



2022 IHEA Federal Election Platform



IHEA Member Institutions

Avondale University	International College of Management, Sydney
Bond University	Kaplan Business School
Torrens University	LCI Melbourne
University of Divinity	Le Cordon Bleu
Alphacrucis University College	Leaders Institute
Moore University College	Lyons College
Academies Australasia Polytechnic	Macleay College
Academy of Information Technology	Marcus Oldham College
Adelaide Central School of Art	Montessori World Educational Institute
Adelaide College of Divinity	Morling College
AIBI Higher Education	National Institute of Organisation Dynamics
Australasian College of Health and Wellness	Navitas
Australian College of Christian Studies	Australian College of Applied Professions
Australian College of Nursing	College of Business and Technology
Australian College of Physical Education	Educational Enterprises Australia
Australian College of the Arts (COLLARTS)	Melbourne Institute of Business and Technology
Australian College of Theology	Navitas Bundoora
Australian Institute of Business	Queensland Institute of Business Technology
Australian Institute of Business and Management	SAE Institute
Australian Institute of Management	South Australian Institute of Business and Technology
Australian Institute of Music	Sydney Institute of Business and Technology
BBI The Australian Institute of Theological Education	Perth Institute of Business and Technology
Campion College	Western Sydney University International College
Christian Heritage College	Perth Bible College
Eastern College Australia	Photography Studies College
Education Centre of Australia	Polytechnic Institute Australia
Asia Pacific International College	SP Jain School of Global Management
Higher Education Leadership Institute	Sydney College of Divinity
Endeavour College of Natural Health	Sydney Institute of Higher Education
EQUALS International	Tabor College Adelaide
Excelsia College	The College of Law
Governance Institute of Australia	The MIECAT Institute
HEPCO	Torrens Global Education Services
Holmes Institute	Think: Colleges
Institute of Health and Management	Universal Business School Sydney
Institute of Internal Auditors Australia	UoW College
International College of Hotel Management	Wentworth Institute of Higher Education

Introduction

Independent Higher Education Australia (IHEA) is the peak body representing Australia's registered and accredited independent higher education institutions. You can find more information about IHEA at ihea.edu.au.

This is IHEA's 2022 Federal Election Platform.

An educated society with a skilled workforce underpins innovation, opportunity, and economic growth. Australia's world class higher education sector will drive the success of our national economy into the future. Current challenges like skills and workforce shortages, infrastructure demands, technology, and scientific advancements to address climate change and the social needs of a just and fair society require an educated workforce and community.

Australia's independent higher education sector is central to the success of Australian tertiary education. In 2011, the Federal Government established two national regulatory bodies: the Tertiary Education Quality and Standards Agency (TEQSA) for higher education, and the Australian Skills Quality Authority (ASQA) for vocational education. Since then, the independent sector has grown significantly. In 2020, independent institutions enrolled more than 170,000 students, with enrolments growing at a faster rate than in public universities.

The Australian independent higher education sector comprises established and stable providers. Despite the challenging impacts of the COVID pandemic, independent higher education providers have continued to operate, maintaining a resilience built on sound business models and educational offerings finely tuned to student and industry demand.

Growing enrolments reflect the value students place on independent higher education. In government endorsed Quality Indicators for Learning and Teaching (QILT) surveys, students consistently rank independent higher education institutions the highest in the country for teaching quality, learner engagement, skills development, and overall quality.

International education was Australia's third largest industry prior to the COVID pandemic and recovery is critical to our rebounding economy. Independent higher education is central to this recovery. Prior to the pandemic, independent higher education's share of the international education industry realised approximately \$2.64 billion. For 2019-20, this would make the independent higher education sector Australia's 21st largest export. As this industry recovers, the right settings will rebuild and grow this contribution.

Prevailing higher education policy settings, however, create an unequal competitive environment for independent providers. The independent sector is overwhelmingly ineligible for Commonwealth funded places, are subject to regulatory restrictions that limit self-accreditation of courses, and their students are levied an additional 20% of their tuition fees in Higher Education Loan Program (HELP) loans simply due to their choice of an independent provider.

As noted in the TEQSA Corporate Plan 2021-25, it is anticipated significant growth will occur in the independent sector in the next decade. Therefore, the next Australian government has a great opportunity to harness the enormous upside and growing capability of Australian independent higher education. With simple reforms the independent sector will flourish, energise Australian higher education, and train the skilled workforce that industry demands. While substantial structural reforms can chart a course to realise enormous potential over time, a range of minor, low-cost reforms can have immediate benefit to the Australian community and economy.

As Part A of its 2022 Federal Election Platform, IHEA proposes that the next Australian government works with all stakeholders in the tertiary sector to develop an agreed national strategy for structural reform of Australian tertiary education to drive efficiencies, address economic demands and realise the enormous scientific, societal, and commercial potential of the sector.

While changes to sector policy settings will harness independent sector capability, long term vision and strategic reforms for tertiary education will energise the sector to deliver for future generations. In the last two decades several reviews have described legislative and regulatory complexity, inequitable funding, and jurisdictional separation as restraints on the potential of Australia's tertiary sector. In essence, this defines why macro reform proposals that are not precipitated by an investment in developing a shared vision remain as aspirational rallying points.

As Part B of its platform, IHEA outlines a set of ten simple reforms under three key themes essential to wider sector enhancement: student equity and protections including competitive neutrality; efficiencies to grow Australian international education; and sector and regulatory reforms.

Part A - Energising Australian Tertiary Education for the New Economy

As Australia emerges from the impacts of the COVID pandemic driven economic downturn, the rebounding economy is facing skills and workforce shortages. Industry demand to meet these shortages is estimated to require up to 1,000,000 international students, working visitors and migrants in the short term.

Tertiary education policy settings in the next term of government need to be sharply focused on meeting these immediate and short-term demands, while charting a course for educating a domestic workforce. The enriching societal benefits of Australian higher education however will continue to require a focus on scholarship and critical thinking as well as highly valuing the diversity of intellectual and creative disciplines.

Reform of the national architecture of tertiary education delivery is critical to realise the economic and societal benefits that education brings. For example, the benefits of long-term industry engagement and pathways, world leading teaching and research, a qualifications framework where micro credentials contribute to lifelong learning and a broadening of the investment base of tertiary education require a cohesive national approach. Similarly, systemic inefficiencies, regulatory burdens and funding imbalances will only be abolished with sector wide structural reform.

Structural reforms essential to energising Australian tertiary education for future generations will not be achieved through the prism of a federal election or a single federal budget. Similarly, these challenges will not be progressed through a policy agenda limited to tweaking current funding models, maintaining sectoral separation and educational goals driven solely by short-term workforce demands no matter how important these may be in the current environment.



Sector reviews have consistently identified the regulatory and legislative complexities of the tertiary sector and high levels of duplication impacting efficiencies. While these reviews have implemented some beneficial changes, and driven quality across the higher education sector, large-scale structural reform remains a significant challenge.

IHEA recommends a National Tertiary Sector Reform Strategy. IHEA proposes that the next Australian government develop an agreed national strategy for structural reform of Australian tertiary education.

IHEA recommends that a streamlined national tertiary system drive the goal of sector reform and that the next Australian government develop an agreed strategy. While sector, industry, and community consultation will be essential to implementation, IHEA proposes that structural reform principles be agreed across jurisdictions and portfolios through National Cabinet and Ministerial Committee consideration.

Part B - 10-Point Plan of Low-Cost, High Benefit Sector Reforms



Students First

1. HELP Loan Equity - Permanent Abolition of the FEE-HELP Loan Fee

The FEE-HELP Loan Fee is an inequitable fee on education and training that creates high levels of student debt, reduces economic activity of graduates, and is unfairly applied based on provider choice. Students in the rapidly growing independent sector, seek quality and innovation in market driven courses. This fee also discriminates this choice and accessibility provided to Australian students

2. Protections - Commonwealth Ombudsman to Consider Domestic Student Disputes

Higher education providers are required to have independent mechanisms to resolve student disputes however a lack of available services limits determinations to costly tribunal remedies. International students in the independent sector have access to the Commonwealth Ombudsman and this should be expanded to include domestic students.

3. Funding Equity - Access to Commonwealth Supported Places in National Priority Fields

All students need to be supported to study in fields of future employment and skills shortages. Funded places on a demand driven basis should be extended to all registered higher education institutions in national priority disciplines.



International Education

4. Leadership - Establishment of International Education Ministerial Council

Recovery of Australia's international education industry and its future competitive performance are critical to our national economy. IHEA proposes a Ministerial Council for International Education comprising relevant Ministers across jurisdictions and portfolios be established to drive a new industry strategy over the next three years.

5. Transparency and Protections - International Agent Registration

International education agents are central to the success and integrity of the industry and student experience. Agent registration will drive transparency, community confidence and student protections.

6. Accessibility and Competitiveness - Abolition of Fees for Student Visas

Abolition of student visa fees will drive Australian market competitiveness, remove barriers to entrance and advance the narrative of welcoming students.

7. National Benefit - Greater Pathways to Permanent Residency for Graduates in Priority Disciplines

Improved pathways to permanent residence for highly skilled graduates in areas of forecast long-term skills shortage provides incentive to study in Australia, advances innovation, and targets industry demand. With nations such as the UK and Canada already offering open pathways to permanent residence for overseas students, improving such pathways in Australia will enhance Australian market competitiveness.



Regulatory Burden and Red Tape Reduction

8. Fairness - Urgent review of TEQSA Cost Recovery Model to Develop a Fairer Model

The proposed TEQSA Cost Recovery model unfairly disadvantages independent and smaller providers and will drive increased tuition fees and student debt. A fairer distribution of regulator costs based on partial cost recovery is essential to sector diversity and minimising student HELP debt.

9. Regulatory Duplication – One Government Submission for Co-Regulated Providers

Co-regulated (dual-sector) providers are unfairly burdened by current regulatory models. IHEA proposes a simple reform to streamline regulation and reduce red-tape through single registration via TEQSA for dual sector providers.

10. Modernisation - Reform Copyright Legislation to Reduce Levies on Education

The cost of copyright for higher education providers is exorbitant with statutory licence costs that do not reflect current practices. Government leadership is required to reform the statutory licence and reduce these imposts on education.

Proposals in Detail

Part A: Strategic Reform of Australian Tertiary Education for the New Economy National Tertiary Sector Reform Strategy

IHEA Recommends a National Tertiary Sector Reform Strategy

IHEA proposes that the next Australian government develop an agreed national strategy for structural reform of Australian tertiary education.

While a streamlined national tertiary system will need to meet a range of interests, IHEA proposes that components for urgent consideration of a National Tertiary Sector Reform Strategy to include:

- A single student loan scheme across the tertiary sector with equitable settings for all students.
- Course funding models with accessibility based on quality not provider type that support workplace skills, industry demand, lifelong learning, and creative disciplines.
- Research funding models that are accessible to independent and public universities and recognise, commercialisation, scientific endeavour, and academic excellence across all disciplines.
- Flexibility in funding models that recognise the varying demands of state and regional economies.
- Greater unification of the higher education, vocational training, and skills sectors.
- A single tertiary sector regulator.

Part B: 10-Point Plan of Low-Cost, High Benefit Sector Reforms

Students First

1. HELP Loan Equity - Permanent abolition of the FEE-HELP Loan Fee

The FEE-HELP loan fee is a discriminatory fee on education and training for independent sector students. IHEA's independently commissioned economic impact analysis of the FEE-HELP loan fee determined that it raises \$6.2 million per annum in general revenue but shackles independent sector students with \$100 million more debt than their course costs. Independent sector students are the only HELP recipients required to loan 120% of their tuition costs to pursue their educational and career goal. The next Australian government needs to urgently remove unfair taxes on tertiary students.

2. Protections - Commonwealth Ombudsman to Consider Domestic Student Disputes

Access to independent review of student appeals is an essential consumer protection and a regulatory requirement of independent higher education providers. The lack of suitable agencies to determine reviews of institution decisions however results in tribunal referral being the only available avenue for domestic students. The Education Services for Overseas Student Act (2000) enables the Commonwealth Ombudsman (the Ombudsman) to review academic and general grievances of international students where institutional avenues have been exhausted. This provides a determination students and institutions can rely on as final resolution. Domestic student access to the Ombudsman can be achieved through simple amendment of the Higher Education Support Act (2003) (HESA), and the low levels of disputation in the independent sector would not cause substantial cost or workload for the Ombudsman. Recent reforms of the Tuition Protection Service (TPS) to implement universal coverage provides essential protections against institution closure or course cessation. Access for domestic students to the Ombudsman will close the gap in student protections by providing at no cost independent review for individual student grievances.

3. Funding Equity - Access to Commonwealth Supported Places in National Priority Fields

IHEA continues to support the recommendation of the 2008 Bradley Review that access to funded places be extended across the sector following the establishment of TEQSA. Access to funded places for all registered providers will deliver equity for all students. Skills and workforce shortages however have identified an urgent need to train students in fields of national priority. IHEA proposes that all students should have an equal opportunity to be supported through a funded place (Commonwealth Supported Place) where enrolling in recognised national priority fields, regardless of their institution category. IHEA proposes that the HESA be amended to provide eligibility for Commonwealth Support Places (CSP) funding to all registered higher education institutions for courses in national priority fields.

International Education

4. Leadership - Establishment of International Education Ministerial Council

Increased competition from other countries such as Canada and the United Kingdom is impacting on Australia's international education sector and reputation. Impacts of the COVID pandemic has reduced the value of the Australian international education industry from \$40 billion in 2019 to an estimated \$22 billion in 2022. Rapid recovery of this industry is critical to addressing workforce and skills shortages and associated recovery of tourism, agriculture, and small business sectors of the national economy. International education IHEA State of the Sector (2021) research reports that recovery will take up to four years following the reopening of borders. The broad economic impact of this industry transcends Commonwealth portfolios and jurisdictions, with commonwealth and state machinery of government arrangements impacting capacity for a cohesive national approach. A better balance of national priorities and sector expectations is essential to recovering and growing the industry. IHEA proposes that the next government lead the recovery of the international education industry with a well-defined industry strategy developed through National Cabinet and Ministerial Committee processes.

5. Transparency and Protections - International Agent Registration

IHEA supports the role of international education agents who are critical to the success, integrity, and student experience of the industry. International students and their families need adequate protections to ensure agents are acting in the student interest. Commonwealth maintained registration of tertiary sector agents operating on and off-shore will drive transparency, community confidence and student protections.

IHEA proposes that Australian international education agent registration include:

- Agent registration under the Corporations Act (2001) with a registered office in Australia and directors would be subject to the duties obligations and liabilities under the Act.
- Agents be required to maintain student fees in trust accounts.
- The Commonwealth agents dashboard, include publication of agents history in the industry and the qualifications of directors.

6. Accessibility and Competitiveness - Abolition of fees for Student Visas

Abolition of student visa fees will drive Australian market competitiveness, remove barriers to entrance and advance the narrative of welcoming students. The costs of this reform are a minor component of this \$40 billion industry.

7. National Benefit - Greater Pathways to Permanent Residency for Graduates in Priority Disciplines

Transparent and accessible pathways to permanent residency is a key component of attracting international students to Australia, in a competitive marketplace. With current workforce and skills shortages driving industry demand for migration, improved pathways to permanent residency will attract students into national priority fields and best use their expertise and skills post-graduation. Improved pathways to permanent residency will also improve Australia's international competitiveness and contribute to recognition by the Australian community of the value of the international education industry.

Regulatory Burden and Red Tape Reduction

8. Fairness - Urgent Review of TEQSA Cost Recovery Model to Develop a Fairer Model

The proposed TEQSA Cost Recovery model unfairly disadvantages independent and smaller providers and will drive increased tuition fees across the sector. Increased tuition fees will flow to increased HELP debt and effectively shift the cost of regulation to student debt burden. The next Australian government needs to urgently review the cost recovery model to ensure an equitable distribution of regulatory costs based on institutional enrolment numbers.

IHEA proposes that the broad Australian community has a shared benefit of quality regulation of tertiary education and economy wide benefits arise from the international education industry. The broad benefits of tertiary quality regulation support an application of cost recovery principles that implements partial cost recovery from regulated entities in the national interest.

9. Regulatory Duplication – One Government Submission for Co-Regulated Providers

Co-regulated (dual-sector) providers are unfairly burdened by current regulatory models which require registration and reporting of the same information to two regulators, ASQA and TEQSA. IHEA proposes that co-regulated tertiary sector institutions have a single registration through TEQSA. This reform would both reduce red-tape and remove barriers to institutions broadening their offerings across sectors and creating greater skills pathways for students.

10. Modernisation - Reform Copyright Legislation to Reduce Levies on Education

The costs of copyright licences for higher education providers are burdensome and do not reflect the real costs of online study resources. High copyright fees impact tuition fees and increased student debt. The next Australian government needs to urgently review copyright legislation to ensure statutory licence provisions and costs reflect modern education practices and reduce unreasonable cost imposts on education.



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