

IHEA Opposes Caps on New International Student Commencements.

Independent Higher Education Australia (IHEA) has today repeated strong opposition to the proposed Bill granting the Minister new powers over the indicative caps on international student commencements for the 2025 academic year.

In the event the Government persists with this unwise and rushed course of action, IHEA insists that any capping regime must be fair and equitable, ensuring that allocations are not made arbitrarily between public and private providers. We are advocating for a fairer treatment of independent providers by proposing an allocation of 40,950 commencements, an increase of 10,950 from the current proposal.

IHEA emphasises the necessity of safeguarding the 2019 levels of international student commencements for independent providers. “This measure is crucial to maintain stability and support the growth of these providers, who play a significant role in the international education market,” said Dr Peter Hendy, CEO of IHEA. “These changes are essential to prevent arbitrary allocations and ensure fairness across the sector.”

The Government has not made data publicly available that would allow a comparison of the different sector caps with previous years. As such, IHEA has used data that is available on ‘new’ international student commencements.

Proposal for Fairer Distribution

IHEA has proposed an amendment to the current formula governing these caps, advocating for a fairer distribution of international student commencements across the higher education sector. According to the Department of Education’s *Provider Registration and International Student Management System* (PRISMS) data, non-government providers accounted for 23.4 per cent of new international student commencements in 2023, up from 20.2 per cent in 2019. IHEA proposes that independent providers receive 23.4 per cent of the 175,000 new student commencements, equating to 40,950 students.

PART A: Increased Allocation for Independent Providers

IHEA is calling for a higher proportion of new international student commencements to be allocated to independent providers. This represents an increase of 10,950 students compared to the current proposal of 30,000, which accounts for only 17.1 per cent.

PART B: Safeguarding 2019 Levels

IHEA insists that no individual independent higher education provider should receive fewer new international student commencements than they did in 2019. This measure aims to ensure stability and support the growth of independent providers.

PART C: Redistribution of Unused Allocations

IHEA also seeks a guarantee that a proportion of the unused new international student commencement allocations at non-Group of Eight universities be redistributed to independent providers in the following year’s allocation. This ensures maximum opportunities for international students and supports the significant contribution of independent providers to the international education market.

Dr Hendy has voiced concern over the current indicative allocation, noting that the allocation to independent providers is only marginally better than during the COVID-affected 2021. He emphasises the need for a fairer distribution based on 2019 levels, where independent providers taught approximately 45,000 commencing international students.

Dr Hendy also criticised the limited consultation with the independent sector on this significant policy change. He reaffirmed IHEA's opposition to capping international students, highlighting the negative impacts on both providers and students. "The proposed cap not only undermines the growth potential of independent providers but also limits opportunities for international students seeking diverse educational experiences in Australia," said Dr Hendy.

Ends

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