

# Australia to increase international student intake

Educators hail 'stability and certainty', as government stresses 'sustainable growth' mantra

Last updated August 4, 2025

Published on August 4, 2025

[John Ross \(/author/john-ross\)](#)

Twitter: [@JohnRoss49 \(https://twitter.com/JohnRoss49\)](https://twitter.com/JohnRoss49)

Australia will allow its overseas student intake to rise next year, while incentivising universities to boost housing stocks and enrolments from South-east Asia.

Canberra has announced a "national planning level" of 295,000 places for incoming international students in 2026, up from 270,000 in 2025. Universities' indicative caps will be 9 per cent higher than this year, while independent higher education colleges' quotas will rise by 3 per cent.

The government will allow public universities to apply for larger allocations if they boost their "engagement" with South-east Asia or build student housing on or off campus, either using their own resources or in partnership with commercial accommodation companies.

In another change, international graduates of Australian secondary schools, public vocational colleges or "affiliated" pathway providers will not count towards the caps if they progress into publicly funded universities.

The government will update its instructions to immigration staff on how to apply the allocations. The current arrangement, outlined in ministerial direction 111 (<https://www.timeshighereducation.com/news/australian-student-caps-resurrected-ministerial-workaround>), requires visa processing to be slowed down for institutions that have reached 80 per cent of their quotas.

"This is about making sure international education grows in a way that supports students, universities and the national interest," said (<https://ministers.dewr.gov.au/clare/managing-sustainable-international-education-sector>) education minister Jason Clare. "[It] gives the sector certainty to continue delivering a high-quality educational experience to international students, while addressing national priorities."

Assistant international education minister Julian Hill said the government was "sensibly managing the size and shape of the onshore student market" through "sustainable" growth. "We want students to see Australia as a premium destination where they can access high-quality education and a great student experience."



Source: iStock/Katharina13

In a recorded message ([https://thepienews.com/julian-hill-addresses-the-pie-live-asia-pacific/?utm\\_campaign=The%20PIE%20Weekly%202023&utm\\_medium=email&\\_hsenc=p2ANqtz-9ecpU3j4As0kaNfY3Goavkrrj3scSizPWNyq2ltPapms3IAQDaSZJTrCv7p\\_fdh1Z4ejDBeTOuCq8pxIncCuHlphySXWEL0PTXvgkvpz6kbjLdAA&\\_hsmi=374006570&utm\\_content=374006570&utm\\_source=hs\\_email](https://thepienews.com/julian-hill-addresses-the-pie-live-asia-pacific/?utm_campaign=The%20PIE%20Weekly%202023&utm_medium=email&_hsenc=p2ANqtz-9ecpU3j4As0kaNfY3Goavkrrj3scSizPWNyq2ltPapms3IAQDaSZJTrCv7p_fdh1Z4ejDBeTOuCq8pxIncCuHlphySXWEL0PTXvgkvpz6kbjLdAA&_hsmi=374006570&utm_content=374006570&utm_source=hs_email)) for *The PIE's* Asia Pacific forum, Hill said his focus would be on supporting “genuine” students and “quality” providers. He said he wanted to work with the sector to prevent visa “abuse”, protect vulnerable people, encourage study in regional areas, support national skill needs and build “soft power”.

“Numbers are trending now to sustainable levels, although further work remains to address issues of distribution, composition and integrity,” he said.

The announcements are good news for a sector battered by uncertainty last year, when changes to student visas were not finalised until mid-December – months after institutions had started planning their intakes.

The modest increase will also please many universities, although some may remain aggrieved. Institutional allocations were based on 2023 commencements, so universities that grew sharply in 2024 – including UNSW Sydney (<https://www.timeshighereducation.com/world-university-rankings/unsw-sydney>), Charles Sturt (<https://www.timeshighereducation.com/news/complex-methodology-questioned-australian-caps-confirmed>) and Western Sydney – have been forced to cut back.

The International Education Association of Australia said independent higher education providers would be “clearly disappointed” at receiving smaller increases than the public universities. But chief executive Phil Honeywood welcomed the end to the “double counting” of pathway college students and the measures to encourage a South-east Asian focus and more housing.

“This...package has been closely calibrated to take account of both stakeholder feedback and the political reality of not being able to increase numbers too quickly.”

Honeywood said the government had “chosen not to punish” institutions that had exceeded their 2025 allocations, “but we anticipate restrictive measures being built in to stop over-enrolments in 2026”.

Universities Australia said it would “work constructively with the government” on the design of a replacement ministerial direction. “This is a sensible approach and will provide the stability and certainty universities desperately need,” said chief executive Luke Sheehy.

Independent Higher Education Australia welcomed the “increased certainty and modest growth”, but said it was “opposed to caps on international student intakes and differing treatment between the public and private sides of the higher education sector”.

The measures offer little to support the struggling English college sector (<https://www.timeshighereducation.com/news/higher-education-steady-amid-plunge-student-visas>), given that stand-alone language colleges were already exempted from institutional caps. *Times Higher Education* understands that the government is looking for savings to offset a decrease in visa fees for international students undertaking short courses.

The government also plans to hand over the allocation of international student places to the new Australian Tertiary Education Commission (<https://www.timeshighereducation.com/news/atec-urged-act-regions-miss-out-domestic-student-growth>) in 2027.