16 May 2013

Federal Budget impact on International Education

The 2014 Federal Budget provides a reasonable level of support for government departments and education providers committed to international engagement. Budget statements include the following allocations:

Department of Foreign Affairs & Trade (including Aid & Development, Austrade and Tourism)

- New Colombo Plan doubles the allocation in 2014/15 to $10.9m with a projected spend in 2015/16 of $19m
- Australia Week in China planned for 2016 has a significant increase from $200,000 this year to $1.8m
- Australia Awards increase by $31.7m to a total of $139m, with an expectation of 4,500 scholarships
- The Emerging Markets Development Grant survives the Commission of Audit recommendation to cancel the program and gains an additional $50m for a total of $138m
- The Asia Business Engagement Plan continues with an allocation of $1.5m in 2014/15
- Aid and development funding becomes even more focused on the Asia region with 92% of funds going to this region. Major increases for PNG and the Pacific region and East Asia
- From a $15m allocation in 2013/14, Latin America misses out completely with no allocation for funding specific programs or activities. However we understand additional budget allocations for public diplomacy are likely to be submitted by DFAT with greater opportunities for external service providers
- Austrade continues to support the Future Unlimited education branding and website but faces an additional efficiency dividend of 0.25% resulting in a further $500,000 cut to their budget

Department of Education

- The Budget Statement commits to the development of a national strategy for international education.
- Budget allocations for international education support increase from $32m this year to almost $65m in 2014/15. In 2014/15, this allocation is expected to deliver 12 regional links projects; 15 additional activities to raise our international education profile; 5,500 scholarships and exchange opportunities; and 500 assessment subsidies for overseas trained professionals
• The continuation of international student satisfaction surveys is also flagged

**Department of Immigration & Border Protection**

• The Budget Statement includes an expected dividend of $1.2m in 2015/16 and $3m in 2017/18 from the simplification of visas for the vocational education and training sector. This is predicated on an outlay of $60,000 in 2014/15 and $240,000 in 2015/16. TDA will follow up with the Department to gain further insight into this strategy.

**Department of Industry**

• The Adult Migrant English Program gains an increase of $50m in the next financial year to a total of $236m

• No specific mention is made of current initiatives such as enhancing the capacity of Industry Skills Councils to engage internationally or the development of regional benchmarks for skills and qualifications.

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