

**IMMIGRATION INQUIRY
HOME AFFAIRS COMMITTEE
JANUARY 2017**

SUBMISSION BY THE DESTINATION FOR EDUCATION, PATHWAY PROVIDERS

I. OVERVIEW

ii. ii. Pathway providers prepare international students for study at British universities, helping them to develop the study and language skills they need to succeed at degree level and which they have not had the opportunity to attain in their local education systems.

iii. Given pathway providers' role as a bridge between international students' home education systems and British universities, any change to the status of international students would have a significant effect on their businesses, and on the tertiary education sector as a whole.

iv. We welcome this consultation and hope to ensure that the value of international students to our economy, soft power and tertiary education sector will be taken into account as the UK negotiates its exit from the European Union and in any future policy changes.

v. You have asked six questions. Our response focuses on two of these: what benefits do international students bring to the economy and society? And what approach should the Government take to international students?

BACKGROUND – CHANGES TO INTERNATIONAL STUDENTS' STATUS

vi. Since 2010, the Coalition and Conservative governments have made a series of policy interventions that have led to a decline in the number of international students coming to the UK:

- Withdrawing the "Tier 1 Post-Study Work visa" in 2012, which had allowed international graduates from UK universities to remain in the UK for a year after graduation to look for a job.

- Changes to Tier 4 student visas meaning non-EU college students can no longer apply directly to a UK university without leaving the country and limiting the opportunities for non-EU college students to apply directly to a UK university without leaving the country.

- Reducing the number of test centres approved by UK Visas and Immigration to show that applicants have the required level of English for their visa from over 1,000 to 130 in April 2015.

- Policies designed to discourage international students from coming to the UK, such as the raising of the required English Language level for Tier 4 student visa applications.

- The government's rhetoric on international students, most recently Home Secretary Amber Rudd's 2016 Conservative Party Conference speech, which called for "tougher rules for students on lower quality courses".

vii. These interventions have seen Britain fall behind in the race to attract students from around the world:

- International student numbers in the UK have fallen 6% since their 2010 peak while the global market demand has grown 60% since 2007 .
- ExEdUK and EY estimate the UK's falling status as a higher-education provider has come at a cumulative cost of £9bn to GDP .
- This decline has been limited to non-EU students until now, but Britain's departure from the EU is likely to have a similar effect on EU student numbers unless measures are taken to arrest this decline. The number of EU student applications in 2016 decreased by 9% according to the latest UCAS figures .

viii. A further decrease in the number of international students coming to the UK would cause significant harm to universities and the education sector as a whole. We could see a reduction in the availability of expensive courses, such as STEM studies, that are currently subsidised by international students, while student fees may also have to rise to make up any shortfall.

WHAT BENEFITS DO INTERNATIONAL STUDENTS BRING TO THE UK?

ix. International students bring substantial economic benefits to the UK economy:

- The Home Affairs Committee's 2011 report on Student Visas found that education was the UK's seventh largest export industry.
- The same report suggested education was the second biggest contributor to the UK's net balance of payments.
- ExEdUK's 2016 report into international education in the UK found the total value of education exports in 2011 (including training, equipment and English language) was £17.5bn.
- Parthenon and EY's report, Economic Impact of International Students, found that international students support around 230,000 jobs across the country.
- Education makes a significant contribution to Britain's 'soft power': 55 current heads of state (over 25%/a quarter of all the world's countries) benefited from an education in the UK .

x. International students bring particular benefits to schools and universities:

- International students contribute 37% of total university income from fees despite making up just 19% of overall student numbers at UK universities .
- Universities UK calculated international students contributed £7bn in income to the university sector in 2012 , a contribution that is likely to have grown since then.
- The Independent Schools Council estimates international students contribute £890m to the independent school sector in the UK economy, supporting 22,700 jobs.

xi. The overwhelming majority of the public welcome international students to the UK. A 2016 YouGov survey for The Times found five times more people think that international students at British universities have a positive impact than think they have a negative effect, while almost half of voters want the government to encourage more overseas students to study at British universities, while fewer than a third say they should be deterred.

WHAT APPROACH SHOULD THE GOVERNMENT TAKE TO INTERNATIONAL STUDENTS?

xii. Policy towards international students requires fundamental reform. We urge this committee to consider a new, long-term settlement that:

a. Provides no space for abuse of the system and ensures that all international students coming to the UK to study do so and do not overstay the terms of their visas, while offering appropriate opportunities for international students to pursue employment opportunities in the UK after study.

b. Recognises the competitive strengths of the UK's education industry, taking into account the strengths of all our institutions rather than adopting an old-fashioned view of what constitutes an 'elite' institution or course of study.

c. Promotes the UK's education institutes by giving them a competitive advantage over rivals in the United States of America, Australia, Canada and elsewhere.

d. Provides stability and long-term certainty for education institutions, businesses that depend on international students, and international students themselves.

xiii. We also urge this committee to consider ways of ensuring EU students, who make up over 25% of the overall international student cohort, continue to see the UK as a leading destination to continue their education despite the UK's departure from the European Union.