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Australian Academy of Science submission on the *Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024*

International education plays a large role in shaping Australia's economy and society and in strengthening our science and research capabilities. It also adds value to our international relationships as students return to their home countries with a deeper understanding of Australia and Australians.

A well-managed international education sector, upholding the highest standards of quality and integrity, therefore delivers benefits to the nation in an increasingly competitive and uncertain global environment.

The Academy suggests that the Australian Government and Senate:

- Recognise the dependency of university science on international education revenue and outline a plan to fix this risky, broken funding model
- Secures Australia's advanced STEM capabilities by ensuring that HDR student load is exempt from university admission caps
- Amends the Bill to allow for enrolment caps to be set on a triennial basis for Table A and B providers

The measures proposed in the bill, while intended to deliver sustainable growth of the international education sector, contain risks for science and research in Australia. Long-term measures to reduce uncertainty and complexity in the sector would be preferable, especially where they are co-designed in genuine partnership with stakeholders to mitigate impacts.

University science is fragile

Australia's scientific endeavour is generally of a high quality, but it is becoming increasingly fragile as public funding languishes and fails to cover the full cost of university science.

To manage the shortfall in public funding, yet also contributing to the fragility of the system, Australian university science is heavily dependent on growing universities' discretionary internal revenues, and this gap is bridged by funding from other sources, predominantly international education revenue.

The high performance and reputation of university research – and Australian research and development - is based on universities' significant investment of international student fee revenue into their research efforts.

The regulation of university admissions by overseas students' needs to be cognizant of this dynamic. As part of the ESOS reform package, it is the **Government's responsibility to outline a comprehensive plan to fix the broken funding model of university research.**

International students help meet Australia's skill needs

International education supports Australia's access to skilled workers, with many international students contributing to Australia's workforce. International education, particularly in STEM fields, delivers benefits for meeting skills gaps and needs essential to addressing emerging challenges and meeting national ambitions. This is evident in Australia's current labour force, where 56% of the university STEM-qualified cohort were born overseas.¹

¹ Office of the Chief Scientist, 2020, *Australia's STEM workforce*, <https://www.chiefscientist.gov.au/news-and-media/2020-australias-stem-workforce-report>

International higher degree research (HDR) students are an important part of Australia's scientific research workforce. They contribute to research productivity, bring diverse cultural and language skills and experience to Australia, and facilitate international collaborations. International HDR students go on to be a key source of the postdoctoral workforce that undertakes a large part of Australia's research effort.

HDR student load should be exempt from measures to control university admissions.

International education is a key diplomatic tool

Educating international students is a powerful diplomatic tool for Australia, creating opportunities for knowledge exchange and strong relationships for Australia, with international students going on to becoming thought leaders and changemakers.

Active and strategic science diplomacy secures Australia's influence in bilateral and multilateral fora to advance national and regional development outcomes.

Science is an international endeavour essential for addressing global challenges and is a geopolitical asset for building strategic partnerships between countries. In addition, the exchange of scientific ideas, methods, infrastructure and outcomes allows researchers to amplify their efforts and develop more effective, inclusive and sustainable solutions to shared challenges.

Way forward

To mitigate the short-term nature of the measures proposed to manage the sustainable growth of the international education sector the Academy suggests that **the Ministerial power to set enrolment limits (Part 7 of the Bill) should be exercised on a triennial basis - a period of three-years – for Table A & B providers.**

To discuss or clarify any aspect of this submission, please contact Mr Chris Anderson, Director Science Policy at Chris.Anderson@science.org.au