

Imperial College Union Response to APPG Post-study work restrictions

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Imperial College Union represents the 16,000 students of Imperial College London, recently declared the second-best university in the QS World University Rankings. The student body at Imperial is truly international; 29.9% of students are from outside the European Economic Area, and come from over 120 countries. With such a significant population of international members, it is our responsibility to comment on this APPG Post-study work restriction inquiry. As a Students' Union, we are not in a position to answer all of the questions within the inquiry, however we did want to engage on the questions most relevant to our membership.

Have there been any impacts on international student numbers or demographic profile as a result of the closure of the PSW route?

Imperial College London has provided evidence (see appendix A) that acknowledges a sector-wide decrease in the intake of students from Pakistan and India that has been associated with the removal of the post-study work visa. Despite this, Imperial has reported a steady increase in all international student recruitment. Imperial College's student intake from India and Pakistan has typically been small, but has not been noticeably adversely affected.

How has the closure of the PSW route been viewed internationally? Has it had any implications for foreign trade and commerce or wider diplomatic relations?

Imperial College Union is concerned about the damage that these restrictions could cause to the international student community in the Higher Education Sector in the UK. International students value stability in the immigration and visa system. At the moment Government has made several changes to the system. This is particularly discomfiting when 4,800 overseas students at Imperial are already part way through their studies, as well as being off-putting for potential students.

In the evidence submitted by Imperial College Union on the reform posed in the Immigration Bill (see appendix B), it was stated that we believe the Immigration Act presents a direct threat to the UK's popularity with international students, which in turn undermines the financial viability of our universities and our national research base. Because of this belief, we called for holders of Tier IV visas to be excluded from its measures in order to minimize any economic harm this Act may cause. We called for this due to the effects the Immigration Act would have on International students' access to the NHS, as well as private accommodation.

The House of Lords Select Committee on International STEM Students considered our evidence, however this led to no changes in the Immigration Act. The Union finds this distressing, as despite the House of Lords raising concern with regards to the adverse effect on the UK's Higher Education sector's international appeal, it still led to no progressive change. International graduates, particularly in STEM subjects, are valuable to the economic prosperity of this Kingdom. Her Majesty's Government should aim to keep highly skilled graduates in the country, and Imperial College Union believes that we will lose our

international appeal, as well as risk alienating the 4,800 international students already present within our student community.

In Imperial College London's response to these post-study work restrictions, it was noted that: "increasingly, international students mention in surveys that they feel like they are being treated as 'cash cows'". We believe that maintaining the UK international student experience is not enough; and that we must actively work to stay at forefront globally for attracting students. It is also worthwhile noting that the influence of 'soft power' that the UK economy benefits from will be weakened, as business leaders overseas who are alumni of the UK education system will decrease in numbers, and with it a larger UK influence.

The National Union of Students carried out a survey on the perception of students towards these post-study work restrictions, of which 55 Imperial College London students responded. The results of which can be summarized as follows:

- When asked for the reasons to study in the UK, International students list 'Improve job prospects' shortly behind 'quality of education'.
- 42.3% of respondents said that they understood visa regulations.
- Most respondents planned to work, but not settle in the UK
- 50% of respondents found it difficult to find work in the UK
- 25% plan to start own business in their home country
- 67% of those who plan to start their own business did not consider applying for a Graduate Entry visa

Imperial College Union believes that these responses, although taken from a small sample size, suggest that International Students are increasingly disinterested with remaining in the UK, and that this is due to the recent events described above.

House of Lords Select Committee on Science & Technology International STEM Students

Appendix A





The establishment of an educational institution must not be merely national but international, its advantages being open to people of all nationalities

Prince Albert, Prince Consort to Queen Victoria; Patron of the Great Exhibition of 1851, which led to the foundation of Imperial College London.

Imperial College Union

Imperial College Union is the representative body for all 16,000+ students at Imperial College London. Regarded as one of the top twenty higher education students' unions in the UK, we have been enhancing the education and development of our members since 1907. This submission is written by Imperial College Union on behalf of its members.

Notes

In this paper, 'International Students' refers to higher education students who originate from outside of the European Union.

Imperial College Union is happy to answer any questions any Committee members may have. Please contact author Marissa Lewis, Deputy President (Welfare), on dpwelfare@imperial.ac.uk or phone 020 7594 8060

Submission in brief

1. Imperial College Union believes the Immigration Bill presents a direct threat to the UK's popularity with international students, which in turn undermines the financial viability of our universities and our national research base. We call for holders of Tier IV visas to be excluded from its measures in order to minimise any economic harm this Bill may cause.

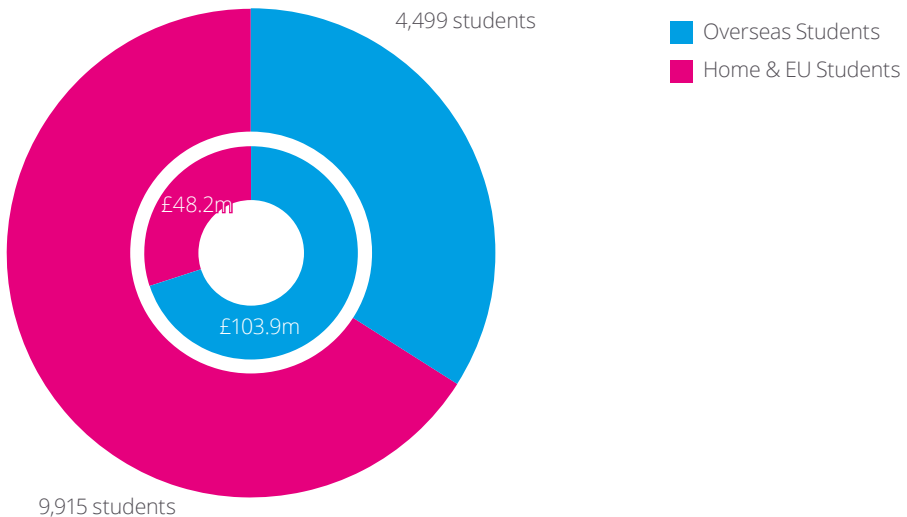
Executive Summary

2. Imperial College London is one of the world's leading higher education (HE) institutions, focusing almost exclusively on STEM subjects as well as medicine and business¹. Since its foundation in 1907,

Imperial College London has had a strongly international ethos, which is still evident in its student body and its strategic goals.

3. Of Imperial's approximately 16,000 students, almost one in three originate from outside the European Union. This number rises when looking at doctoral research postgraduates, of whom 40% are from outside of the EU. The international nature of our student body means our finances are highly vulnerable to any shifts in international study patterns. The majority of Imperial's academic fee income is from overseas students; in 2012/13, Imperial College London received £48.2m in academic fees and support grants from 9915 Home & EU students, but £103.9m from 4,499 overseas students².

4. Imperial College London: International students as a share of the student population, and of total academic fee income



5. Imperial College Union, the representative body of all students of Imperial College London, strongly opposes the Immigration Bill as it currently stands. The Bill, according to the Prime Minister, is intended to “radically toughen up the way we deal with illegal migrants working in this country”. Instead, it will negatively affect the single biggest group of migrants who are in the country legally and are greatly beneficial to our economy: international students³.
6. We believe that the Bill’s provisions are not only directly harmful to our members who come from overseas to study in the UK, but also detrimental to the economic and scientific vitality of higher education across the United Kingdom – a central component of a healthy and growing economy.
7. We believe that the cumulative effect of reforms to immigration legislation over the past decade is to undermine international confidence in the UK as a premier destination for higher education and as a welcoming place for the world’s brightest minds to study, work and perform research. We believe a tipping point is approaching; soon, the UK’s weakening reputation as a premier global hub of high-quality institutions will be outweighed by our growing reputation as a hostile and expensive place to study.
8. The higher education sector is one of the United Kingdom’s most successful and respected export industries, with over 300,000 students from outside the EU studying in the UK in 2011/12⁴. The UK has had a strong position internationally for many decades, but its continued success as a premier destination for the world’s most talented students is not assured. Other nations are aggressively promoting their HE sectors; Australia⁵, Canada⁶, France and Germany⁷ are targeting international students, while Asian countries are increasing efforts to retain students domestically⁸. Around the world, new and established universities are offering highly-regarded courses and research programmes, taught in English and directly competing with our institutions.
9. In a period of challenging demographic and market changes for UK HE, any measures that discourage students from choosing the UK should be rejected, and measures to develop the economic, social and cultural dividends our country receives from international students should be adopted in their place.
10. We are grateful to the members of the House of Lords Select Committee on Science and Technology for the opportunity to give evidence to their inquiry on this matter. In the following pages, we address a number of the specific questions posed by the Committee in their Call for Evidence.
11. We will focus particularly on the effect this Bill may have on Imperial College London and other internationally-regarded, research-intensive institutions.

Effect of Immigration Bill proposals

12. Numerous research initiatives by various bodies have identified the negative impact of existing and proposed immigration legislation on the decision-making process of international students e.g. the National Union of Students (NUS) and UK Council for International Student Affairs (UKCISA). Visa simplicity and the possibility of post-study work are consistently identified as important to students when choosing where to study, as well as the UK's reputation as a welcoming place for international migrants.
13. Research undertaken by Imperial College Union locally, and the National Union of Students on a national scale, has demonstrated that many international students no longer feel welcome in the UK and would not recommend it as a place to study. Over 50% of students - including 65.8% of doctoral research students - believe that the UK Government is not welcoming towards international students⁹.
14. We believe that two of the measures proposed by the Immigration Bill will particularly discourage overseas students from choosing to study in the UK: the charging of an NHS fee on arrival in the UK, and new regulations for private landlords and agents.
15. **Healthcare charges**
In Part 3, Chapter 2 of the Bill, National Health Service, it states that there will be an annual charge on immigrants who remain in the UK to use the NHS. A figure of £150 has been suggested by ministers, after being revised down from £200. Although this may seem insignificant, for a PhD student with a family this could total thousands of pounds in extra fees over the course of their research. On a survey conducted on international students at Imperial, 61% said that the introduction of a £200 annual fee would be a financial struggle for them to pay¹⁰. A survey run by the NUS on over 3000 students echoed these concerns, with 74% of non-EEA students saying the £150 charge would make it more difficult or impossible to study in the UK.
16. Arguments for this charge centre around the fact many international students do not pay the same taxes as home students, but international students do pay taxes such as VAT and contribute to the UK's economy with an estimated £7.9 billion a year¹¹. STEM students are also examples of the 'healthy migrant effect': as predominantly young, healthy and relatively wealthy individuals, they contribute to the state through general taxation and yet place little burden on the NHS.
17. Universities already carry out stringent checks on student visas to prevent popular accusations of 'health tourism' which are often aimed at different segments of the immigrant population. The cost of such visitors has not been clearly ascertained by the government, but has been estimated in the regions of millions¹². Applying this measure to students risks an income stream to the UK's economy measured in

billions in order to reduce a cost measured in the millions.

18. From International Student Barometer data, 16% of Imperial students already feel their course isn't worth the investment of money¹³. Adding further costs to study at Imperial through an NHS levy will only increase this dissatisfaction.

19. Regulations on landlords

Part 3, Chapter 1 of the Bill, Residential Tenancies, introduces new regulations for private landlords and letting agencies. The Bill introduces a penalty of up to £3000 for letting to individuals without the necessary immigration status or leave to remain, which does not penalise landlords for failing to check tenants' statuses but for renting to those in the country illegally. As a result, representative bodies for landlords and agents predict that many will resort to rejecting any prospective tenant they suspect to be foreign, whether accurate or not. As visa checks are usually carried out by trained professionals, the same representative bodies have also raised concerns about placing the responsibility of carrying out these checks onto untrained landlords¹⁴.

20. Further complicating this matter is the nature of student visas. Private accommodation needs to be secured months in advance of arriving at university but often students do not have access to their visas at this time. Equally, students wishing to extend their visas for further study e.g. an undergraduate moving into a postgraduate taught (PGT) course,

will only have a visa valid to the end of their undergraduate term of study when looking for accommodation. In the face of these concerns, it seems that international students and UK citizens of international origin will have their access to accommodation reduced and may be forced into property run by unscrupulous landlords who ignore the legislation. This already happens with deposit and housing quality legislation¹⁵.

21. As it stands, 30% of those surveyed at Imperial said that their status as international student has already negatively impacted their search for private accommodation and 75% of students felt dissatisfied with the proposed change¹⁰. The NUS survey found that 40% of surveyed students felt the landlord checks would negatively impact their decision to study in the UK.

22. Appeals

The UK Council for International Student Affairs (UKCISA) has raised concerns about the proposal to replace appeals for visa applications with administrative reviews. They state that many non-EEA students appeal against decisions from the Home Office to refuse visa extensions when completing degrees or moving to higher course levels – nearly 50% of appeals in these cases are upheld because the original decisions were unsound e.g. technical errors from Home Office staff¹⁶. UKCISA suggests that replacing appeals with administrative reviews will jeopardise the future of international students – these sentiments are echoed by Imperial's own International Office.

23. **Cumulative effect**

When asked to take into account the proposed NHS fee and landlord checks, 61% of international students said it would have discouraged them from applying to Imperial¹⁰. This is further supported by NUS data which found over 50% of non-EU students felt the UK government was not welcoming to international students.

International student trends

24. **Sector-wide**

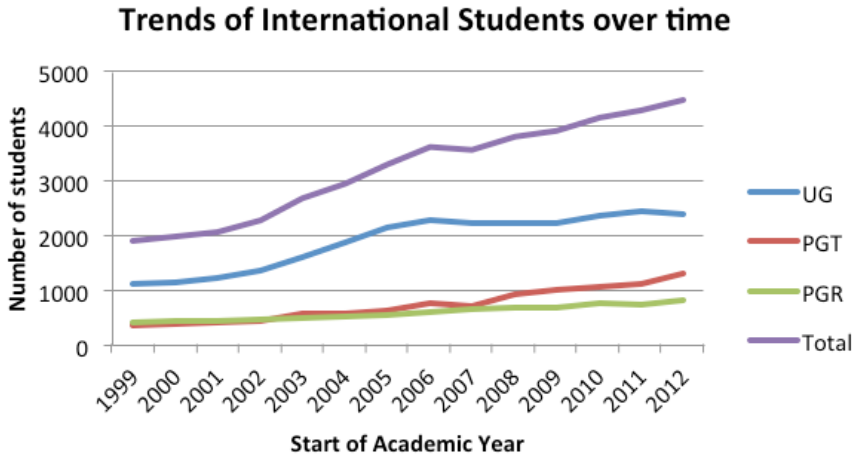
As numerous commentators and industry bodies have stated, 2013/14 saw the number of international students coming to the UK to study at HE institutions decline for the first ever time, by 1%. Taking out Chinese and Hong Kong students, there was a decline of 4.5%¹⁷. This decline must be acknowledged as a separate phenomenon from any decline in international further education students, some of which is due to the closure of colleges considered to be exploiting international students and the visa system.

25. In 2011/12 it was noted that there was a much larger drop in STEM students than non-STEM students, which is of particular relevance to Imperial as a STEM university. One major reason for this decline was a 38% drop in Indian applications¹⁷, a study on Indian nationals considering studying abroad found that 91% of respondents were put off the UK due to restrictions on post-study work¹⁸ – the result of other recent changes to Immigration policy.

26. Considering further that international students are more likely than the general student body to be studying STEM subjects¹⁷, and doing so at postgraduate level, the effects of a continued decline in international student numbers will be felt most strongly by the academic subjects and research communities considered fundamental to economic growth and development in the UK. The Russell Group and others regularly warn of the long-term economic effects of declining study of science subjects by UK students; this shortfall of scientifically-able UK graduates will not be alleviated by retaining international students if they are discouraged from studying here, and if those who do study here are unable to stay and work.

27. It is also worth noting that while the UK is placing barriers to international students, there has been an increase in English-speaking courses in Scandinavia and the Netherlands which have much cheaper fees compared with studying in the UK. Countries such as Canada and Australia are proactively recruiting international students whilst others encourage students to study domestically. In an international context, the UK will lose out if it fails to remain competitive; students already perceive the UK to be the most expensive country to study in with the fewest prospects for post-study work¹⁹; the new proposals may be the final straw for international students.

28. International student trends at Imperial College



29. The graph above²⁰ shows the trends in international student numbers at Imperial over time. Although the chart shows an overall increase in international students, the trend over later years is concerning as it shows the undergraduate (UG) numbers are levelling off or beginning to decline after the 2011/12 academic year, which coincides with the last reformations to immigration policy. As a high proportion of international students continue on to further study with around 80% of those staying in the UK to do so, it is possible that the decrease in undergraduate numbers will translate into drops of postgraduate taught (PGT) and postgraduate research (PGR) numbers in the near future²¹.

Effect on economic viability of courses and research

30. A simple analysis of student figures by origin and fee level demonstrates that

international students are crucial to the financial viability of many of Imperial's individual courses - both undergraduate and taught postgraduate - and of entire academic subjects at an institution.

31. This vulnerability is especially strong in the UK's most highly-regarded institutions, as they are least exposed in terms of income to changes in Home/EU fees, and conversely most exposed to volatility in international fees.

32. Undergraduate courses

Of Imperial's 15 course clusters, which broadly map to departments, six²² derive over two thirds of their fee income from international students; a further four²³ rely in international students for over half of their fees.

33. Even the course least exposed to international fees, Medicine, relies on international students for 22.4% of its

income. With Home fees set at £9,000 and International rates averaging £25,500, for every lost international student, two and a half home students are required.

34. The Russell Group has regularly pointed out that the combined teaching income for STEM subjects does not cover the average annual cost of teaching such resource-intensive subjects, meaning Home/EU students are taught these subjects at a loss. The continued supply of international students is essential to the basic economic viability of undergraduate STEM teaching in even the UK's most prestigious and over-applied universities.
35. Currently, Imperial can rely on its popularity as a means of filling available spaces, as all courses receive up to a dozen applicants per place; however, even with generous assumptions regarding economies of scale, an increased number of Home/EU students simply cannot make up for any shortfall in international students.
36. For every ten international students lost, 25 Home/EU students are needed to recover the financial deficit - meaning increased pressure on all of the institution's resources, such as lecture spaces, library resources, housing, and teaching staff levels. The economic reliance on international students is built into the physical and economic structure of our universities; College's lecture halls and tutorial rooms are not big enough to house enough Home/EU students to make the courses taught in them economically viable.
- 37. Postgraduate taught courses**
Of the twenty largest Master's courses available at Imperial, ten²⁴ derive over two thirds of their income from international students. Similarly to undergraduate courses, the presence of international students is a precondition for the sustainability of these courses.
38. Looking at figures for smaller Master's courses, more than one in four have an international majority in their enrolment. We estimate that up to one-third of Master's courses at Imperial are fully reliant on international students to remain economically viable.
- 39. Postgraduate research**
High-quality research of the kind the Government wishes to encourage, and which is protected and emphasised in DBIS and HEFCE guidance, relies on being open and accessible to international movements of scientists.
40. In evidence to the House of Commons Home Affairs Committee regarding student visas in 2011, Professor David Wark (then at Imperial) summed up the potential effect of proposed and current immigration legislation on cutting edge research in the UK; we reproduce his words here:
41. *"...The more important point is that science is a completely international activity. I work in projects that span the globe and we more or less ignore national boundaries. The people who do this science flow back and forth... For the UK to continue to compete successfully in that, then our groups that*

are world leading have to be able to bring in the people from other countries who want to work in those groups... There is this constant flow of researchers back and forth. If we cut ourselves off from that we might stop people coming in; we will not stop the ones going out. The consequence of that is UK science will be weakened"

42. All three modes of study available in UK higher education rely on international students, for their financial health as well as their scientific vitality.

Conclusion

43. The Government's own International Student Strategy calls for a 'warm welcome' to the UK for international students. Yet the legislative reality is the exact opposite.
44. International students already face high tuition fees, visa charges, and onerous requirements to pay 6-12 months' rent upfront, yet they are critical to the business model of our educational institutions. Restrictions on working while studying, the withdrawal of suitable post-study work routes, and the inclusion of students in wider public discourse about economic migration are making the UK an unattractive financial & social proposition for prospective applicants. The opportunity cost and risk this poses to our economy is significant, and unnecessary.
45. Building further barriers to international student attendance in the UK whilst the same barriers are being broken down abroad will only drive these students

elsewhere. Given the vast benefits these students bring to Imperial as a STEM institution and the UK as a whole, it does not make sense to penalise them further with the proposed changes in the Immigration Bill.

46. Grouping students together with entirely different categories of migrants is economically and socially harmful. Drafting and proposing legislation that negatively affects students while being aimed at other, smaller groups of migrants is short-sighted and will do nothing to promote the economic growth and international links that the UK needs in order for its people and its economy to prosper.

Recommendations

47. We recommend the following actions be taken:
 - Holders of Tier IV Visas be:
 - Excluded from Home Office net migration figures
 - Excluded from the Bill's measures aimed at landlords
 - Excluded from the Bill's measures aimed at healthcare costs
 - Post-study routes to work be reinstated and expanded.
 - The Government's promise to end continual reform and disruption to student visa legislation to be honoured.
 - The importance of international students to science & research in the UK to be acknowledged and future policy proposals designed to protect and enhance the UK's attractiveness to applicants from around the world.

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- 23.** Aeronautics, Mechanical Engineering, Chemistry, Biochemistry
- 24.** MScs in: Communications & Signal Processing; Advanced Chemical Engineering; Risk Management & Financial Engineering; Transport; Finance; Strategic Marketi

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All-Party Parliamentary group on Migration
Inquiry into the closure of the Post Study Work (PSW) route
Evidence from Imperial College London

1. Introduction

Imperial College welcomes the decision of the All-Party Parliamentary Group on Migration to conduct an inquiry into the effect of the 2012 closure of the Post Study Work visa category on universities, students and local economies. This is an important issue for Imperial College, as we welcome a large number of high quality students from one hundred and twenty six (126) countries. The ability to attract these students results in substantial advantages for the UK, not only economically but in creating lifelong relationships with individuals who go on to hold senior positions across the world.

In February 2014 we submitted evidence to the House of Lords Select Committee on Science and Technology's inquiry into the effect of immigration policy on the recruitment of STEM students.¹ One of our recommendations at that time was that the Government should introduce a longer post-study work period and we continue to think that this should be the case. We know that many of our graduates would love to have a short period of work experience in the UK after completing their studies. However, current arrangements make this difficult. We also read with interest the recent UUK / British Future report "International Students and the UK immigration debate" which, based on public opinion, made a recommendation that the government should enhance opportunities for qualified international graduates to stay in the UK to work and contribute the skills they have gained during their studies to the UK economy:

*"There is wide public support for international students staying on to work in Britain after they have graduated. Participants in research groups welcomed the idea that graduates could fill "skills gaps", such as those in science and engineering, thus continue to make a positive contribution to Britain. Respondents did not want skilled, hardworking graduates taking their newly-acquired skills and leaving Britain to work for competitors in China or the US"*²

2. Impacts on international student numbers or demographic profile

The committee specifically asks:

Have there been any impacts on international student numbers or demographic profile as a result of the closure of the PSW route?

¹ Report at <http://www.publications.parliament.uk/pa/ld201314/ldselect/ldsctech/162/162.pdf>

² <http://www.universitiesuk.ac.uk/highereducation/Pages/InternationalStudentsUKimmigrationDebate.aspx>, page 20

Many UK universities have reported a recent downturn in the number of students coming from India and Pakistan and it is generally accepted across the sector that this drop in intake was directly connected to the removal of the post-study work visa. This has not been the experience of Imperial College London, where international recruitment has grown steadily, with no noticeable downturn in any of the countries from which we recruit significant numbers of students. Our numbers of students from India and Pakistan have not traditionally been large, but our recruitment from these countries, or any others, does not appear to have been adversely affected by the changes to the Post Study Work route.

This does not mean, however, that we are not concerned about the signal given by the removal of this route: we are all too aware of the fact that at the same time that the UK immigration system is becoming less welcoming, competitor countries in Europe and further afield, eg Australia and Canada, are making efforts to attract more international students.³

3. Impacts on businesses or universities

Have there been any impacts on businesses or universities of closing the PSW route?

The main impact on businesses is that they are missing opportunities to hire talented graduates from overseas. The Home Office's Immigration Statistics demonstrate the serious impact of the loss of Post Study Work: in 2012, 38,505 students were granted permission to stay in the UK for employment. After PSW was removed, in 2013, this figure fell to a mere 6,238.⁴ The short-term schemes which were introduced after the removal of Post Study Work: Tier 1 Graduate Entrepreneur in April 2012, and the Tier 4 Doctorate Extension (for graduates with PhDs only) in April 2013, are not an option for all graduates, confusing to applicants and employers, and have seen very low uptakes: eg in 2013, when 1900 Tier 1 Graduate Entrepreneur visas were available, only 171 were granted.

Not enough work has been done to clarify the rules for employers, many of whom still have an expectation that an international graduate can get a work visa independently. This has meant that universities have to devote resource to helping students understand the post-2012 Tier 2 concessions (no Resident Labour Market Test, if switching from Tier 4 into Tier 2 in the UK, nor does the cap apply), so that they are empowered to pass this information on to prospective employers. Imperial College Careers Service and International Student Support team run a monthly workshop to explain the limited options available to graduates wishing to remain in the UK for employment, and have also produced an information sheet for employers to help de-bunk common misconceptions that international students still encounter in the job market.

University recruitment staff have also been at the front line of enquiries from prospective students (and their parents) about their chances of securing a visa for employment after study in the UK. The landscape they describe is by necessity far more complex and limited

³ See Table 3, Comparison of post study work periods in the UK and seven competitor countries in <http://www.publications.parliament.uk/pa/ld201314/ldselect/ldsctech/162/162.pdf>, page 34-5

⁴ <https://www.gov.uk/government/collections/immigration-statistics-quarterly-release>

than in PSW days and must seem less certain and less appealing than the options presented by other countries.

4. Economic or social impacts

Have there been any economic or social impacts at local/regional level or nationally?

In a city as diverse and international as London, it would be difficult to identify any economic or social impacts that we could pinpoint as resulting directly from the closure of Post Study Work. However we regard the negative impact as being across the UK economy.

5. International views

How has the closure of the PSW route been viewed internationally? Has it had any implications for foreign trade and commerce or wider diplomatic relations?

There is a widely-reported perception overseas that the UK immigration system is not welcoming to international students, despite the best efforts of senior government officials to state on overseas visits to key markets that there is no cap on the number of international students who can come to the UK. We noted at the beginning of our evidence that many of our graduates go on to hold senior positions around the world. If these people leave the UK feeling that their UK experience has failed to fulfil all of their educational and employment aspirations, they may not hold entirely positive feelings toward us. Increasingly, international students mention in surveys that they feel like they are being treated as “cash cows” – this is not a good lasting impression. We conclude with the words of Jo Johnson MP from the Financial Times:⁵

“The government faces real choices over policy on international students. The difference they make to long-term net migration is relatively small. The difference these choices make to the education sector, to Britain’s soft power around the world and to the UK economy is very significant.”

⁵ “Foreign students are key to UK prosperity”, *The Financial Times*, 14 May 2012