



Unipol international student mobility update

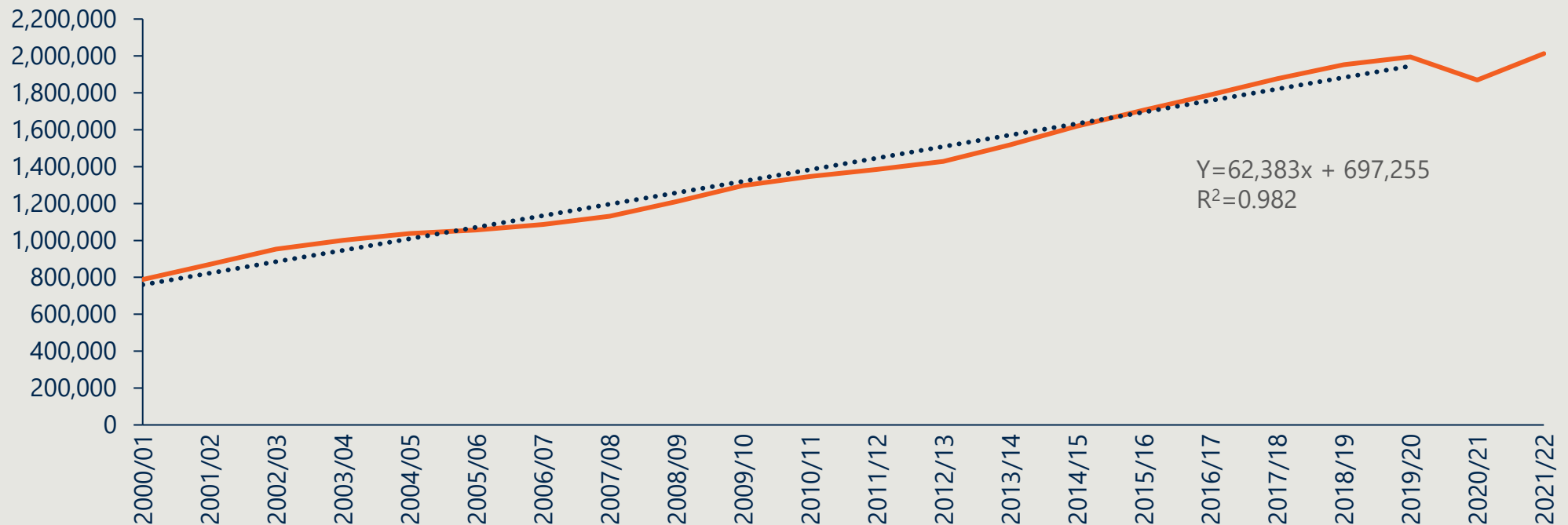
Matt Durnin | 16 August 2024

Macro picture

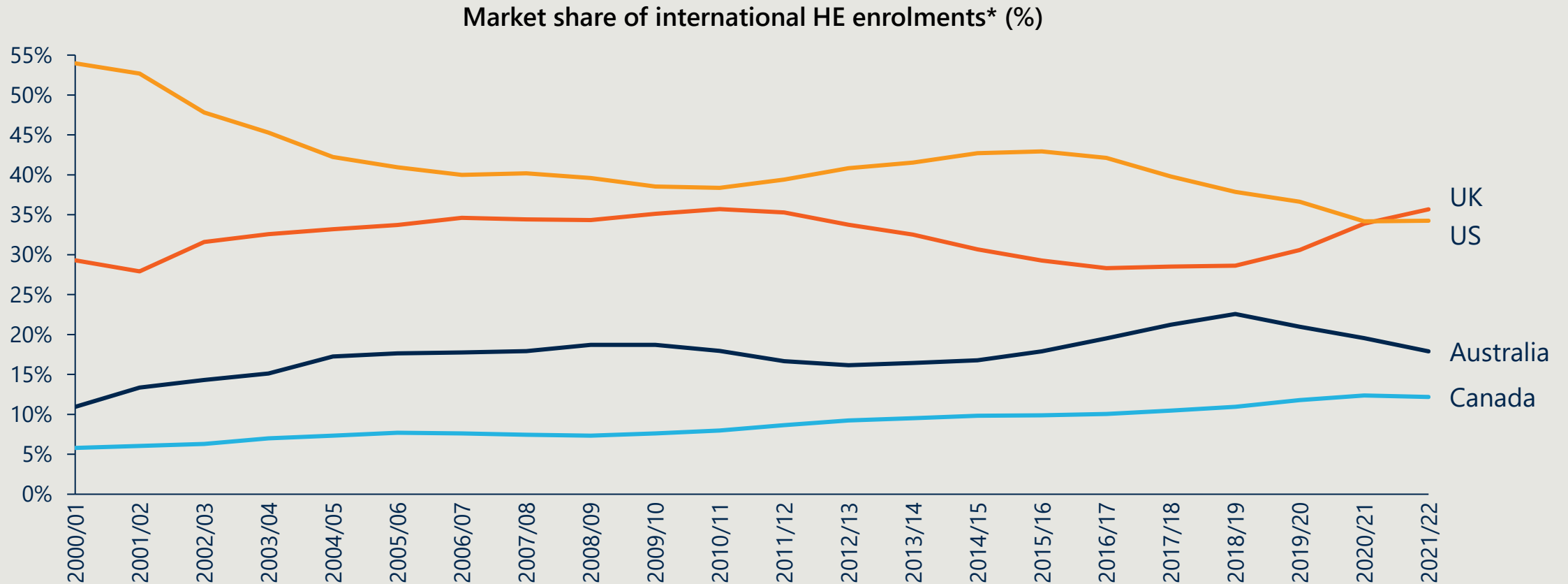
International enrolment growth in the big four study destinations has been remarkably steady over the past two decades.

Growth in total international HE enrolments has been linear over the past two decades, growing by just over 60,000 students per year. The pandemic was the one notable interruption but enrolments quickly leapt back to the trendline.

Total international HE enrolments in Australia, Canada, the UK and US



...but with volatility in market share amongst them.



Three of the four major English-speaking study destinations have tightened their student visa policies.

Australian visa rejection rates spiked under new “Genuine Student Test”. Caps under discussion.

Reforms could cost Australian universities \$310m this year.¹



The UK restricted dependent visas last year. Post-study work visas survived a review, but further actions expected.

80 per cent of UK providers face deficit risk if international numbers drop.²



Canada announced a two-year cap on new study permits.

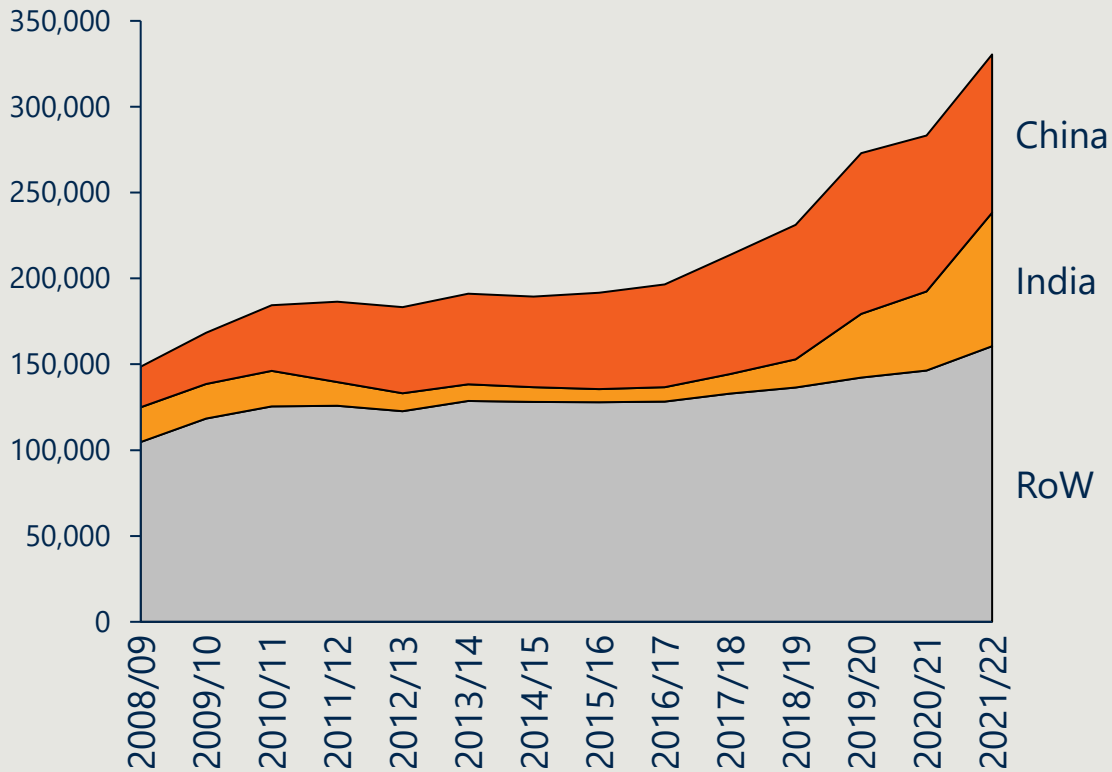
This will cause a 35 per cent decrease in the number of study permits issued in 2024.³



UK

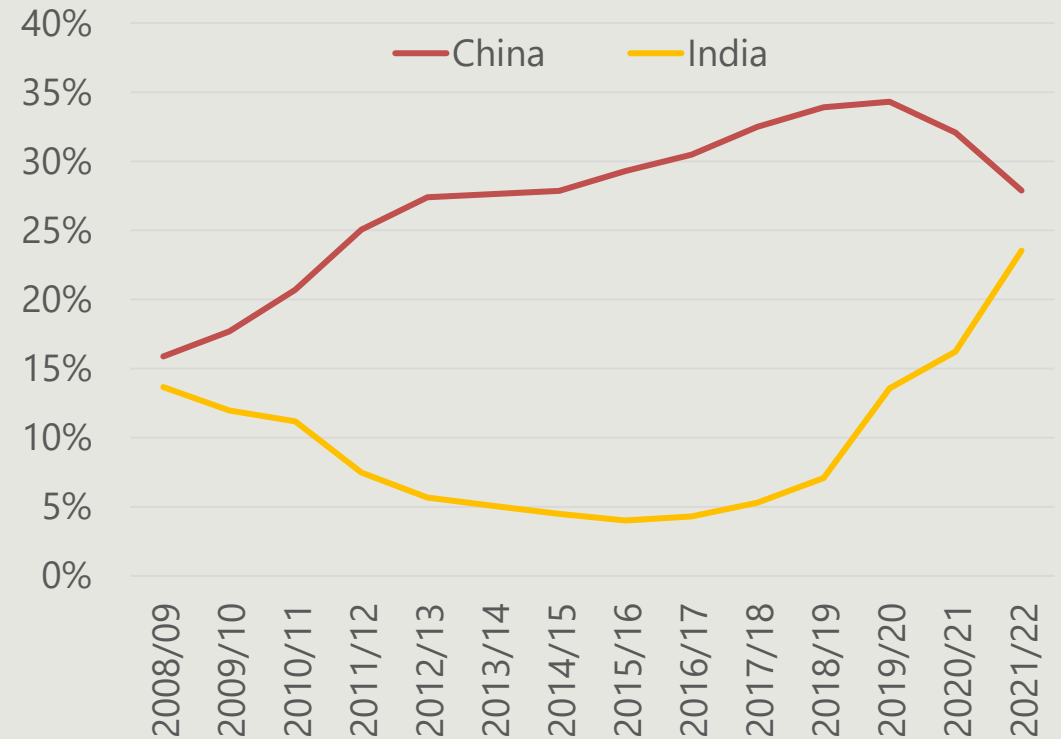
Since the reintroduction of post-study work, UK international enrolments soared and its market mix shifted.

UK new HE enrolments



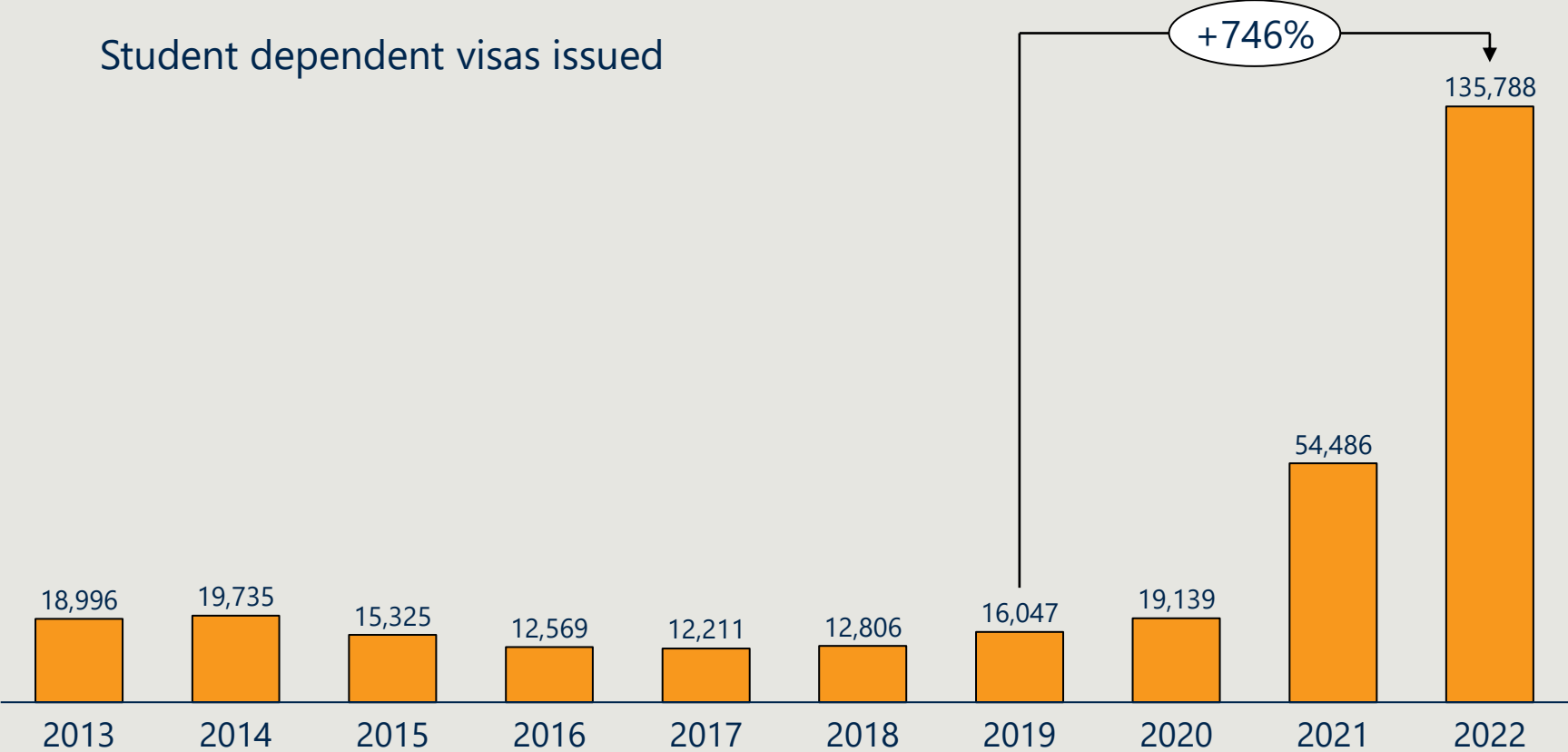
Source: HESA

China and India as % of new enrolments



Along with the shift in source markets, dependent visas soared.

Student dependent visas issued



Source: UKVI

Canada

Canada's caps to international were severe but the effects of the negative media messages have been worse.


BBC

Home News Sport Business Innovation Culture Travel Earth Video Live

Canada sets two-year cap on foreign students

22 January 2024 Share

Nadine Yousif & Brandon Drenon
BBC News, Toronto & Washington



Immigration Minister Marc Miller says the measures are meant to protect students from "bad actors" and ensure sustainable immigration

Canada has said it will cap the number of foreign students admitted to the country for two years in an attempt to address pressure on housing and healthcare in the country.

Canada 'may fall short of caps' as overseas interest nosedives

After Trudeau administration imposed sharp cut in student visas, institutions are now watching other restrictions having a much stronger effect

July 1, 2024

Paul Basken

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

Canada appears to be losing the attention of international students so quickly that its institutions might not recruit enough students this year to hit the sharply lower visa caps imposed recently by the Trudeau administration.

After watching overseas student enrolments surge to more than 400,000, the federal government this year announced the imposition of study visa caps aimed at ratcheting down the number by about a third to around 290,000. But at current application rates, Canada's colleges and universities might get only some 230,000 students from abroad for the coming academic year, the online services company ApplyBoard has estimated.

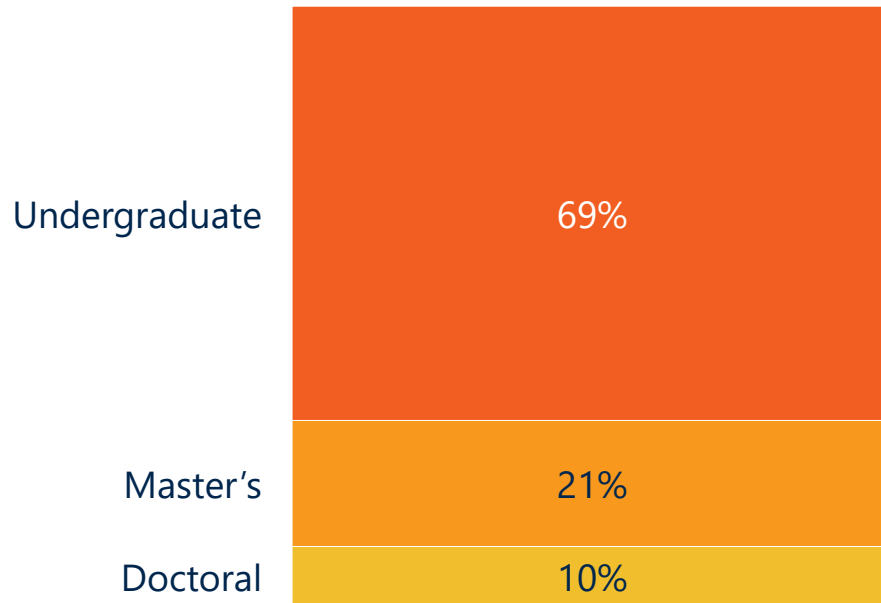


Source: Mert Alper Dervis/Anadolu Agency / Getty Images

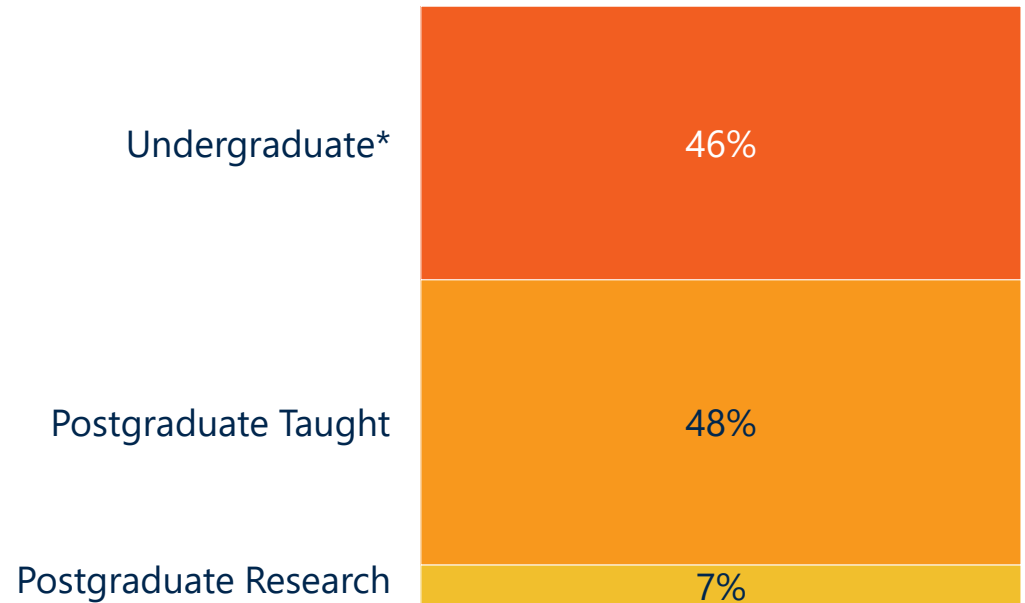
Many Canadian institutions will try to shift to taught masters.

In response to the caps on int'l UG, many Canadian institutions are looking to expand course-based masters, similar to the UK.

Canada int'l HE enrolments by level (2021/22)



UK int'l HE enrolments by level (2021/22)

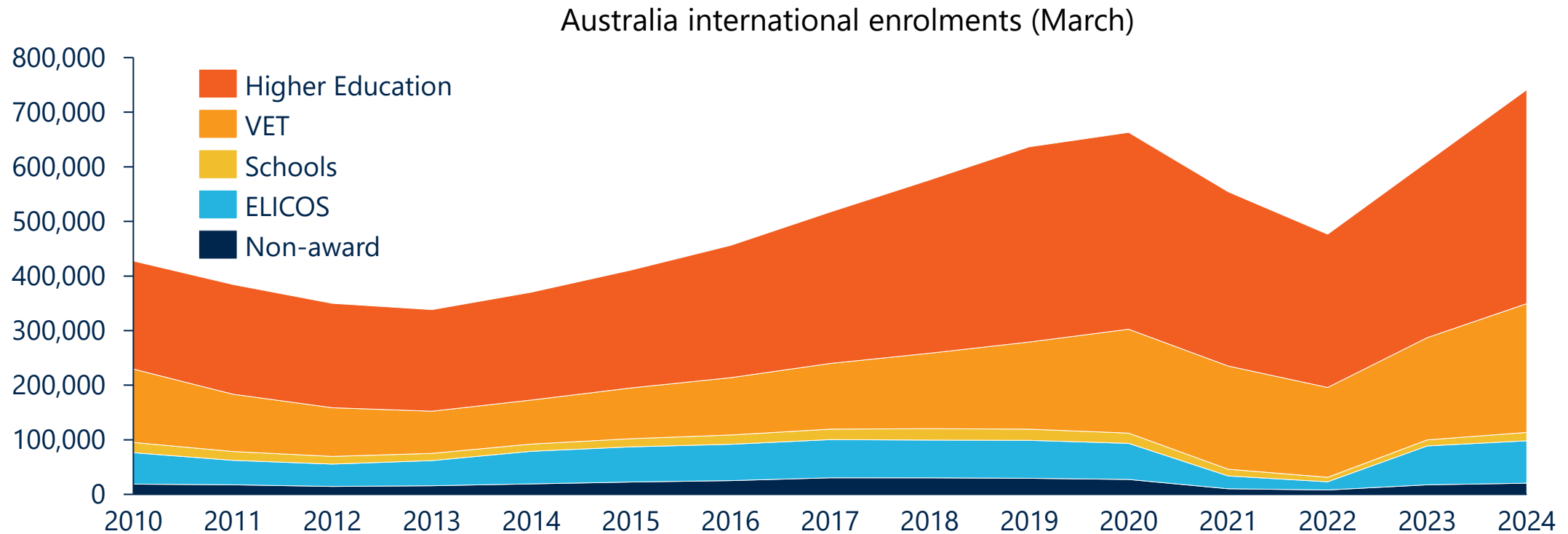


Sources: StatCan, HESA

Australia

Scenario 3: Australia takes a soft approach to caps

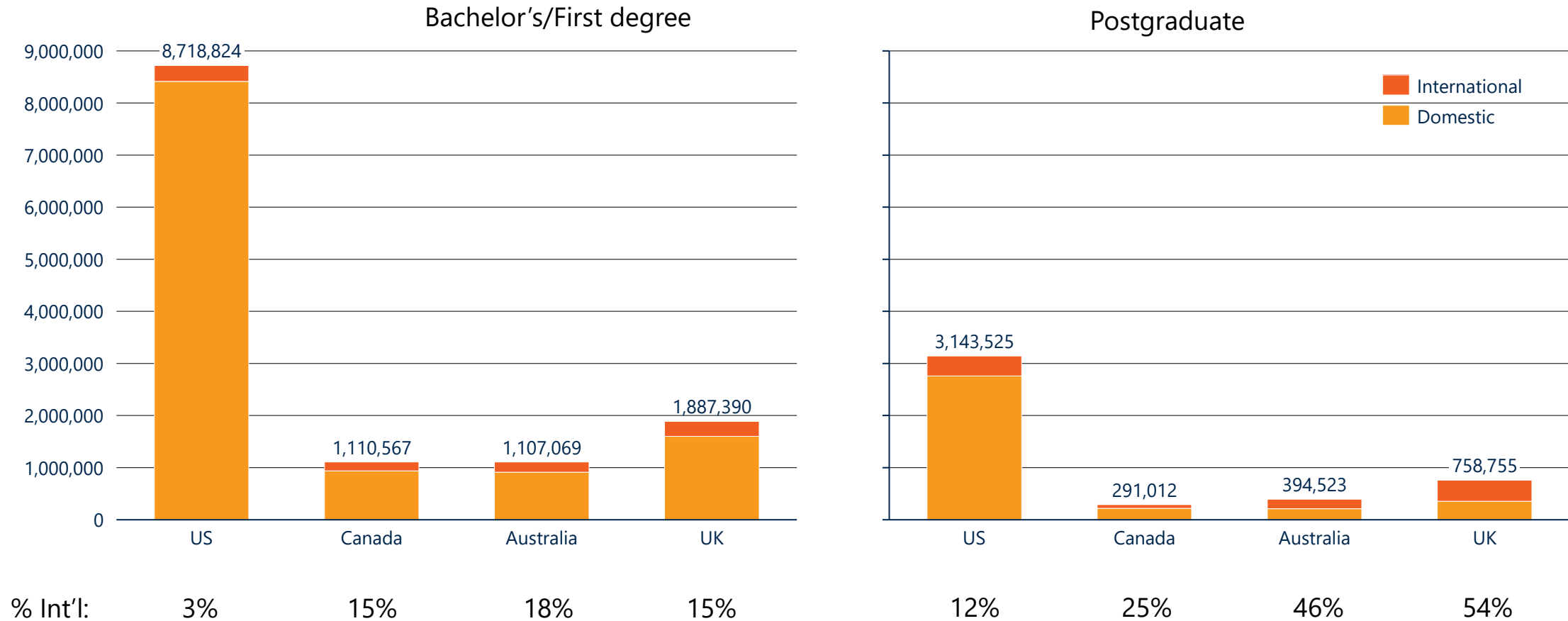
The most likely – and least painful – scenario is that total enrolments are wound back to 2019.



Source: Austrade

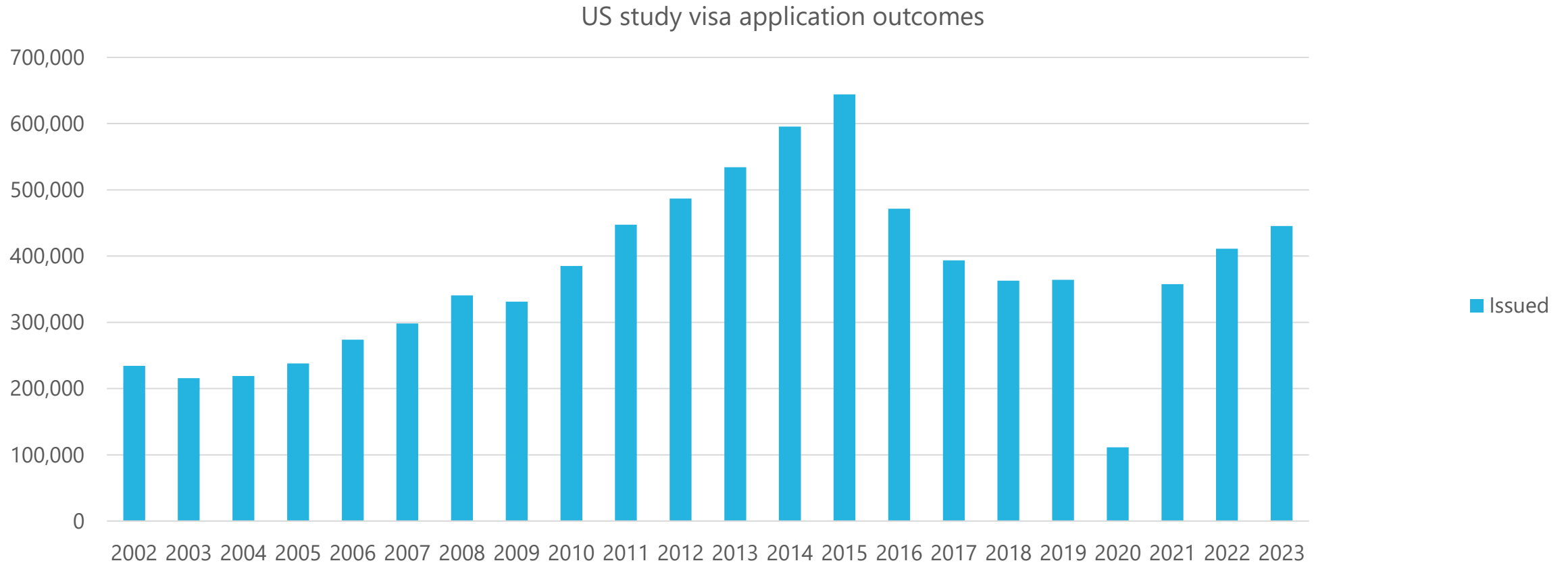
US

The US has low internationalisation relative to other markets with lots of room to grow.



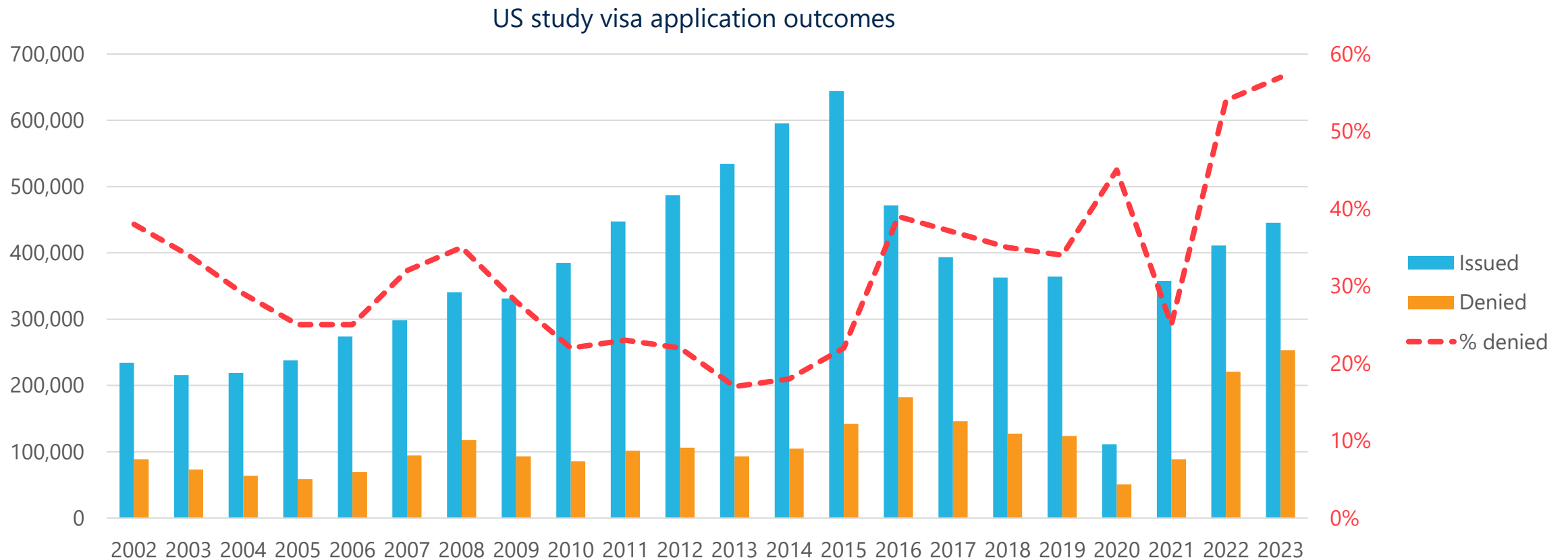
Sources: HESA, Austrade, IIE Open Doors, Statcan

US study visa application data shows a rebound...



Source: CATO Institute, based on U.S. Department of State "Nonimmigrant Visa Statistics".

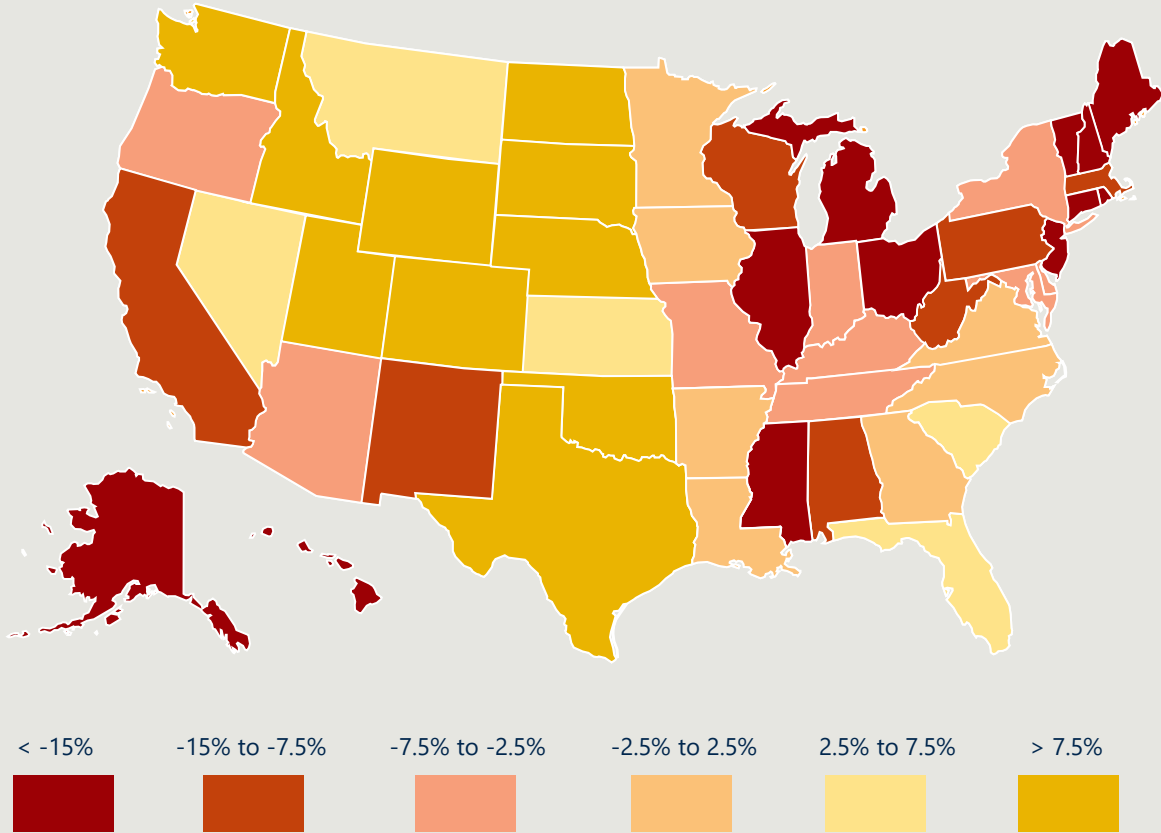
...but study visa denial data show barriers to a larger shift in market share.



Source: CATO Institute, based on U.S. Department of State "Nonimmigrant Visa Statistics".

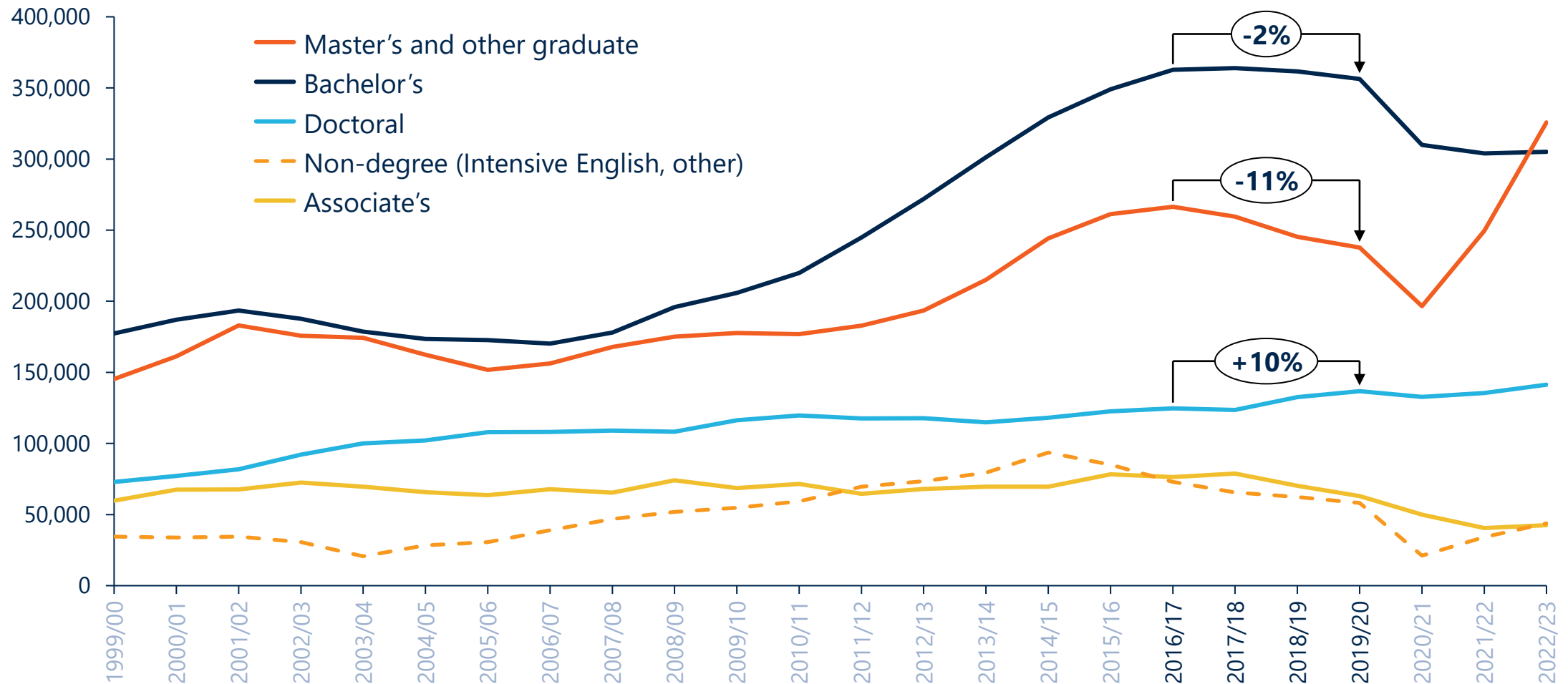
A demographic shift will likely push some US institutions to pursue international recruitment more aggressively.

Forecasted change in high school graduates, 2012 to 2029



Source: Nathan D. Grawe, *Demographics and the Demand for Higher Education*, John Hopkins University Press (2018).

US international HE student enrolments by level

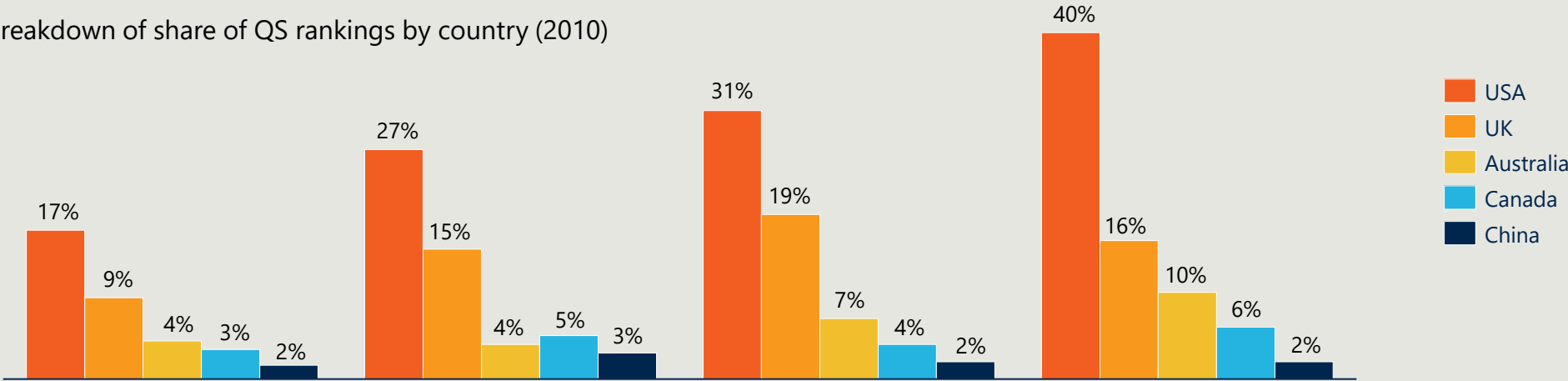


Source: IIE Open Doors

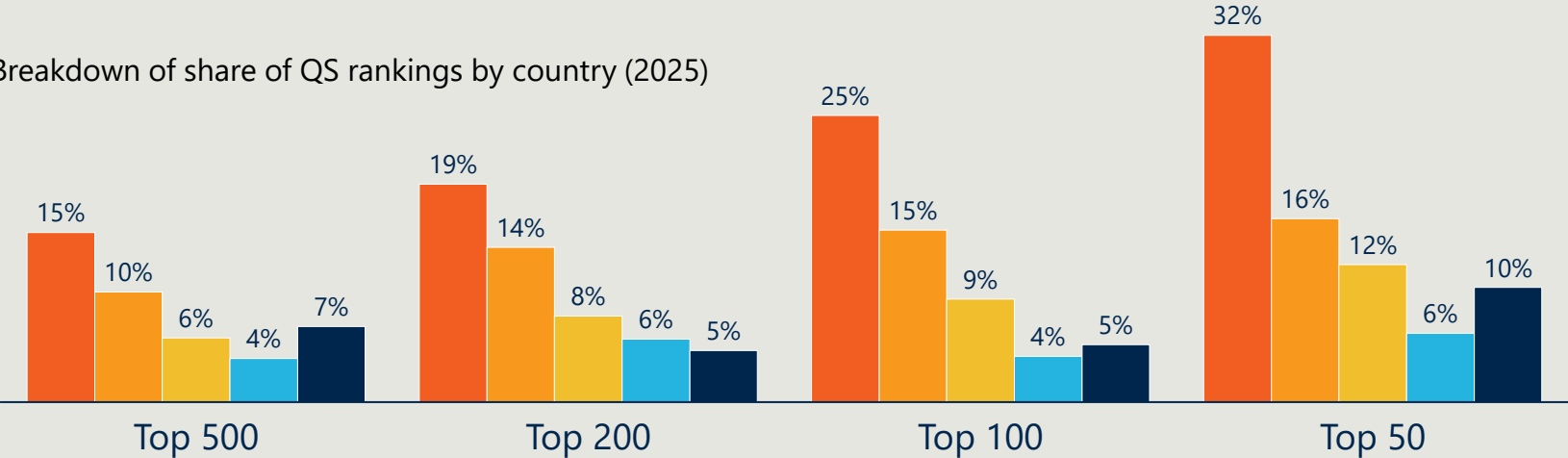
Alternative study destinations

The big four have been the presumptive choice for international students because of their perceived quality. Might that change?

Breakdown of share of QS rankings by country (2010)

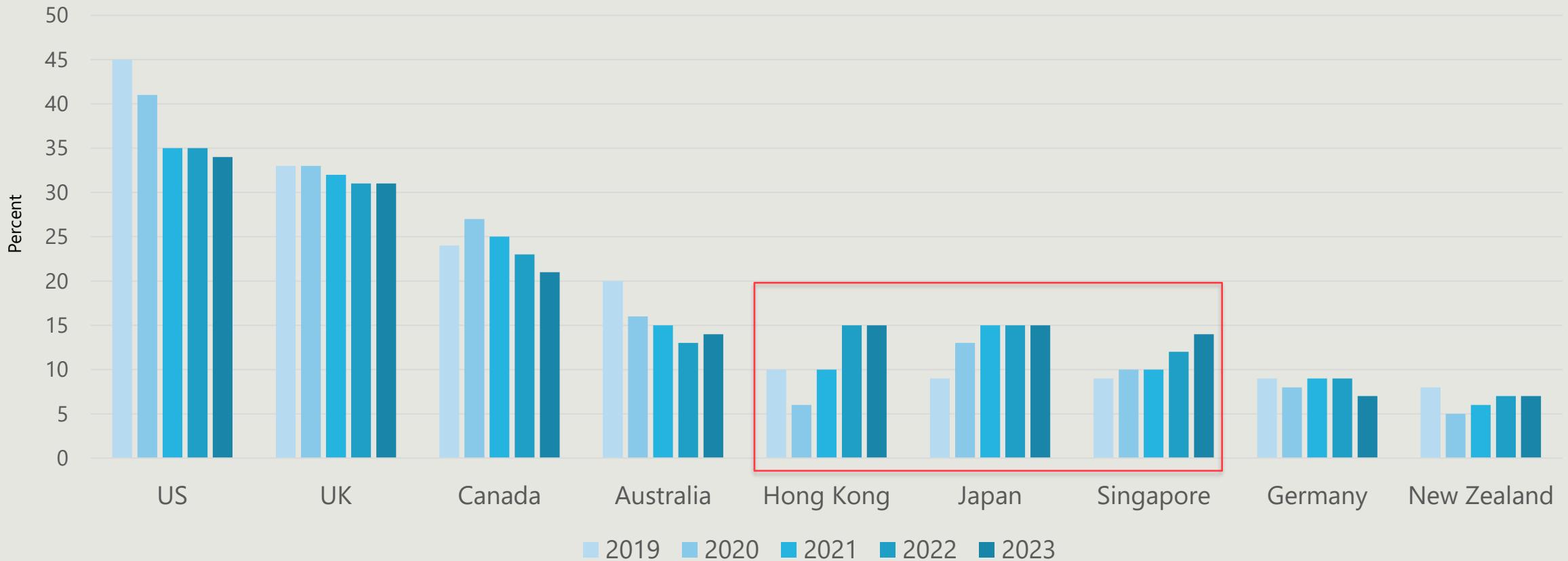


Breakdown of share of QS rankings by country (2025)



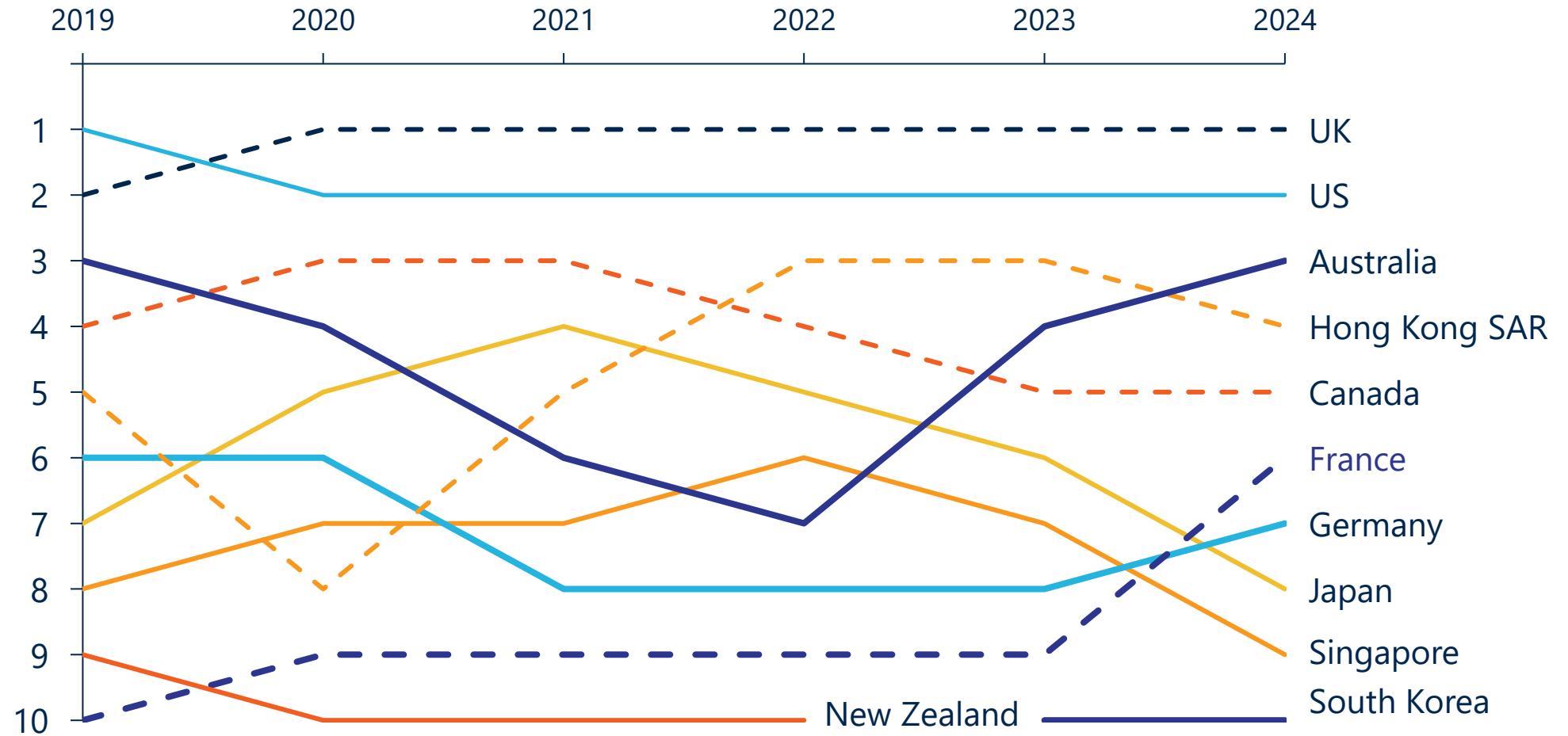
Chinese study preference shifted towards regional options during the pandemic.

Top 10 destinations considered by prospective Chinese UG students and parents (2019-2023)



Source: New Oriental survey of 9,551 students and parents

But there are signs that study trends are returning to pre-pandemic norms.

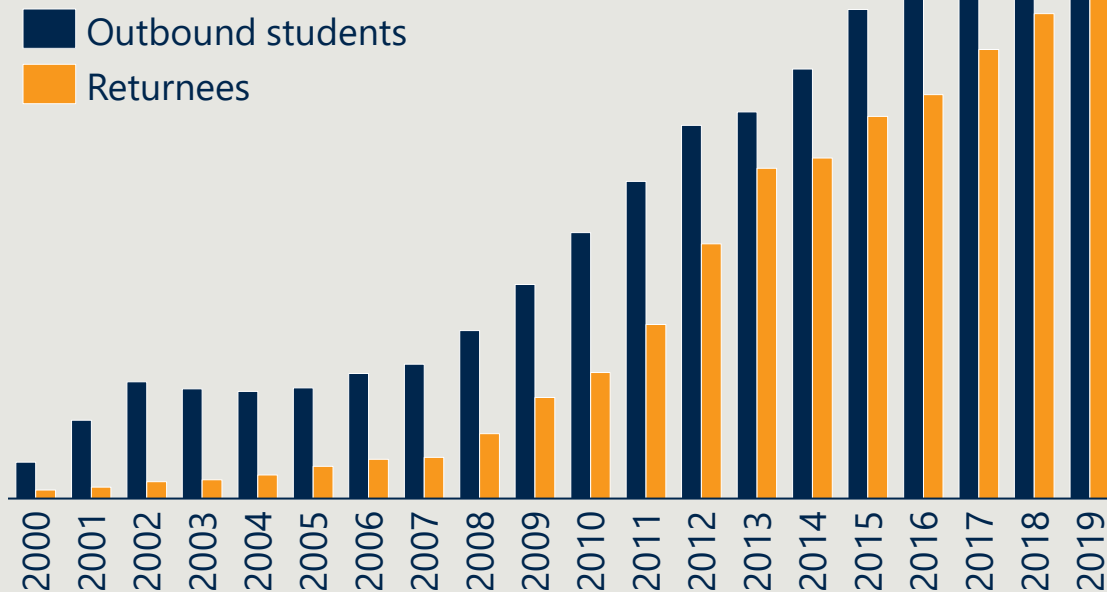


Source: *Chinese Students' Overseas Study*, New Oriental Education and Technology Group. (Survey n=9,413)

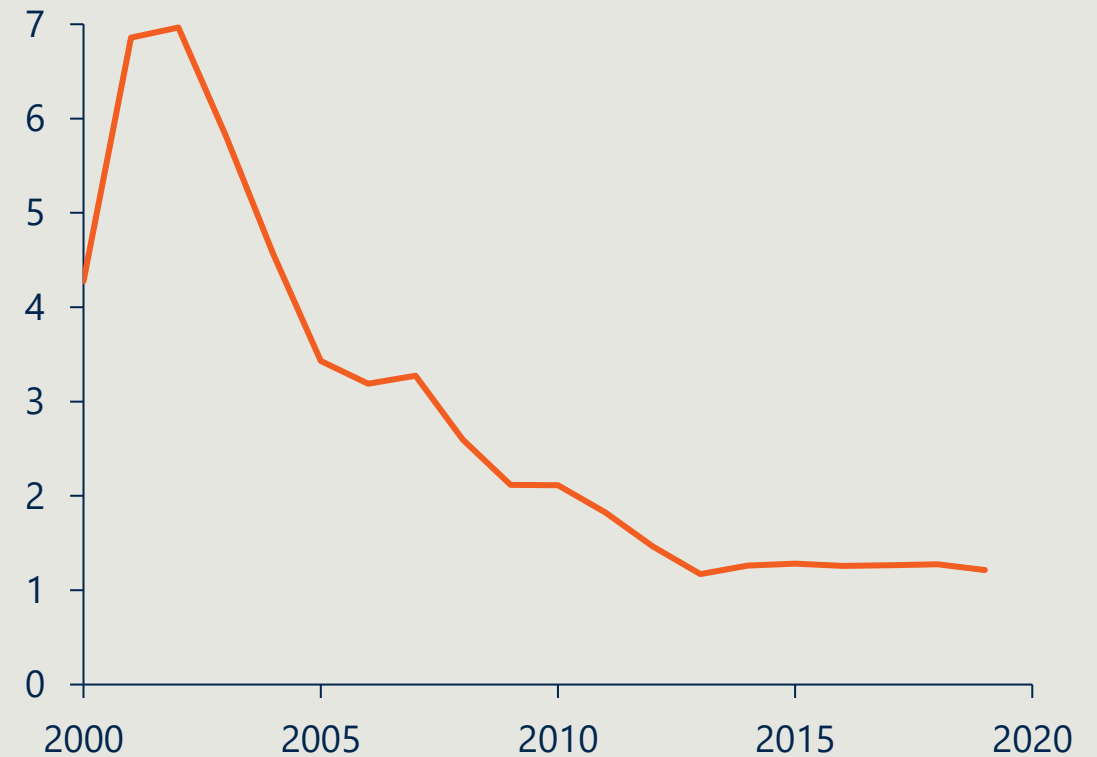
Markets

Chinese outbound numbers rose rapidly over the past two decades, but returnees soared in the past decade.

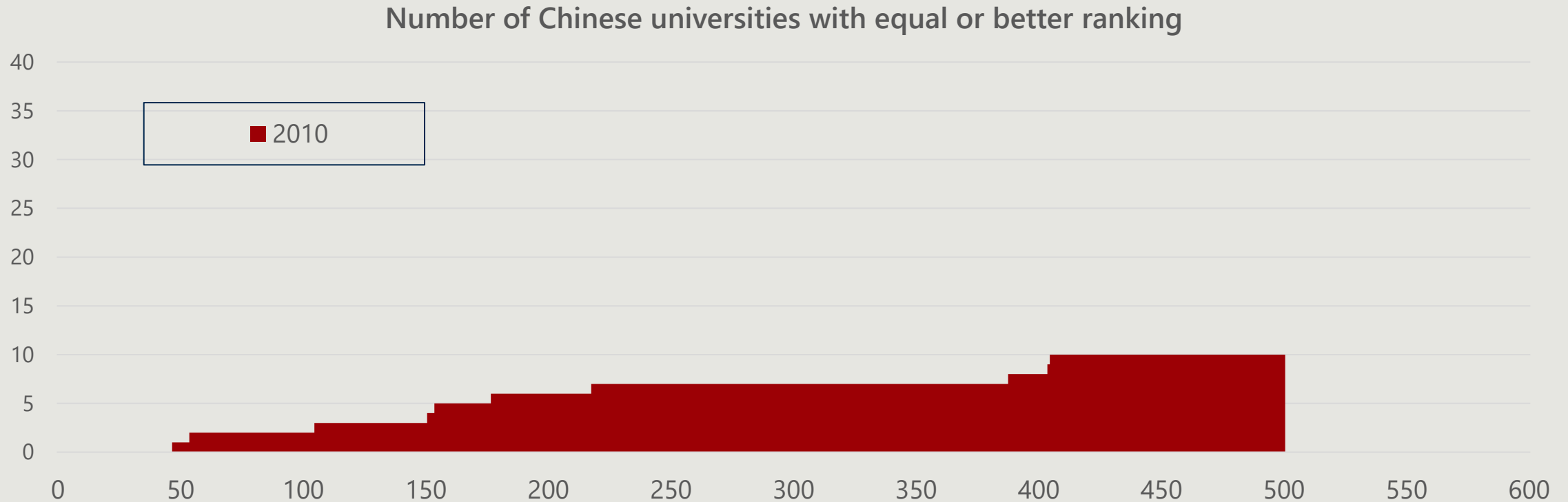
Chinese outbound/returning students



Ratio of outbound to returnees



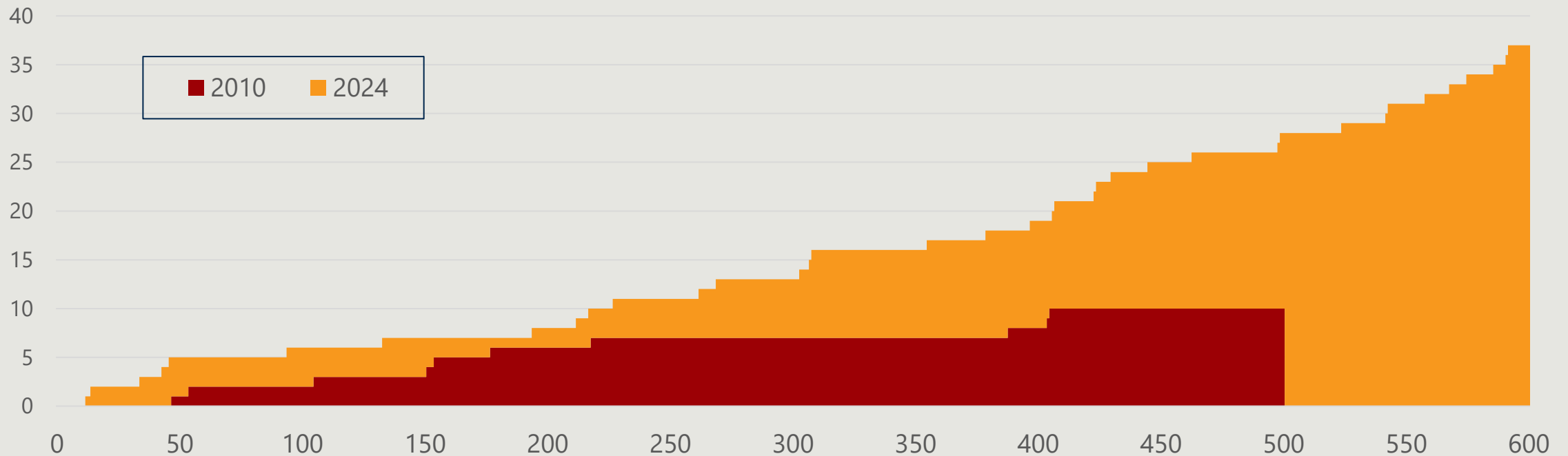
Chinese student preference for top 200 global universities is driven by a weakening signal for western universities as domestic university rankings extend and improve.



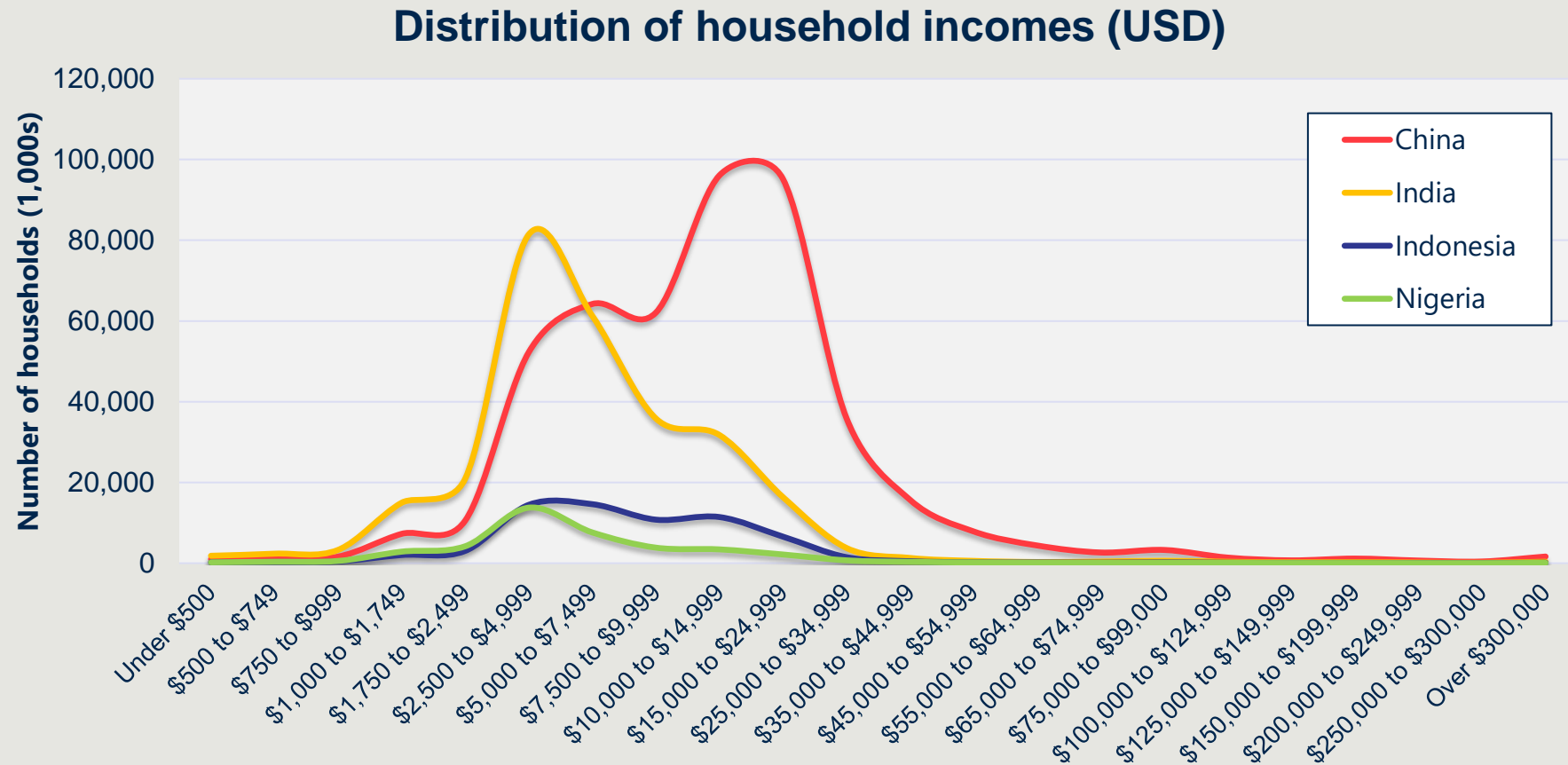
Source: QS Global University Ranking

Chinese student preference for top 200 global universities is driven by a weakening signal for western universities as domestic university rankings extend and improve.

Number of Chinese universities with equal or better ranking

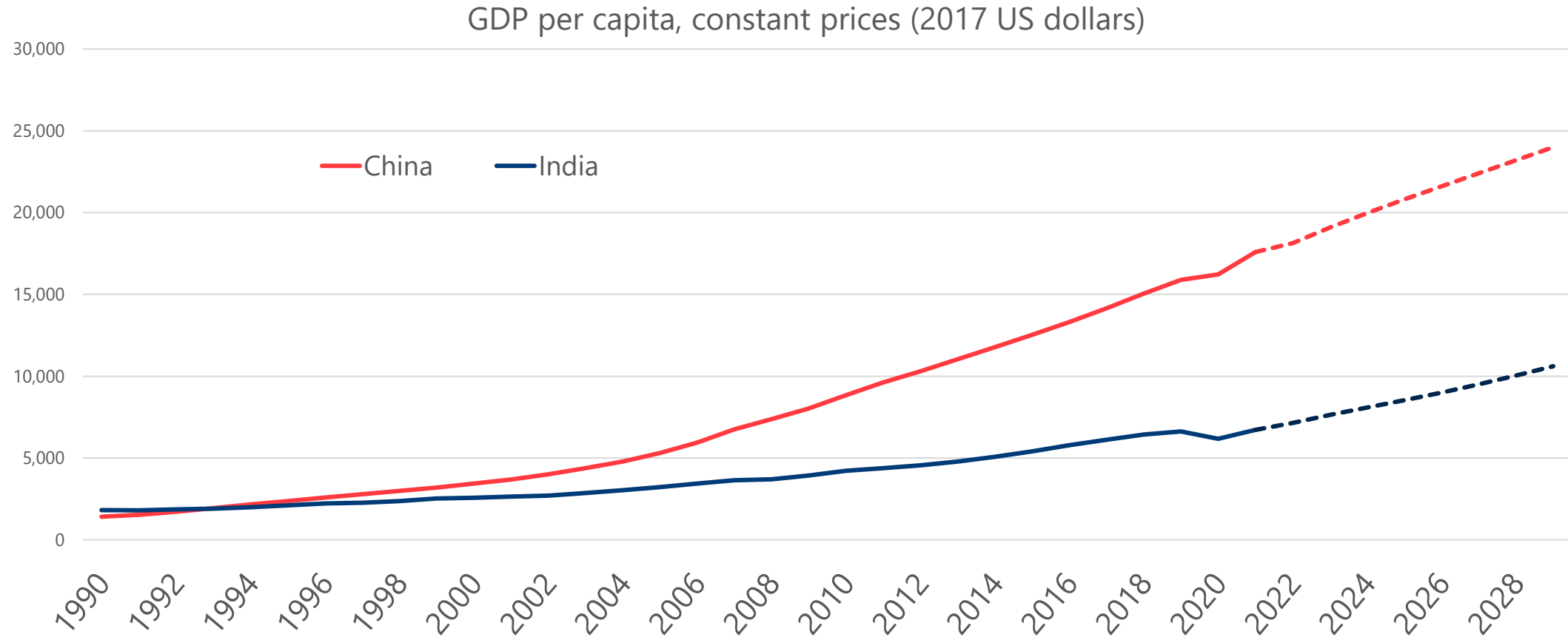


Beyond China, international mobility looks very different.



Source: Euromonitor

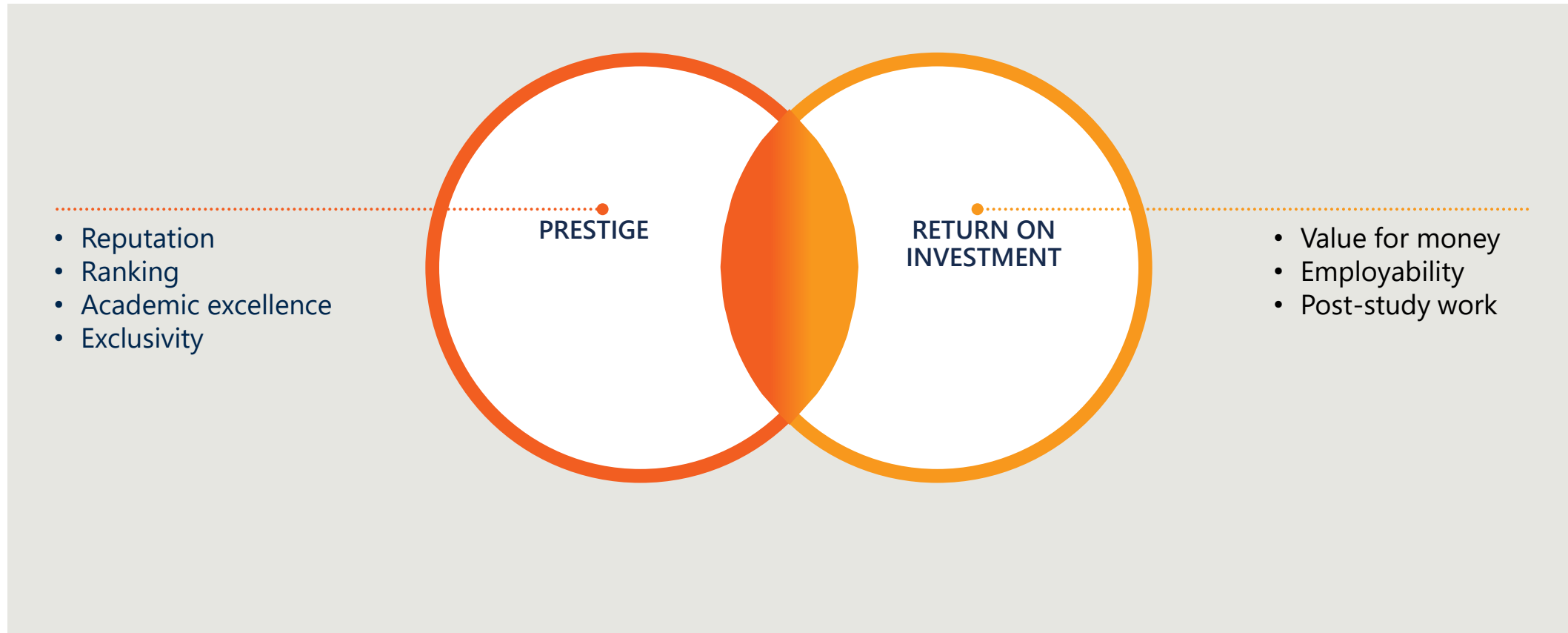
India's economy is growing but at a slower pace than China's did.



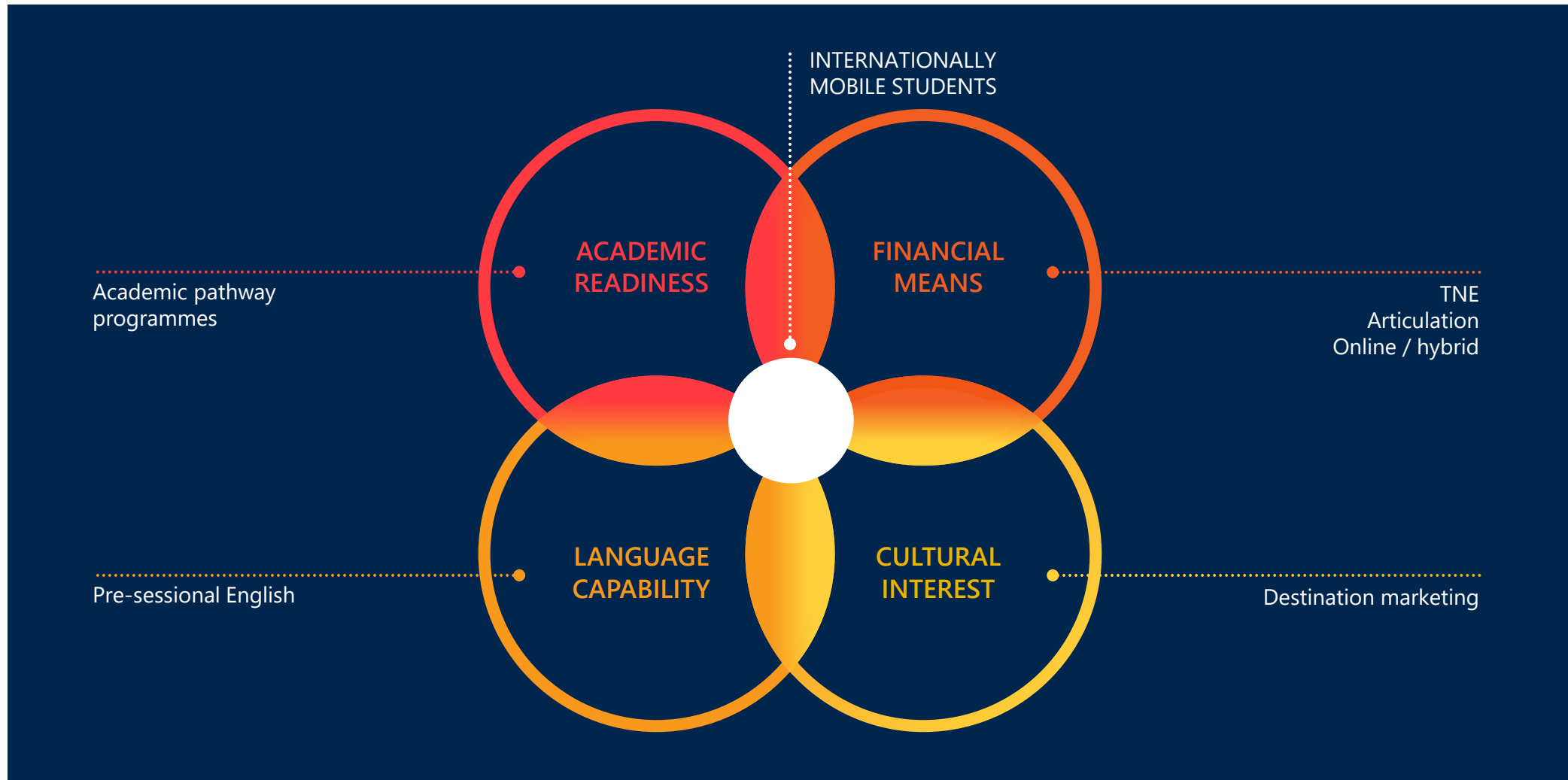
Source: International Monetary Fund, World Economic Outlook Database, April 2024

Challenges and changing models

Universities must reckon with its two value propositions, which are often in conflict.

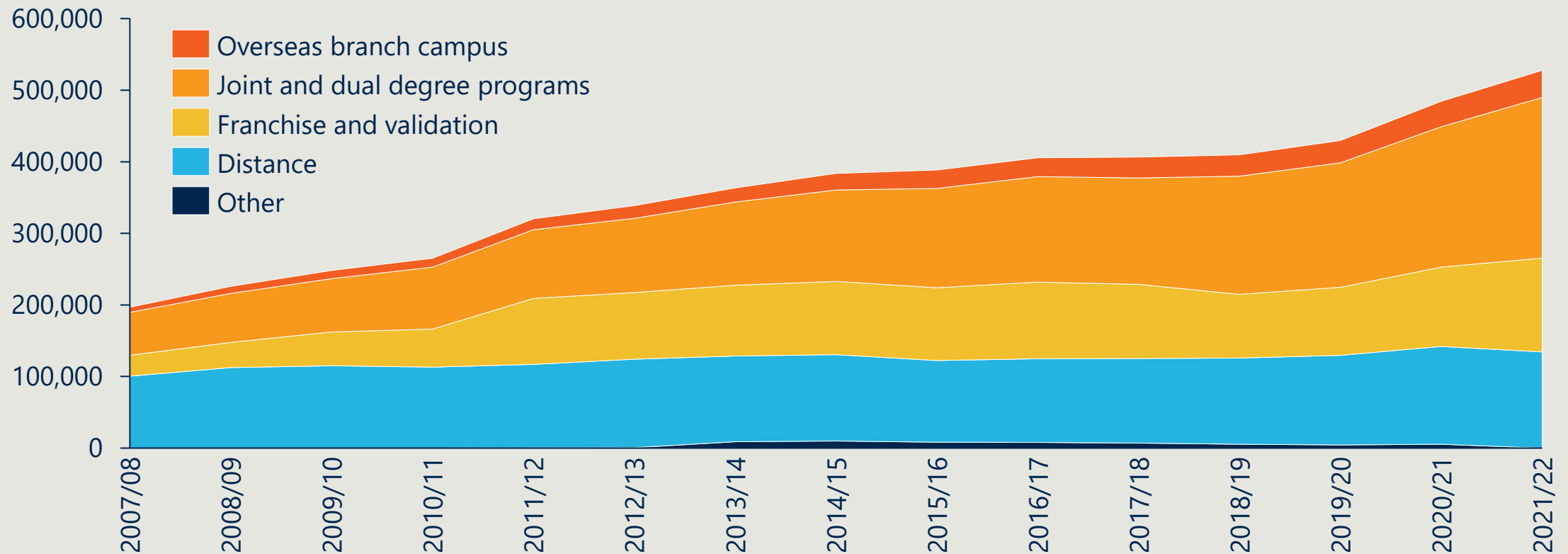


There's still room to grow the pie through innovation.

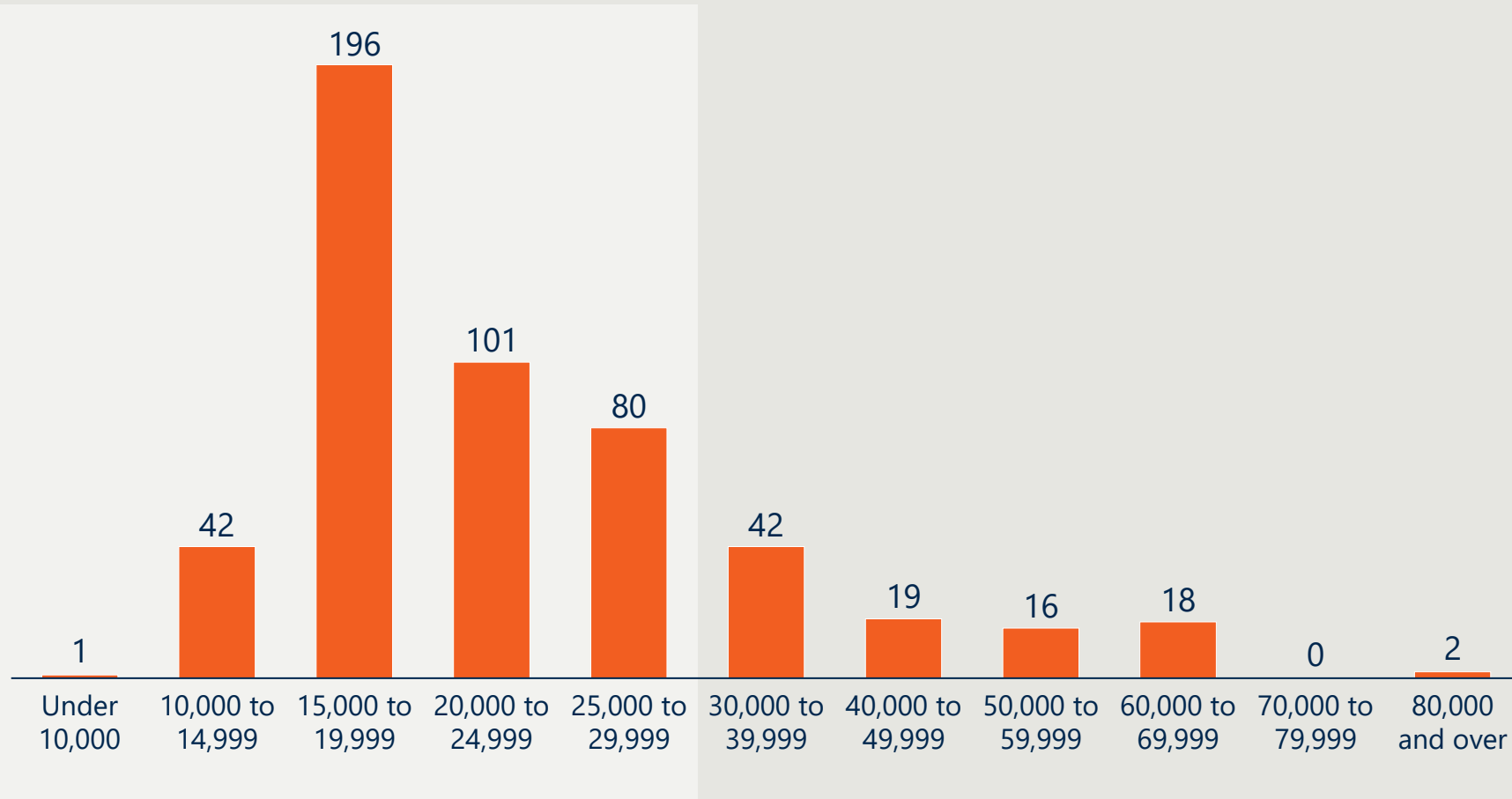


Policy restrictions and student price sensitivity have sparked renewed interest in transnational education.

UK offshore enrolments by type of activity

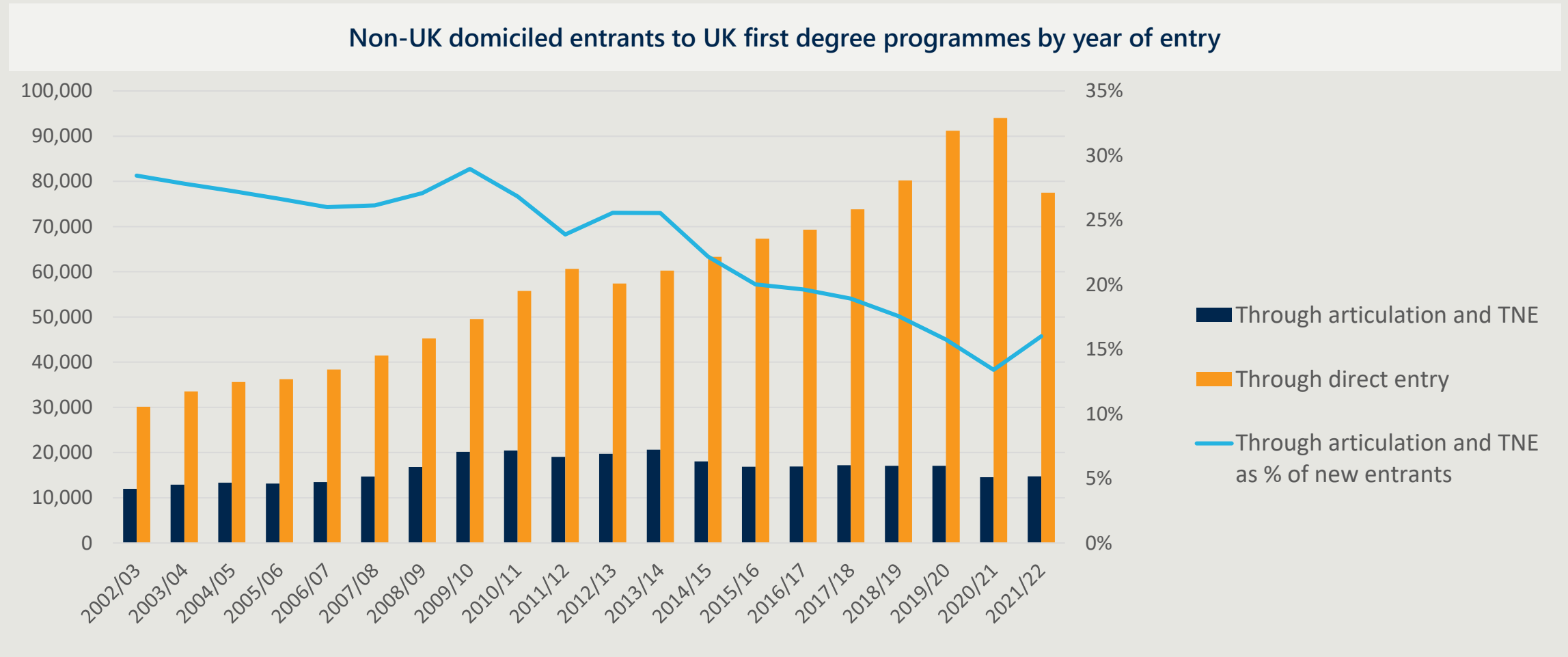


Low tuition fee levels for in-country delivery have been the primary barrier to cost recovery in offshore operations.



81%
of the 517 joint programmes in China that we audited had annual tuition fees below CA\$5,800.

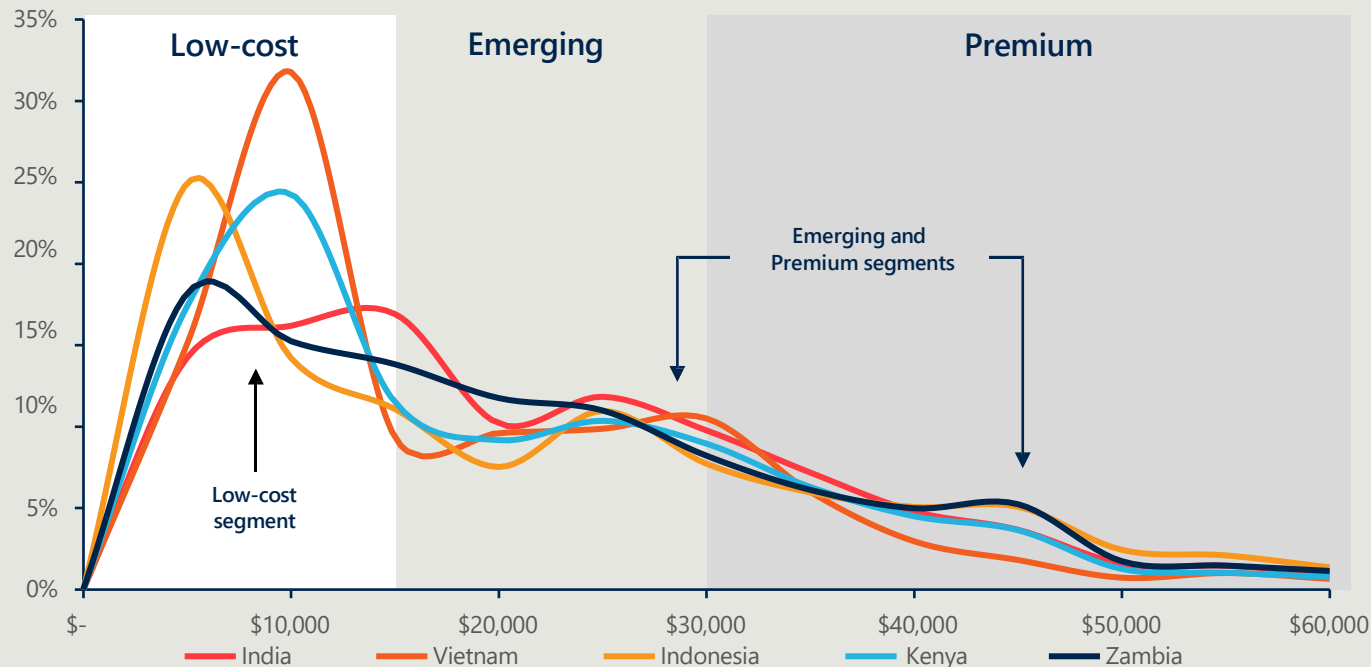
Nor has mobility through offshore partnerships produced expected results.



Source: Transnational routes to on-shore UK higher education, British Council & UUKi, October 2020

International interest in online education is high, but the business model is challenging for universities.

PERCENTAGE OF TOTAL PAGE VIEWS FOR A MASTER DEGREE IN RELATION TO YEARLY TUITION FEES (ALL MODES OF DELIVERY)



Source: StudyPortals

Postgraduate markets cluster around:

1. **LOW-COST SEGMENT** – Master degrees with a price of up to \$15,000 per year (51% of the market).
2. **EMERGING SEGMENT** – Master degrees with a price of \$15,000- 30,000 per year (29% of the market).
3. **PREMIUM SEGMENT** – Masters degrees with a price of \$30,000 + per year (21% of the market).

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750

PEOPLE

5

COUNTRIES