

Will Mark Carney drop Canada's international student caps?

The economist's surprise victory in April's election raised hopes of an end to Canada's crackdown on overseas enrolments. But even as other anglophone nations restrict entry, there is no sign of interest in what many in Canadian HE see as an opportunity to corner the market. Patrick Jack reports

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The David Cameron-Nick Clegg coalition's English tuition fee increases in 2010. John Howard's regulation of Australian university fees in 1996. Even Donald Trump's antisemitism investigations of Ivy League schools. Examples abound of University of Michigan political scientist John Kingdon's "policy window" (https://www.apsacademy.gov.au/sites/default/files/2022-04/22-016%20-%20Toolkit-TheoryBites-31Mar22_02_policy%20window.pdf)" theory playing out in the real world – that certain conditions, such as an election win, create ideal opportunities for often unpopular political decisions.



Source: Rich Lam/Getty Images

But following the Liberal Party's unlikely comeback victory in Canada (<https://www.timeshighereducation.com/news/carney-urged-rethink-overseas-student-caps-after-election-win>)'s general election at the end of April, prime minister Mark Carney has not seen – or, at least, not seized – any opportunity to reshape Canadian higher education policy.

Canadian universities and colleges are suffering financially after Carney's predecessor as prime minister and Liberal Party leader Justin Trudeau imposed caps on international students (<https://www.timeshighereducation.com/news/canada-cut-new-international-student-visas-third>) year to help ease pressure around immigration and housing. A series of cuts to study permit

numbers (<https://www.timeshighereducation.com/news/canada-announces-further-reduction-international-student-cap>) were announced, as well as new restrictions on graduate work rights (<https://www.timeshighereducation.com/news/canada-places-further-restrictions-post-study-work-visas>), including language requirement and a requirement for those with sub-degree qualifications to work in occupations where there are worker shortages.

Universities dared to hope (<https://www.timeshighereducation.com/news/carney-urged-rethink-overseas-student-caps-after-election-win>) that such policies might be tossed out the window after Carney overturned the Liberal Party's dire polling under Trudeau to become the dominant party in Canada's federal parliament in April. But after a campaign driven by Carney's promises to stand up to Trump, Carney has declined make a point of striking a very different attitude towards international students than Trump has done – who has most recently pledged to scour their social media histories (<https://www.insidehighered.com/news/global/international-students-us/2025/05/28/state-dept-expand-social-media-screening-intl>) before granting them visas.

Indeed, Carney has even taken steps in the other direction. His government announced recently that it will cap the total number of temporary foreign workers and international students to less than 5 per cent of Canada's population by 2027.

"It's still early days, especially as [Carney's] government is a minority one, but the lack of immediate action is worrying," conceded Martin Maltais, professor of finances and educational policy at Université du Québec à Rimouski (UQAR).

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"The issue of international students is politically sensitive – it touches on immigration, provincial jurisdiction over education, housing and public services. However, inaction sends a negative signal abroad and risks damaging Canada's reputation in the long term," he told *Times Higher Education*.

International students were not a hot topic during the shortened election campaign (<https://www.timeshighereducation.com/news/trade-war-squeezes-science-out-canadian-election-campaign>). And Jim Woodgett, the president and scientific director of Vancouver's Terry Fox Research Institute, said that the issue is still not a big priority now it is over.

"Immigration concerns appear to have trumped international students," he said. However, this failure to embrace "more considered processes for international students" was perhaps unsurprising "given the impact of the significant [pre-crackdown] increase in international students on housing costs in parts of Canada and that housing is a major policy pillar of the new government".



Source: The Canadian Press/Alamy

The caps were estimated to have resulted in student visa issuances falling by almost 50 per cent (<https://www.timeshighereducation.com/news/canadian-recruitment-collapse-warning-uk-and-australia>) by the end of last year, and the effects on university finances are already starting to emerge. Even some top universities have gone into deficit (<https://www.timeshighereducation.com/news/top-canadian-universities-face-serious-financial-challenges>) and, alongside funding cuts by the provincial governments that largely fund higher education in Canada's federal system, the caps are regarded as partly to blame. The result, Universities Canada president (<https://toronto.citynews.ca/2025/05/24/fewer-international-students-adding-to-university-budget-challenges/>) Gabriel Miller wrote recently, was that all students in Canada would face bigger class sizes because "the deal between government and [Canadian] families that builds our universities isn't being held up".

The University of Alberta (<https://www.timeshighereducation.com/world-university-rankings/university-alberta>) told *THE* in a statement that last year it experienced a 4.5 per cent decline in overseas student numbers compared with 2023, leading to a net loss of C\$6.8 million

(£3.7 million) in tuition revenue. And Queen's University (<https://www.timeshighereducation.com/world-university-rankings/queens-university>) said its international direct-entry undergraduate intake fell by 20 per cent, resulting in a loss in revenue of C\$4.7 million.

Campus spotlight guide: Create welcoming classrooms for international students (https://www.timeshighereducation.com/campus/spotlight/create-welcoming-classrooms-international-students?utm_source=academic-website&utm_medium=link-embed&utm_campaign=news)

Meanwhile, Joseph Wong, vice-president international at the University of Toronto, said the caps have harmed Canada's reputation as an education destination and contributed to direct-entry undergraduate applicant numbers falling by 7 per cent for the 2024-25 academic year at Toronto – with similar numbers projected by 2025-26.

And Emma Harden-Wolfson, assistant professor in the Faculty of Education at McGill University (<https://www.timeshighereducation.com/world-university-rankings/mcgill-university>), which is forecasting a C\$45 million deficit next year, said the situation in Canada's colleges is "absolutely atrocious" as a result of the caps: "Job cuts are significant, programmes are being closed, there's tons of layoffs...and the provincial governments are not stepping in. The budgets for universities and colleges have not been increased."

Carney studied economics as an international student at both Harvard and Oxford universities, and he went on to serve as governor of both the Bank of England and the Bank of Canada. Yet for all the allure of the export revenue that international education raises, Harden-Wolfson thinks the prime minister's "pragmatist agenda" means there is little chance of the international student caps being lifted.

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Nor does she expect Canada's federal International Education Strategy (IES) to be renewed after it lapsed last year. The strategy, initially launched in 2014 and renewed in 2019, was seen as pivotal in positioning the country as a global leader in international education, but while several provinces still have their own strategies, the federal strategy has yet to be replaced.

"It's something that the government may come back to or that universities and colleges in the sector may come back to in a few years, but right now I don't think there's going to be another one," said Harden-Wolfson.

However, UQAR's Maltais is slightly more optimistic, and he wants any new strategy to incorporate measures to increase the recruitment of students to French-language universities and programmes, in line with the government's recognition that French is a minority language and that it must take action to promote science in the language.

"There is still hope," he insists. "But it is fading. Canada urgently needs a renewed strategy for international education."

Meanwhile, Phoebe Kang, assistant professor at the Institute for the Study of University Pedagogy at Toronto, is confident that a new international education strategy will come when the government has dealt with its immediate priorities – but it will not necessarily focus on bringing more international students in.

"They realise that heavily relying on international students to keep the higher education landscape... going in the Canadian context... may not work any more, so their focus may shift to outbound mobility," she said. But that would make it even more urgent for the "chronic underfunding" of Canadian universities and colleges to be addressed.

The Canadian Bureau for International Education has called for (https://www.linkedin.com/posts/the-canadian-bureau-for-international-education-cbie-_cbie-intled-cdnpoli-activity-7315012498955386880-aBI7/?utm_source=share&utm_medium=member_desktop&rcm=ACoAADCAmZUB0C_UED0HkxgSoOKsiDQv_RWwjNs) the creation of a Pan-Canadian International Education Council to "leverage our education networks to strengthen global partnerships, and preserve Canada's reputation as a top destination for international students and research talent".

Such a council could unite sector leaders to guide a strategic, sustainable approach to international education focused on attracting top talent, the bureau believes, but it would not have any formal powers to make or impose recommendations on international student numbers.

For Maltais, the idea is "promising, provided it includes not only federal and provincial representatives, but also institutional leaders and internationalisation experts. Such a body could provide the continuity and foresight we lack."

Complaints are common that Canada's lack of federal oversight causes problems (<https://www.timeshighereducation.com/depth/does-us-really-need-department-education>) in science and research in particular. Woodgett, for instance, agreed that a pan-Canadian council is "long overdue to tackle the issues" because Canada has been plagued for too long by a "province-by-province policy [which] has resulted in no coordination".

But Glen Jones, professor of higher education at the University of Toronto (<https://www.timeshighereducation.com/world-university-rankings/university-toronto>) (UofT), warned that it would be politically challenging for the federal government to create a pan-Canadian council given its lack of appetite to modify the visa cap. He is also concerned that the reputational damage already done by the caps would be hard for any new international strategy to overcome.

The trick would be to “remind potential students that while the current policies may limit the number of visas, Canada continues to offer high-quality programmes within a safe, multicultural environment” and that “most Canadians continue to have quite positive views of international immigrants, diversity and multiculturalism – which is far less true for some international education competitors”.



Source: Todd Korol/Reuters

On the other hand, restoring Canada’s reputation is likely to be a lot easier than it would have been had the other “big four” anglophone nations not made similar moves to roll back the welcome mat for international students (<https://www.timeshighereducation.com/depth/what-now-international->

he-amid-great-anglophone-visa-crunch). In addition to the Trump administration's attacks on elite colleges and students themselves, Australia has also introduced de facto caps on overseas students and successive UK governments have sought to reduce demand to the country through visa restrictions.

Yet these overseas policy settings also increase the frustration of Canadian higher education insiders about the country's refusal to seize the opportunity to boost its international student numbers.

"Therein lies the paradox," said Maltais. "At a time when its main competitors are closing their doors, Canada too is hesitating, just when it could be positioning itself as the next global hub for international students."

The country's complex governance structure – where immigration is a federal responsibility but education a provincial one – creates a tendency to "react rather than lead", while concerns around housing have made governments "cautious".

"But caution must not turn into paralysis," he added. "Canada's bilingual identity, the quality of its education and its relative political stability should be clear competitive advantages. What is lacking is a unified, forward-looking strategy – and the political will to act on it."

But even if there were a reopening up to international students, Toronto's Kang worries that demand may be declining. In particular, universities in the "big four" nations have realised that they can no longer bank on constant rising demand from China, given that it has developed its own top-quality institutions and is experiencing a population decline.

"There was an era for a while when higher education heavily relied on international students, but that seems to have shifted to a new paradigm," she said.

Jones points out that Canada's previous two international education policies were both heavily influenced by a conviction that international education is an important national industry and by the importance of immigration to economic growth – both of which will remain important to the government. Nevertheless, Jones believes the policy window for a change of approach remains closed – at least for now.

"The current economic climate is leading to increasing concerns about employment, shifts in industry and the need for new international markets, plus a range of other issues that impact how the government thinks about immigration," he said. "But it may also impact how the government views the economic benefits of international education."