of this Act

¹³ [Higher Education Support Act 2003](#), Schedule 1 – Dictionary, definition of *academic freedom*

¹⁴ [Australia's Foreign Relations \(State and Territory Arrangements\) Act 2020](#), Preliminary Part 1, Division 2, Section 8, 2-3.

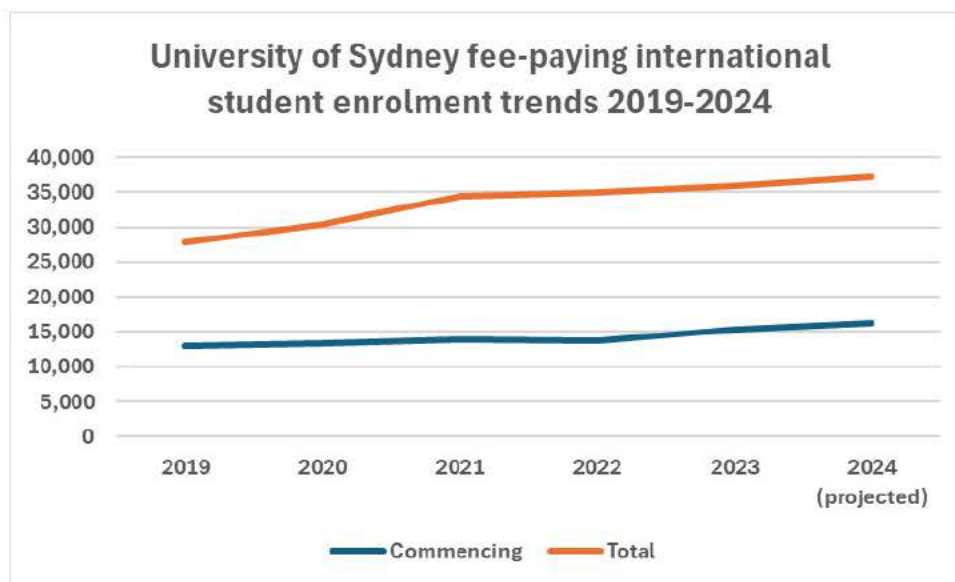
The University of Sydney is committed to creating affordable student accommodation. Since 2015, we have invested \$220 million in new student accommodation beds and have plans for thousands more beds in both Camperdown and Westmead for both domestic and international students.

Given the capital costs and long lead times involved in creating new student accommodation facilities, we encourage the Government and Committee to consider allowing providers to demonstrate their capacity to match future growth in international student enrolments with the availability of a mix of other accommodation options that do not impact on existing rental stock. For example, we run or facilitate [extensive 'homestay' accommodation options](#), where domestic or international students take a room in a residence and with hosts who have been quality checked to ensure minimum standards of quality, safety and support have been met. The costs and timeframes required to grow homestay and other accommodation options are significantly lower and shorter than for building new purpose-built accommodation from scratch.

Managed growth

The University of Sydney is committed to sustainable growth in international students, averaging under five (5) per cent year-on-year growth in commencing students over the last five years. The University is actively considering the appropriate mix of international and domestic students for undergraduate and postgraduate cohorts, understanding that getting the balance right is important for all our students, staff and the wider community. The University is entirely supportive of a genuine dialogue about the future size and shape of its international student cohort, but policy changes of the magnitude proposed in the Bill require proper consultation and adequate transition arrangements.

To assist the Committee's consideration of the issues, we share data below that give a snapshot of the trends in the University's enrolment of fee-paying international coursework students over the period 2019 to 2024. In considering these data it is important to note that Higher Degree by Research students, International Exchange and Study Abroad students are not included. See the footnote for inclusions and exclusions.



Sydney international students 2019-2024

	2019	2020	2021	2022	2023	2024 (projected)
Commencing	13,031	13,332	13,909	13,719	15,326	16,283
Total	27,831	30,456	34,452	34,879	35,844	37,230

* Data as at 27 June 2024, with 2019 – 2023 reflecting end-of-year actuals and 2024 end-of-year projections at 30 May 2024. **Included:** International Fee-paying Undergraduate and Postgraduate Award Course students (IFEE). **Excluded:** Higher Degree by Research (HDR) students; International Exchange (IEX), Non-Award and Study Abroad students.

Penalties

The Bill proposes harsh and automatic penalties for the smallest breaches by a provider. For example, if a university was to exceed its total cap in a year by one student, its registration to deliver any courses to international students in that year is automatically suspended. Similarly, if a course enrolment limit is in place, a breach would see registration for that course automatically suspended for that year.

The enforcement of an automatic suspension on any university with a large cohort of international students would cause chaos in the system, requiring them to renege on offers and acceptances. Moreover, all international students enrolled with the provider that exceeds its cap, would need to find a place with another provider, or leave the country until it regains its registration. The reputational, financial and operational consequences of this occurring are so unthinkable that providers will respond by keeping their enrolments well below their caps.

Managing student enrolments is complicated and far from straightforward, with final enrolment numbers at each census date influenced by a range of factors that are beyond the University's control. Throughout each academic year, we see high take-up rates prior to the start of each semester and leading up to the census dates. Then, in addition to requests for reduced volumes of learning, we see students applying for suspensions or graduating. In these circumstances, we are compelled to cancel their enrolments. The effect of each cancellation is that we can then issue an enrolment confirmation to another international student, but it is effectively too late to do so in the semester. So, the outcome would then reflect an under-enrolment. If the Government insists on imposing caps on providers and individual courses, margins for error need to be built in before penalties are applied, acknowledging the potential for the graduations, suspensions and discontinuations that are inevitable throughout each year.

Carve outs from caps

We support the Government's indications that international higher degree by research students will be excluded from any caps, as well as enrolments in schools, short courses, non-packaged English courses and non-award courses (specifically Study Abroad and Exchange).

For higher education providers, any caps should only apply to their international fee-paying undergraduate and postgraduate coursework students who are not in receipt of full or partial funding support from a foreign government, the Australian Government, or a reputable and recognised non-government scholarship program.

The soft diplomacy benefits that flow to Australia from these scholarship programs are significant. They also add substantially to student diversity and most students supported by foreign governments are bonded to return home at the completion of their studies. Many progress to senior roles within their governments, strengthening people-to-people links and perceptions of Australia. We currently have some 750 students on foreign government scholarships, drawn from about 60 countries, with around 250 commencing in Semester 1, 2024.

Students on English language pathway courses packaged with a university degree program must only be counted once, not separately for each enrolment on their package pathway, as these students will be part of the University's quota.

Students enrolled offshore/transnationally should not be included, noting that the best models involve some form of onshore study, providing linkages to communities and networks in Australia. Consideration could also be given to treating transnational enrolments as ineligible for post-study-work-rights if an additional limitation is needed.

Some student categories will need to be excluded for a transition period, for example, students already onshore and completing ELICOS or Foundation courses prior to commencing with a tertiary education provider. These students were packaged and made their decisions before the cap proposal was announced. They should not be included in a commencing cap for the initial implementation period. If these students are to be counted following the implementation period, they must only be counted once, not separately for each enrolment on their package pathway.

The treatment under the caps of many other groups of international students will need to be considered, for example students who come to Australia to complete intensive courses and students completing dual degrees offered in partnership between an Australian university and an overseas university.

Conclusion

The University of Sydney continues to prioritise student experience, education quality, integrity and the provision of safe and affordable student accommodation. The University is committed to sustainable growth and is open to a national discussion about the size and shape of the international student sector, noting the number of international students is already normalising following the post-COVID peak and recent changes to student visas are taking effect. However, any changes to international education need to be carefully thought through with proper consultation and adequate transition arrangements.

Parts 7 and 8 of the Bill in their current forms do not represent good policy, nor will they achieve the Government's long-term objectives to increase the supply of purpose-built student accommodation and facilitate sustainable growth in onshore international student enrolments. They represent an unreasonable and unnecessary risk to our economy and will cause significant deterioration of our most successful services sector export. The Bill should be passed with Parts 7 and 8 struck out. However, if the Committee is inclined to support the passage of these parts, the University suggests significant amendments need to be made as set out at the top of this submission.

Ends/