



INDEPENDENT
HIGHER EDUCATION
AUSTRALIA

IHEA SUBMISSION

SOUTHEAST ASIA FREE TRADE AGREEMENTS MODERNISATION REVIEW

5 November 2025

IHEA Submission

Southeast Asia Free Trade Agreements Modernisation Review

Independent Higher Education Australia welcomes the opportunity to provide feedback on the Southeast Asia Free Trade Agreements (FTAs) modernisation review, for which submissions are due 31 December 2025.

The Department of Foreign Affairs and Trade (DFAT) is looking to identify opportunities for improved utilisation, upgrade and modernisation of Australia's network of FTAs to inform future upgrade negotiations. Consideration may be given to:

- Potential gaps or opportunities for trade in Southeast Asia and areas for improvement
- Barriers to trade that could be addressed through enhancing existing FTAs or establishing new comprehensive agreements
- Overlaps between Australia's bilateral and regional FTAs with Southeast Asian economies, and options to resolve
- Opportunities in specific industries, sectors, goods, services and investment in Southeast Asian economies
- New and emerging trade issues that could be better reflected in our network of FTAs, such as the green economy, digital economy and sustainable agriculture
- Ways or approaches to FTA disciplines that could increase Australian exports and investment in Southeast Asia and/or make trade easier for Australian businesses.

IHEA feedback

From Australia's perspective, international education is both a critical services export and a vital enabler of capability, people-to-people connections and long-term partnerships with Southeast Asia. In 2024, international education contributed \$51.5 billion to the Australian economy, making it our fourth largest export and largest services and non-resources, export.

International education supports an estimated 250,000 Australian jobs that extend beyond the education sector itself, with international students also contributing to the workforce through part-time roles in essential industries such as aged care, early childhood education and care, hospitality, tourism and retail.

Australia's international education story is strongly connected with Asia, with the top five source countries being China, India, Nepal, Vietnam and the Philippines, collectively representing 57 per cent of international enrolments in 2025. Further, three of the top eight source countries are from Southeast Asia, namely Vietnam (4), the Philippines (5) and Indonesia (8), which reflects the international education sector's pivotal role in Australia's engagement with the region.

Despite the significance of education as a trade and services export, it is often peripheral in FTA negotiations, which tend to focus on goods and investment. IHEA recommends that international education be more directly embedded in Australia's FTA framework.

This can be achieved by reducing barriers to study, including improving visa processing arrangements and removing the "soft caps" on enrolments (New Overseas Student Commencements, NOSC) that are tied to visa processing and can constrain commencements. Doing so will ensure that Australia does not send unwelcoming signals to international students, particularly those in neighbouring Southeast Asian countries, and will promote Australia as a destination of choice.

Streamlined and transparent pathways from study to temporary graduate visas and, for the most skilled, to permanent residency, should also be prioritised and integrated into FTA provisions. This would recognise that education and migration are interlinked in building lasting economic and social ties. Enhancing FTAs to reflect

international education would also create opportunities for research exchange, transnational delivery, professional training and skills partnerships that support the green economy, digital economy and sustainable agriculture, which are emerging trade areas of priority across Southeast Asia.

At present, overlapping regional and bilateral agreements with Southeast Asian partners may create complexity and inconsistencies, particularly in areas such as professional services recognition and accreditation. Modernising FTAs to streamline education-related provisions would make trade in education services simpler and more predictable, while strengthening mutual recognition of qualifications would improve two-way student and professional mobility.

Addressing such barriers would ensure that international education continues to generate economic benefits, while also providing the foundation for stronger people-to-people connections, knowledge exchange, entrepreneurship and soft diplomacy. As the Australian Government itself has recognised through requiring public universities to engage with Southeast Asia in order to increase their NOSC for 2026, Southeast Asia is central to Australia's future.

Ensuring that FTAs better reflect international education as a core element of our trade relationship with Southeast Asia will help secure long-term growth in exports, deepen our cultural and economic integration with the region and strengthen Australia's reputation as a trusted and reliable partner. This will ensure Australia is taking a joined-up approach by ensuring that the policy settings to support the smooth commencement of international students aligns with Austrade's agenda of promoting diversification of student markets. It will also provide the necessary foundation and underpin approaches to modernise FTAs and the current House of Representatives Inquiry into Building Asia Capability in Australia Through the Education System and Beyond.

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.

There is a long tradition of independent higher education providers in Australia, with the first provider created as early as 1815, only 27 years after the first British settlement in Sydney in 1788. In total, five providers were established between 1815 and 1845 and preceding the first public university. The fifth of these was St James College, which was created in 1845. The founders of St James College were then involved in creating Moore College in 1856, and remarkably Moore College, a University College, still exists and is Australia's longest continuously operating independent higher education provider.

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). IHEA has 87 higher education providers that are members, which rises to 124 if those providers' constituent colleges and subsidiaries are included.

IHEA's 87 higher education providers comprise:

- Five private Universities (Australian University of Theology, Avondale University, Bond University, Torrens University and University of Divinity).
- Six University Colleges (ACAP University College, Australian University College of Divinity, Alphacrucis University College, Excelsia University College, Moore Theological College and SAE University College).
- A further eight (Griffith College, International College of Management Sydney, Kaplan Business School, Marcus Oldham College, Morling College, Photography Studies College, The College of Law and Western Sydney University International College) self-accrediting institutes of higher education (nineteen in total including the Universities and University Colleges described above).
- Seventy-one not-for-profit and for-profit institutions of higher education (which includes three self-accrediting institutes); 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, human services 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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