

26 September 2024

Senate Education and Employment Legislation Committee

Inquiry into the Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024

Dear Committee

Submission to the inquiry into the Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024

Thank you for your ongoing work in scrutinising the Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024. This legislation will reshape Australia's international education sector in a way that threatens our status as a leading provider of international education and risks our national prosperity and the viability of our universities. Our concerns are laid out in our **initial submission** to the inquiry, lodged 1 July 2024, and while we do not have any further recommendations pertaining to the legislation for the Committee's consideration, we would like to request your support in advocating for the immediate removal of Ministerial Direction 107 (MD107).

Since December last year, the Albanese Government has been using MD107 as a brutal mechanism to drive down the number of international students entering Australia. Under this instrument, 55,372 fewer visas were granted in higher education between December 2023 and June 2024, compared to the corresponding period in 2022–23 when 175,200 visas were issued. This represents a 32 per cent drop year on year, or a \$4 billion hit to the economy at a cost of \$19 million a day. It is also inflicting serious financial harm on Australia's universities, particularly those in regional Australia and outer suburban areas. Universities have come to rely on international student fees to fund their operations due to a shortfall in government funding for research, teaching and campus infrastructure.

The Government is committed to keeping MD107 in place until the amendments to the *Education Services for Overseas Students Act 2000* pass the Parliament, which is not expected to be before November. That means this self-inflicted economic harm will continue for some time. There are another 38 days until Parliament sits in November, putting the further economic hit of MD107 at \$722 million, if not more. In moving to legislate powers to reduce the number of international students entering Australia, the Government is bowing to political pressure from the Coalition in a bid to neutralise a battle over migration and housing ahead of the next election. The Government's determination to succeed in this endeavour is coming at an enormous cost to our economy and Australia's universities. When our economy is already stalling, we need to grow industries that support our economic growth and prosperity. MD107 is doing more harm than good. It needs to be scrapped now, not in a few weeks or months.

Yours sincerely



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Chief Executive Officer, Universities Australia