



INDEPENDENT  
HIGHER EDUCATION  
AUSTRALIA

# **IHEA SUBMISSION**

## **A NEW ROADMAP FOR AUSTRALIA'S ECONOMIC ENGAGEMENT WITH INDIA DISCUSSION PAPER**

5 August 2024

## IHEA Submission

# A New Roadmap for Australia's Economic Engagement with India Discussion Paper

Independent Higher Education Australia (IHEA) appreciates the opportunity to provide feedback on the Department of Foreign Affairs and Trade's (DFaT) A New Roadmap for Australia's Economic Engagement with India Discussion Paper, which is provided as an Attachment, and for which submissions are due by 5 August 2024.

The Discussion Paper reflects that there has never been a better time to engage economically with India given that its economy is rapidly growing and is on track to be the world's third-largest economy by the end of this decade. Further, it also identifies that "Australia is well positioned to both benefit from and contribute to India's growth story, if we target our efforts wisely".

From an Australian perspective, international education is a critical global connection and there are a number of reasons why students travel from their home country to study in Australia. These include life experiences; a quality education and qualification; competitive cost of living and cost to study; and the reputation of tertiary education providers. In addition to enriching the lives of students who chose to study in Australia, international education delivers significant economic benefits to Australia. In 2023, its value as an export industry to Australia was \$47.8 billion.

As our fourth largest export, and largest services and non-resources, export, international education contributed a 0.8 per cent increase in Australia's Gross Domestic Product (GDP), which was more than half of the 1.5 per cent economic growth recorded in 2023. It is also estimated to support approximately 250,000 Australian Jobs, noting that international students also undertake part-time work, as most higher education students do, in jobs that Australians depend upon, such as in: services (aged care and cleaning); hospitality (cafes, restaurants and delivery); and retail (supermarkets and department stores).

Australia's international education story is intertwined with India. In 2023, Indian students accounted for 139,580 onshore higher education enrolments, which was 18.4 per cent of all onshore enrolments from international students, whereas in vocational education and training (VET), Indian students (120,043) accounted for 23.4 per cent of all onshore international student enrolments in VET. Overall, as a source country of international students, India is second only to China. However, this is being put at risk through current and proposed government policies with respect to visa processing and the capping of international students.

In addition to the immediate and direct economic benefits that result from Indian students studying in Australia come a range of other benefits, including increased entrepreneurship, knowledge exchange and international collaboration; economic benefits derived from trade and investment links and soft diplomacy (generated both in Australia and in India); and social benefits flowing from improved cultural literacy; and stronger cultural linkages which will be generated in both Australia and in India.

However, this is being put at risk by the policies of Government in reducing enrolments in international education from Indian students. Firstly, this has been through blanket visa refusals which have already had an adverse impact. Visa approvals are significantly down for Indian students wishing to study higher education (in 2023–24 by 61.6 per cent compared to 2022–23 and by 51.0 per cent compared to pre-COVID levels of 2018–19) and VET (reduced in 2023–24 by 66.4 per cent compared to 2022–23 and by 55.0 per cent compared to pre-COVID levels of 2018–19).

Of additional concern are the proposed revisions to the Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024 (ESOS Bill), which was introduced into Parliament by the Minister for Education, the Hon Jason Clare MP, on 16 May 2024. A key aspect of the ESOS Bill is to afford the Minister for Education unilateral discretion in allocating and capping international student enrolments at a provider level and by course.

These current and proposed actions are having a detrimental effect on Australia's international education sector,

which will have lasting ramifications. Australia as a study destination is being damaged, potentially irreparably. For DFaT, this makes the task of putting in place a roadmap for economic engagement with India problematic. On the one hand attempting to build and enhance the relationship between Australia and India, while most Indian students who apply are effectively being told they are not welcome to study in Australia.

The connections that are built from Indian students studying in Australia are the foundation of building lasting economic relationships, which if Australia is not welcoming, India may forge with Australia's competitors. We urge DFaT to engage with the Department of Education and the Department of Home Affairs to ensure that policy settings going forward support Indian students in their quest to follow their ambitions by studying in Australia. The benefits are significant for Australia and equally the downsides of stopping Indian students, and the diplomatic message that sends to a country we are wanting to build economic relations with, will be significant in their harmfulness.

We would welcome the opportunity to discuss this submission further.

## Who We Are

Independent Higher Education Australia Ltd. (IHEA) is a peak body established in 2001 to represent Australian independent (private sector) higher education institutions. Our membership spans independent universities, university colleges and other institutes of higher education, all of which are registered higher education providers accredited by the national higher education regulator, TEQSA or associate members seeking registration.

Our Vision is that: students, domestic and international, have open and equitable access to world class independent higher education in Australia, built on the foundations of equity, choice, and diversity.

Our Mission is to represent independent higher education and promote recognition and respect of independent providers as they contribute to Australian education, the Australian economy, and to society in general. We achieve this by promoting continuous improvement of academic and quality standards within member institutions, by advocating equity for their staff and students, and by delivering services that further strengthen independent providers' reputations as innovative, sustainable, and responsive to the needs of industry and other relevant stakeholders in both higher education and vocational education and training. IHEA's commitment is to excellence, productivity and growth in independent higher education being delivered through a trusted Australian education system underpinned by equity, choice, and diversity.

IHEA members have different missions, scales, and course offerings across the full AQF range (Diplomas to Doctorates). Members comprise:

- Four private universities (Bond University, Torrens University, University of Divinity and Avondale University).
- Six University Colleges (Alphacrucis University College, Moore Theological College, Australian College of Theology, Sydney College of Divinity, SAE University College and the Australian College of Applied Professions).
- Six self-accrediting institutes (Griffith College, Kaplan Business School, Marcus Oldham College, Excelsia College, The College of Law and the Australian College of Applied Professions).
- Sixty nine not-for-profit and for-profit institutions of Higher Education; and related corporate entities.

IHEA members teach approximately 74 percent of the students in the independent sector (i.e., more than 130,000 students) and educate students in a range of disciplines, including law, agricultural science, architecture, business, accounting, tourism and hospitality, education, health sciences, theology, creative arts, information technology, and social sciences.

IHEA holds a unique position in higher education as a representative peak body of higher education providers. Membership in IHEA is only open to providers registered, or seeking registration, with the Australian regulator – TEQSA. However, some IHEA members are dual and multi-sector providers who also deliver VET and/or English Language Intensive Courses for Overseas Students (ELICOS) courses.

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# Public submissions on

## A New Roadmap for Australia's Economic Engagement with India

### *Discussion Paper*

There has never been a better time to engage economically with India: already the most populous country in the world, India's economy is growing at pace. In 2023 India was our fourth-largest export market (DFAT&ABS, 2024<sup>i</sup>) and is on track to be the world's third-largest economy by the end of this decade (IMF, 2024<sup>ii</sup>).

Australia is well positioned to both benefit from and contribute to India's growth story – if we target our efforts wisely. Work on both sides in recent years has delivered results, including through the Australia–India Economic Cooperation and Trade Agreement (ECTA), the opening of a Consulate General in Bengaluru (which was matched by India's in Brisbane), and the establishment of the Centre for Australia India Relations. Alongside this, the next stage of our trading relationship, the Comprehensive Economic Cooperation Agreement (CECA), is currently under negotiation.

Yet there is significant untapped potential and much more to be done – including to update, adapt and refine our efforts as climate change, strategic and geoeconomic shifts continue to reshape our region.

That is why the Australian Government is **opening consultations on a new roadmap for Australia's Economic Engagement with India**.

The new roadmap will support our efforts to ensure closer bilateral economic cooperation and bolster broader efforts to secure a more prosperous region for Australia and India. It will complement and build on existing work under CECA by keeping momentum between negotiating rounds and exploring new areas of bilateral opportunity through public consultations.

Our partnership with India will be crucial to the Government's vision for *A Future Made in Australia*. The new roadmap will help secure Australia's place in a changing global economic and strategic landscape and help make Australia a renewable energy superpower.

## Building on a strong foundation

Australia's relationship with India continues to expand both strategically and economically. Our *Comprehensive Strategic Partnership* (CSP) underscores the ambition, trust and energy that characterise our contemporary ties. Under the CSP both countries have committed to encourage expanded trade and investment flows to the benefit of both our economies.

We continue to progress and explore new opportunities for the benefit of our region through the Australia–India partnership, demonstrated by:

- A high tempo of senior Ministerial visits – since May 2022, there have been 23 Australian ministerial visits to India and 15 Indian ministerial visits to Australia.
- An India–Australia 2+2 Foreign and Defence Ministerial Dialogue.
- The annual Foreign Ministers Framework Dialogue.
- Joint hosting with India of the Indian Ocean Conference in February 2024 – with over 450 delegates from across the Indian Ocean region.
- Working closely together in the Quad, a diplomatic partnership between Australia, India, Japan, and the United States committed to supporting a peaceful, stable and prosperous Indo–Pacific that is inclusive and resilient.

The [2018 India Economic Strategy to 2035](#) and its [2022 Update](#) focused on building a closer economic partnership, with the majority of recommendations from these now complete or in need of refocussing, or acceleration.

India also recognises the opportunities for economic engagement with Australia – and the contributions Australian enterprise can make to India's own growth story. A new roadmap will identify how Australia and India can partner in new areas.

## Making a submission

We want to hear from you. Public submissions are welcome and encouraged.

Submissions are open until 5 August 2024. Please send submissions by email to [IndiaEconomicRoadmap@dfat.gov.au](mailto:IndiaEconomicRoadmap@dfat.gov.au). Please include your organisation and contact details in the body of the email.

While there is no fixed format for your submissions, **you may wish to consider questions such as:**

- What are the major areas of opportunity that you see with India?
- What are the major obstacles to seeing such growth – and how might these be addressed?
- Australia and India have committed to a transition to net zero; where do you see business or trade opportunities as a result?
- In which sectors do you see the greatest opportunity for growth and partnership, and how can these opportunities be facilitated?
- What changes to regulatory, standards and other trade and investment rules could encourage greater trade and investment growth between our two countries?
- Are there further trade diversification opportunities for Australia in India?

## Diversity

The roadmap process will be improved by considering a diverse range of views. Input from all genders, culturally and linguistically diverse individuals, First Nations Australians and people with disabilities are encouraged.

If you prefer an alternative format to share your views – for example a discussion rather than a written submission – please email DFAT to request this at: [IndiaEconomicRoadmap@dfat.gov.au](mailto:IndiaEconomicRoadmap@dfat.gov.au)

## Media enquiries

For any media enquiries on the roadmap, please contact DFAT's media team: [media@dfat.gov.au](mailto:media@dfat.gov.au) or phone (02) 6261 1555

## Confidentiality

All submissions will be treated as public and may be published on the new roadmap website, unless the author specifically requests in writing that the submission, or part thereof, be handled in confidence. Unless so requested, DFAT may publish the submission and the name of the submitting organisation or individual on its website. By making a submission, the author(s) agree to their submission, or part thereof, being used by the Commonwealth of Australia for Commonwealth purposes.

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<sup>i</sup> DFAT STARS Database, ABS International Trade in Goods, Australia (Jan 2024) & ABS International Trade: Supplementary Information, calendar year.

<sup>ii</sup>IMF, World Economic Outlook Datasets (April 2024)