

International Students

Retaining the UK's global position needs urgent action

What needs to be done

- The UK needs to show that it is open for business and welcomes students. A proactive growth target for student numbers would give this message and provide real impetus to deliver the government's £30 billion revenue target. Australia has a target of 720,000 students by 2025.
- The Department for Education should chair a cross-government programme board to ensure relentless and coherent momentum is maintained, and to measure progress.
- The Department for Education should roll out an improved Tier 4 pilot targeted at countries chosen for market reasons not for risk-averse reasons.
- The Home Office needs to support the Department for Education on economic and skills objectives, with visa procedures for students simplified and the numbers of burdens on HE Tier 4 sponsors reduced.
- The Department for Trade should revitalise this element of the "Britain is GREAT" campaign and include HE in trade deals.

Overview

- The Government's aim is to increase revenue from education exports to £30 billion by 2020. On current plans this target will not be met. Instead, UK is at a tipping point - at serious risk of losing its global position to competitor countries such as Australia who have ambitious growth plans.
- The UK has traditionally been the second most popular destination globally for internationally mobile students. In 2015 there were 431,000 students in the UK.
- They bring significant benefits to the exchequer and to local economies. In total the value of international students to the UK was £19.3 billion in 2015.
- These students also provide proven benefits to the HE sector: they cross-subsidise UK student's fees and fund post-graduate research into cutting-edge science. Without their financial and intellectual contribution some research facilities would close.



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Key Facts

- UK Higher Education is the fifth largest service industry in the UK and the second biggest contributor to net balance of payments.
- For many decades the UK has ranked in clear second place next to the USA for popularity of its HE provision. In 2016/17 just under a fifth of total student enrolments were non-UK students, of whom nearly 25% were Chinese.
- Benchmarking against other nations shows a consistent decline in the UK's market share in recent years. Australia had 14% growth in student numbers against only 2.6% for the UK, over the 5 years to 2015.
- If enrolment from the EU drops after Brexit this will increase the fragility of the UK's market position.
- Non-UK students make a vital contribution to UK research both financially and intellectually. Over 40% of post-graduate research is being undertaken by non-UK students (2016-17). The proportion in physical science STEM subjects, so important to the UK's research base and wider economy, was over 50% international students.
- The public cost of hosting international students (health, social security, etc) is only around 10% of the total revenue contribution they make.
- The UK is over-reliant on a small number of source countries and targeting is not linked to trade priorities. For example, the UK is losing out in relation to students from India, a priority for trade. Relaxation of student visa requirements in 2018 did not focus on countries with increasing student demographics. Of the 26 countries for which visa requirements have been relaxed only one (Indonesia) is in the top ten growing 18-22 populations, and India was not included despite its continuing demographic boom in the student age group.
- Over 75% of adults in the UK do not regard students as migrants, and once the economic value of international students is explained 87% would like to see greater numbers.