

IHEA concerned about the indicative allocation of international student commencements in 2025

Today the Government has announced that, subject to the passage of legislation before the Parliament, it will set a National Planning Level (NPL) for new international student commencements of 270,000 for the 2025 calendar year.

While IHEA is reviewing the implications of the Government's announcement, CEO Dr Peter Hendy noted "that it was disappointing that independent providers' indicative allocation of new student commencements was only 30,000

Public universities will receive an allocation of around 145,000 new international student commencements, which the joint media release from Ministers Clare, Burke and Watt notes is around 2023 levels.

Dr Hendy noted "that the indicative allocation of international student commencements to the independent higher education sector is approximately 21 per cent and that that the allocation to the higher education sector as a whole appeared to be low".

"Given the important role of independent higher education providers to the international education market, we have initial concerns that the 2025 allocation is only slightly better than the 27,000 international student commencements at independent providers during a COVID ravaged 2021", Dr Hendy stated.

By way of reference, IHEA had argued using 2019 as a baseline if Government was intent on delivering a capping regime. "This would have been a preferable and more commensurate comparison for independent higher education providers who taught approximately 45,000 commencing international students during that year. That is one third more than the independent sector has been allocated in 2025", said Dr Hendy.

Dr Hendy reaffirmed his concerns about "the limited consultation and engagement that has occurred with the independent higher education sector on such a significant policy change to international education", which has already been severely impacted.

From the outset, IHEA has been opposed to capping of international students and the limitations they place on both providers and students and the deleterious impacts following a brutal visa processing regimen that has already taken a toll on the sector.

"We welcome the proposed end to Ministerial Direction 107 from 1 January 2025, given its impacts have been both severe and uneven", Dr Hendy noted "with student visa granting rates falling to 2018 levels and below in some circumstances".

While the end of Ministerial Direction 107 is important, it will be even more important that for the remainder of 2024, it is not used as a blunt instrument to further damage the international education sector.

The damage of a non-refundable visa application fee of \$1,600 that was increased by 125 per cent from 1 July is still hurting our market with Dr Hendy, stating "it will be enduring in hurting the sector unless it is scaled back".

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