



Deputy Secretary
Ben Rimmer

Dr Mukesh Chander
Chief Executive Officer
Imperial Engineering Education

Dear Dr Chander

Following the release of the Australian Government's Draft *International Education and Skills Strategic Framework* in May 2024 and subsequent sector consultation, I write to provide you with additional advice on how the department is intending to implement the Government's proposed limits on new overseas student commencements for the higher education sector in 2025.

From 1 January 2025, subject to passage of the Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024 (ESOS Bill), the Government intends to introduce an annual National Planning Level (NPL) for the international education sector. The NPL will support a managed international education system that is designed to grow sustainably over time, by establishing the number of new international students able to commence their education onshore in Australia in any year. Subject to the passage of legislation, from 1 January 2025, this new system of managed growth will replace Ministerial Direction 107.

The Government will exempt certain categories of courses and students from the NPL. These include school students, higher degree by research students, standalone English-language courses (ELICOS), non-award courses, study abroad and short-term university exchange students, those that are part of an Australian transnational education twinning arrangement, those from the Pacific and Timor Leste, and other categories outlined at Attachment A.

The NPL will be measured using 'new overseas student commencements', which in the ESOS Bill are referred to as enrolment limits. An international student will count as a new overseas student commencement when they are onshore and start their first non-exempt course at their first provider, and each time the student changes into a non-exempt course at a different provider. Each provider will have an annual limit of new overseas student commencements. This limit will be measured using Confirmations of Enrolment that meet the new overseas student definition and will be managed through the department's Provider Registration and International Student Management System (PRISMS). Information on this approach will be published on the department's website.

In 2025, the NPL will be set at 270,000 new overseas student commencements and will be divided between the higher education and VET sectors. For non-university higher education providers and private universities, the managed growth approach, in aggregate, will result in new overseas student commencements similar to the level experienced in 2019. Further detail on this process, including

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your indicative limit for 2025, can be found at Attachment A. The methodology to determine limits is provided at Attachment B.

We ask that you advise the department of any matters you wish to raise about data underpinning your indicative limit in writing by 5pm AEST Monday 3 September 2024 to StrategicFramework@education.gov.au.

Subject to passage and Royal Assent of the ESOS Bill, your limit for 2025 will be established in a notice under legislation. The department will develop a secondary mechanism to consider the reallocation of any underutilised places by April of each calendar year.

Consistent with the Framework, the Government intends to enable sustainable growth of international education in Australia over time. The process that the department will use to manage this growth, and to manage other changes that will occur in the market from time to time such as new entrants, closures and mergers, will be the subject of further consultation over coming months.

Yours sincerely

Ben Rimmer
27 August 2024

The National Planning Level and indicative limits

The National Planning Level (NPL) is the number of new overseas student commencements for a year. It will be set annually as a decision of Government and announced in the Budget. The NPL will be divided between the higher education and VET sectors. From these sector levels the Department of Education (using a Sector Planning Level for the higher education sector) and the Department of Employment and Workplace Relations (using a Sector Planning Level for the VET sector) will manage provider limits.

For the higher education sector, the overall planning level will be divided between publicly funded universities and other higher education providers. The allocation for each non-university higher education provider and private university is an individual limit, with this allocation equivalent to the 'total enrolment limit' under the Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024 (ESOS Bill).

The limit is the number of new overseas student commencements for a provider in a calendar year. A student will count as a new commencement when they are onshore and start their first non-exempt course at their first provider, and each time a student changes to a non-exempt course at a different provider. Students who move between non-exempt courses at a provider, or commence a subsequent course at the same provider, will not be counted as a new overseas student commencement.

The Government will exempt certain categories of courses and students from the NPL, including:

- School courses (primary and secondary)
- Standalone English-language courses (ELICOS)
- Higher degrees by research
- Non-award courses
- All Australian Government sponsored scholars and visa holders, and key partner foreign government scholarship holders
- Students sponsored by the Departments of Foreign Affairs and Trade, and Defence
- Students in an Australian transnational education twinning arrangement
- Students from the Pacific and Timor Leste.

Implementation of limits

To develop indicative limits for 2025, the Department of Education considered your and the sector's circumstances. The indicative limit has been developed using data from the Provider Registration and International Student Management System (PRISMS). Further detail on the methodology used to determine your indicative limit is provided at Attachment B. The determination of final limits is subject to passage of the ESOS Bill, and the issuance of the final determination by the Minister for Education.

The department is making changes to PRISMS so that it is ready to support providers to monitor and manage their limits and avoid non-compliance. Providers will have access to webinars and factsheets to support administrative staff using the updated system.

Indicative limits

In 2025, the indicative limit for Imperial Engineering Education will be 10.

This indicative limit takes into account your new overseas student commencements in 2023 of 0, drawn from PRISMS. For providers with zero new overseas student commencements in 2023, your proposed limit instead takes into account the department's internal indicative estimate of your 2024 new overseas student commencements. Where the 2023 and estimated 2024 values are both zero, the indicative limit is also zero.

The indicative limit relates to your new overseas student commencements in the higher education sector only. If an organisation also delivers VET to international students under the same CRICOS registration, its total enrolment limit will be the sum of this limit and the allocation provided for its new overseas VET student commencements. Allocations for VET are being developed by the Department of Employment and Workplace Relations, which will separately provide advice on these limits.

As there will be a single total enrolment limit for each CRICOS registration, there may be additional considerations for some providers, including where they hold more than one registration. Further information will be provided by the department.

Notes

- International commencements and new overseas student commencements count different things.
 - A commencement is recorded every time a student starts a new course.
 - A new overseas student commencement is recorded when an international student is onshore and starts their first non-exempt course at their first provider and each time a student changes to a non-exempt course at a different provider.
- A new overseas student commencement will count towards the limit from the actual date of commencement on the Confirmation of Enrolment (CoE).
- It is proposed that CoEs that are cancelled before the actual commencement date, or report non-commencement within the legislated reporting period, will not count towards the limit.
 - PRISMS will provide a running count of the commenced CoE limit, and CoEs expected to add to the limit within the relevant calendar year, to assist providers in managing their limit.

Private University and Non-University Higher Education Provider Methodology

The methodology below establishes limits aimed at returning the private university and non-university higher education provider sector close to 2019 levels in aggregate. Recognising that the market has evolved since 2019, individual allocations are based on 2023 levels for most providers, and estimated 2024 levels for those entering the market in 2024.

Methodology

Step 1: Reference levels are established using 2023 or 2024 figures.

- New overseas student commencements in 2023 are used as the reference level where this number is greater than zero.
- Estimated new overseas student commencements in 2024 are used as the reference level where the provider has no new overseas student commencements in 2023.
- If new overseas student commencements are zero in 2023 and estimated to be zero in 2024 then the reference point is zero.

Step 2: Adjusted levels for TAFEs.

The adjusted level is equal to the reference level from step 1.

Step 3: Adjusted levels for non-TAFE providers.

- The adjusted level is equal to 67.5% of the reference level from step 1 if this does not result in an adjusted level below 50.
- Where the adjustment in step 3 (a) would lead to a figure below 50, the adjusted level is the lesser of 50 or the reference level from step 1.

Step 4: Rounding.

Where Steps 1-3 produce an adjusted level of:

- 0, the provider limit is 0.
- 1-10, the provider limit is 10.
- 11-50, the provider limit is equal to the adjusted level from steps 1-3, rounded up to the next increment of 5.
- > 50, the provider limit is equal to the adjusted level from steps 1-3, rounded to the nearest 10.

Notes

- New overseas student commencements or NOSC:
 - NOSC data is drawn from the Provider Registration and International Student Management System (PRISMS).
 - See Attachment A for further details.
- Exemptions:
 - The Government will exempt certain categories of courses and students from the NPL (see Attachment A for further details).
 - Noting not all categories can currently be clearly identified in PRISMS data, indicative limits have been created using NOSC data that includes some commencements which may be exempt under the new arrangements. However, when the limits are implemented, students in exempt categories will not count against the limit.