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International Education
Association of Australia



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Submission for the Senate Education and
Employment Legislation Committee inquiry
into the Universities Accord (Australian
Tertiary Education Commission) Bill 2025
and a related bill

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Introduction

The International Education Association of Australia's (IEAA) membership includes over 4,000 academics, professional staff and leaders across all of our nation's public universities, TAFE institutes, independent Higher Education and VET Providers, English Language Colleges and secondary schools.

The narrative around the ATEC Bill to date has been almost entirely focussed on the implications for Australia's public universities. Our submission also highlights important questions, concerns and implications of this legislation for our nation's independent education providers.

Public discourse around this legislation has also principally focussed on its implications for domestic post-secondary students. As ATEC is envisaged to have a key advisory role on international student profiles and cohort numbers, our submission also underscores any potential issues associated with this cohort. We see this as a crucial gap.

Based on the above concerns, we have organised this submission under separate sub-headings: (1) Governance, (2) NOSC methodology, and (3) other concerns such as mission-based compacts, skills in demand, regulatory impact challenges, and the timely provision of information.

Governance

The Bill specifically allows for a Chief Commissioner, First Nations Commissioner, and a Commissioner. The expectation is that these three positions will be primarily drawn from and focussed on public higher education and vocational education expertise. If this is the case, then IEAA believes that it is crucial we raise the following concerns:-

- i. *International Education:* Australia has spent decades establishing itself as one of the top four global study destinations. This has not only provided a boon to our national economy (ABS estimates this at approximately \$50 billion p.a.) but has been a major contributor to our nation's soft power diplomacy, particularly in our own Indo-Pacific region. While most of Australia's international education endeavour is based on teaching world class qualifications to 'onshore' international students, in recent years many of our providers have been encouraged by our Government to embark on offshore transnational education delivery. Post-pandemic, modes of delivery have also changed to include online and virtual classrooms.

As drafted, the ATEC Bill does not place much weight on the key responsibilities that the ATEC Commissioners will be required to undertake in Australia's incredibly complex and dynamic international education sector. Indeed, the knowledge bases and skill sets that will be expected of the three proposed ATEC Commissioners might have little relevance to the expertise required to provide appropriate relevant advice to Government on the international education sector.

Expertise in international education is crucial for a number of reasons:

1. It is its own domain of knowledge with an established and dynamic evidence base, as reflected in peer-reviewed literature (including for example the global publication, *Journal of Studies in International Education*, which the IEAA currently manages), industry reports, and other specialised media outlets
2. It comprises many players and stakeholders including:
 - a) A large cross-section of Commonwealth, State/Territory and local government entities
 - b) Over 1,000 CRICOS-registered education providers spanning a diverse range from schools, English Language colleges, VET RTOs, and higher education providers
3. It is complex, with its own distinct regulatory framework including ESOS and the National Code, with significant interactions with the migration system
4. It is globally competitive, with major impacts on the financial viability of our nation's universities, the economic prosperity of our cities and national GDP, global standing and soft power, and labour market outcomes

And yet the Government intends for ATEC to have a significant advisory role to the Education and Training/Skills Ministers on both the numbers, profile and even individual provider allocations of overseas students.

Recommendation One: That the Bill be amended to specifically provide for an additional Commissioner (either full or part-time) who has proven experience and deep, demonstrated expertise in international education.

ii. *Independent Higher Education/VET providers:* While the Federal Government has specific funding responsibilities to our nation's 39 public universities and 8 state/territory public TAFE systems, this is largely not the case for the over 160 independent HEPs and 920 independent CRICOS-registered VET providers that received a NOSC allocation in 2026. The ATEC Bill, as currently drafted, provides the three Commissioners with significant roles in the funding models (particularly for international education profiles) for all post-secondary education providers. This exposes a significant gap in ATEC's proposed governance structure.

It is rarely acknowledged by successive Federal Governments that independent education providers are often more nimble and more innovative in their course design and delivery than many of their public provider counterparts. Independent education providers also face a range of tax and other regulatory burdens that are quite distinct from public providers. In the absence of a Commissioner who has any background or expertise in the independent provider eco-system, there is a real danger that these providers will not be adequately represented in the proposed ATEC governance structure.

Recommendation Two: That the Bill be amended to specifically require one of the three Commissioners or an additional Commissioner (either full or part-time) to have proven expertise with independent education providers.

NOSC Methodology

It is proposed that ATEC will be responsible for NOSC allocations to all CRICOS registered providers from calendar year 2027 onwards. For public education providers there is already much debate around incentivising smaller and regional providers to achieve their current NOSC allocations. There is also a dynamic element now associated with available NOSC exemptions for overseas scholarship holders, PHD candidates, TNE endeavour, additional PBSA undertakings, Southeast Asia diversification and onshore secondary school recruitment. Some public providers, quite rightly, argue that they are not as well placed as others to take advantage of all these NOSC exemptions. These concerns will need to be factored into ATEC Commissioners' NOSC allocation deliberations.

Independent higher education providers have a range of legitimate concerns with the current NOSC methodology as it applies to their overseas student enrolment thresholds. The blunt instrument imposed on them of only two-thirds of their 2023 enrolment profile has created an unfortunate and inequitable 'winners versus losers' outcome which is wrongly based on historical data, does not reward innovation and can be viewed as a barrier to fair competition. Additionally, independent providers are currently not permitted to access almost all of the NOSC exemptions that apply to their public provider counterparts. This situation is not equitable, does not provide for a level playing field and most importantly, may not result in good outcomes for international students or the Australian community. It makes little sense, for example, that an independent education provider that is willing to undertake their own PBSA construction project is not rewarded (via an increased NOSC allocation and associated revenue) for adding to Australia's housing stock of new student accommodation.

Underscoring these issues, there is also a growing concern about the reallocation of unused NOSC places (for both public and independent providers). The argument here centres around concerns about wastage of unused places that could be utilised by other providers and ultimately benefit the Australian community.

Recommendation Three: ATEC must be required to give priority to a review of the current NOSC methodology which will include extensive stakeholder consultation and provision of a transparent rationale for a new methodology. The review should also examine the potential inclusion of current public provider NOSC exemptions to independent providers as well as proposals for better utilisation of unused NOSC places.

Other Key Considerations

Mission based compacts/provider funding priorities: A key mechanism utilised by successive Federal Governments to achieve their higher education policy imperatives has been the mission based compacts associated with each of the Table A public universities. As a significant policy lever, they can provide both government, and now potentially ATEC, with power that impacts upon university autonomy. However, the missions of for-profit independent providers are necessarily different and should not be considered in the same way as large public education institutions. This is complicated by the aspiration of an increasing number of quality independent providers to seek University College accreditation.

Skills in Demand: Jobs and Skills Australia (JSA) has been charged with the responsibility by Government of incentivising education providers to focus on course design and delivery that meets the growing skills needs of our nation. In its published reports to date, JSA has placed strong emphasis on allied health, IT and engineering as skills for which current domestic student demand cannot meet Australia's future supply requirements. While the goals of JSA are laudable, there is a concern by many education providers that Australia also has a longstanding responsibility to educate overseas students in order to meet the, sometimes quite different, skills needs of their home countries. This is underlined by the fact that the majority of overseas students still return, post graduation, to their home country. ATEC Commissioners should factor into their deliberations the differing emphasis of JSA's mandate to the broader education mission of our nation's education providers to provide world class qualifications to students who remain and work in Australia or choose to up-skill their own nation.

Regulatory Impact Challenges: Many stakeholders maintain that our nation's higher education sector is already over-regulated. In so far as ATEC is proposed to "act as a steward for Australia's higher education system to steer it towards a more cohesive, systems-oriented approach" then there are clear concerns that the "steward" will impose additional regulations on our education ecosystem. There is also the possibility of disproportionate regulatory impact on small and independent providers. The compliance burden can fall more heavily on smaller providers that do not have the scale, staffing and integrated systems of their larger institution counterparts.

Forward calendar of events/timelines: One of the legitimate concerns of all CRICOS registered providers has been the delays in publication of their NOSC allocations and other provision of government information. Such delays negatively impact on the recruitment of teaching staff, provision of teaching spaces, marketing budgets, etc. It should, therefore, be incumbent on ATEC to publish an annual forward calendar of events and key dates in order for ATEC decision-making to be occurring in a timely manner.

Recommendation Four: That ATEC be required to factor into their deliberations and decision making each of the above key considerations. The Bill should also explicitly mandate ATEC to establish a "Regulatory Harmonisation Committee" with the national regulators (TEQSA and ASQA) to eradicate compliance duplication.

Conclusion

As a new Government body being established in a cost constrained budgetary environment, ATEC faces the challenge of giving priority to a number of competing constituencies. On the one hand, the Government of the day will expect it to provide expert internal advice on a wide range of issues associated with the post secondary education sector. On the other hand, a diverse range of stakeholders will have legitimate expectations that their needs and expectations will be understood and catered for.

Based on IEAA's understanding of information associated with ATEC's establishment to date, there is a real danger that the dynamic and complex international education and independent education provider constituencies may not be adequately prioritised. These concerns are the basis on which we recommend in this submission that the Government needs to appoint Commissioners with specific expertise in these two crucial areas. Only then will stakeholders have greater confidence that issues such as NOSC methodology and student allocations as well as equitable regulation might be implemented.

In summary, for ATEC to be a respected steward rather than just another regulator it will need to actively support the diversity of the education provider and student cohort ecosystems. As the only peak body that represents all sectors of international education, IEAA and its members stand ready to work with the Commissioners and their staff to achieve the best possible outcomes for all.