

Select Committee on Cost of Living
PO Box 6100
Parliament House
Canberra ACT 2600

4 April 2024

Submission to the Select Committee on Cost of Living

To whom it may concern,

The ANU South Asian Research and Advocacy Hub (SARAH) appreciates the opportunity to submit to the Select Committee on Cost of Living. SARAH is an undergraduate research group formed last year in the Law Reform and Social Justice Department (LRSJ) at the ANU College of Law. We are run by South Asian students who research and advocate for the South Asian Community and are assisted by academics, community associations and other non-government organisations.

This submission will address concerns regarding the cost of living crisis from the perspective of international students. Our submission is based on pre-existing research, knowledge within the community and our own lived experiences, as we all belong to communities that are deeply affected by the rapid increases in the cost of living. We care about this submission because the affordability of essential services and commodities will impact our communities and international students.

This submission will address three key issues: tuition, housing and access to Medicare. Under each issue, we will summarize the problem and its impact on international students, as well as propose potential solutions and opportunities for reform. We welcome the opportunity to answer any questions from the committee regarding this submission. We can be contacted at

Kind regards,

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1. Tuition

International student fees are around 30% higher than domestic fees (e.g. for a full Bachelor of Information Technology at The Australian National University, international students pay \$152,280, while domestic students pay \$119,790) (Schedule of Tuition Fees, 2024). This is worsened by increases in postgraduate studies fees compared to undergraduates, while domestic fees remain the same regardless of the certificate level.

Moreover, South-Asian students are paying incredulous amounts for their fees due to fluctuating and worsening exchange rates (e.g. an Indian student would pay 8,266,358 rupees, while a Sri Lankan student would pay 30,229,266 rupees). When considering that international students should be welcome to study in Australia, setting international fees at not only higher prices but not taking exchange rates into account, the actual payable amount an international student has to pay is significantly higher compared to a domestic student. This is also worsened by international students being required to pay their fees upfront, as they would be required to acquire large sums of money instead of being able to defer their payments, putting further stress on already vulnerable students.

While certain institutions provide scholarships, particularly for international students, these scholarships often have high requirements, such as being first-class honours for an undergraduate course or requiring high results from high school. This usually makes scholarships exclusionary and challenging to acquire, especially for international students who may need to be made aware that their institution provides scholarships or do not qualify for any scholarships.

In recognition of these difficulties, there are two potential submissions that the Australian Government should consider: (1) implementing a more lenient payment structure nationwide to allow international students the ability to pay their fees in smaller, more frequent sums and

(2) implementing measures to prevent universities from charging international students fees significantly higher fees than domestic students. It is already difficult for international students to pay for transport, housing and visa payments. However, allowing universities to charge international students so heavily despite encouraging international students to study at their institutions is ridiculous.

By implementing a more frequent payment structure of lower payments this can allow international students who work in Australia the ability to pay in amounts that they can earn and pay more easily. Additionally, ensuring universities do not over-charge international students prevents them from being targeted by universities as profitable and, instead, can be treated fairly like their fellow domestic students.

2. Housing

Affordable housing options are currently one of the largest issues international students face, a problem that the cost of living increase has exacerbated. As noted by the Savills Australian Student Accommodation 2023 Report, the 88% increase in international student arrivals to Australia in 2023 drove up demand for Purpose-Built Student Accommodation (PBSA). However, a lack of supply to match demand has increased PBSA rents nationwide by 27% nationwide.

Addressing these issues is paramount to the Australian government from both an economic and humanitarian perspective. Economically, the education sector is one of Australia's top export earners, with international students contributing a large economic output. However, the escalating cost of PBSA deters prospective students, resulting in a decline in revenue for educational institutions. Moreover, from a humanitarian standpoint, ensuring access to affordable housing is crucial. Figures from the National Student Housing Survey reveal that one in five students had to downgrade their living arrangements due to soaring rental costs, underscoring the detrimental impact on students' well-being and academic success.

To combat these challenges, the government should incentivize the private sector to proactively provide affordable accommodation options for international students. Current investment PBSA developments include 1200 student beds earmarked for Sydney's Macquarie Park, with over 9000 new beds expected by 2028 nationwide this should be expanded. Additionally, Australian Unity's partnership with MaxCap Group and UniLodge for a \$1 billion portfolio of accommodation facilities is an investment that will certainly support international students searching for more housing. As of 2023, almost 79,000 PBSA beds were available across the inner cities of Australia's eight capitals, and despite this, there was a shortfall between supply and demand. So long as this shortfall exists, there will always be a lack of PBSA and an increase in the available price of PBSA. Hence, the government, educational institutions, and private development corporations will have to invest more in affordable PBSA, such as the ones mentioned before, so that the supply will meet the demand for annual international student arrivals to Australia.

3. Access to Medicare.

As it currently stands, the majority of international students in Australia are ineligible for Medicare. Services Australia details the following ministerial orders covering visas that need to be obtained (one) in order to be eligible to enrol for Medicare (updated as of 2023):

- Fulbright scholars
- Witness Protection (Trafficking) Temporary visa (subclass 787)
- De facto partners of Australian citizens or permanent residents
- Support for Victims of People Trafficking Program
- Temporary Humanitarian Concern visa (subclass 786)
- Contributory Parent visas (subclasses 173, 143, 884, 864)
- Temporary Protection visa (subclass 785)
- Removal Pending Bridging visa (subclass 070)

- Unauthorised maritime arrivals holding a Bridging E (Class WE) visa
- Humanitarian Stay (temporary) visa (subclass 449)
- Secondary Movement Offshore Entry visa XB (subclass 447)
- Safe Haven Enterprise visa (subclass 790)
- Skilled Work Regional Provisional visa (subclass 491)
- Skilled Employer Sponsored Regional Provisional visa (subclass 494).

Instead, international students take out Overseas Student Health Cover (OSHC). While Medicare is publically funded (funded through taxation), OSHC is funded through private insurance providers. Medicare provides subsidised or free access to essential medical services. In contrast, OSHC provides comprehensive coverage of medical services, hospital care, prescription medicines, and emergency ambulance support but at the expense of the individual.

In summary, OSHC is more expensive than the costs associated with Medicare, but this begs the question: 'On what ethical and moral basis should international students be excluded from subsidised or free health care?'. The fact that international students are not Australian citizens does not justify their exclusion from public health initiatives and subsidised benefits. As a multicultural, fair, and just community, we ought to treat all residents of Australia (international students) with equity and fairness. All residents of Australia deserve the same rights and privileges.