



## International Students - Why they should remain in the net migration

### Summary

1. Genuine university students are welcome and should be encouraged. However, excluding students from net migration would achieve nothing except to destroy public confidence in the government's immigration policy. No other leading country does so.

### Introduction

2. Universities UK have called on the government to remove international university students from net migration statistics for "policy purposes". This paper argues for their retention.

### The case against exclusion

3. The international (UN) definition of a migrant is a "person who moves to a country other than that of his or her usual residence for a period of at least a year"<sup>1</sup>. If the UK alone were to use a different definition our statistics would be inconsistent with other international statistics. The USA, Australia and Canada, regardless of how they classify students for domestic purposes, all include international students in their net migration calculations. The Table at Annex A compares the visa regime in the UK with the regimes in these three countries.

4. More importantly, the most recent estimates of international migration show that study remains the most common reason for migrating to the UK – about a quarter of a million people (excluding dependants) came to Britain to study in the year to September 2011<sup>2</sup>. Given that students form such a large component of immigration, their exclusion would destroy the credibility of the government's immigration pledge – a commitment made in response to widespread and strong opposition to the mass immigration experienced over the last ten years.

5. Furthermore, students are counted out (although not currently separately identified) as they leave as well as when they arrive, so there is no reason to exclude them from the statistics. Clearly, if they were to leave at the same rate as that at which they arrived, there would be no addition to net migration. In practice, Home Office research suggests that some 20% of students are still legally present after five years and many of those will stay on indefinitely by reason of marriage or employment. This does not, however, mean that the rest have left the UK. Unlike the US and Australia the UK still has no exit checks.

6. It is highly relevant that there are important differences between the immigration and border controls systems operated by the UK and by our two key competitor countries – the United States and Australia. They both interview

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1 United Nations, URL: <http://unstats.un.org/unsd/demographic/sconcerns/migration/migrmethods.htm>

2 ONS Long Term International Migration Estimates <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcmm%3A77-262229>

student applicants while Britain has not systematically interviewed students since it introduced the Points Based System (PBS) in 2008. A student applicant to the UK merely has to have a Confirmation of Acceptance to Study issued by the educational establishment to which the student has applied, to demonstrate sufficient funds and to provide written evidence of sufficient English language attainment. If these criteria are met, the applicant is granted a visa. Student applicants to the UK are not assessed to ensure that they are both genuine and intend to return home – a test applied vigorously by competitor countries. This has clearly not prevented them from attracting a large number of students. Indeed, an unpublished report from the British Council found that, in respect of Australia, there was no correlation between tougher immigration controls and numbers of applications – demonstrating that genuine students are not deterred by interviews, increased paperwork and tougher requirements.<sup>3</sup>

7. It is also the case that both the United States and Australia operate a system of embarkation controls on entry and exit. Thus the authorities know whether a student has left the country or not – a significant deterrent to overstaying. In Britain there are no embarkation controls and e-borders is not yet fully operational. Students may therefore believe that they can overstay with impunity.

8. These factors may explain why there is clear evidence that there has been significant abuse of the PBS by bogus students with a consequent addition to net migration. Following its introduction – a system that removed all discretion from Entry Clearance Officers (ECO's) – student applicants to the UK increased by 30% in the first year, including significant growth in numbers from the Indian sub-continent. This was borne out by the report from the National Audit Office which found that, in the first year of the PBS, up to 50,000 students may have entered the UK to work rather than to study<sup>4</sup>.

9. As part of its efforts to reduce net migration the government has targeted bogus students and colleges. More than 450 colleges have had their licences to enrol international students withdrawn since the Home Office introduced a stricter regime of compliance and accreditation. This is expected to contribute to a fall in student immigration without affecting genuine university students.

## **The way forward**

10. There is a requirement to continue to tackle the extensive abuse in the student system without impacting on genuine university students. Improved surveillance of colleges is a useful start. Alongside this should be a significant increase in appropriate enforcement action to reduce the likelihood of overstaying. However, once bogus students have arrived in Britain, the cost of removing them is very high (roughly £26,000 each). What is needed is a return to the system of interviews, focussed on countries of immigration concern. The purpose of these interviews would be to introduce an element of judgement as to whether the applicant is a genuine student and whether he or she is likely to return home at the end of the course. The present box ticking system has demonstrably failed.

11. It is also important to have a much clearer idea of the true impact of international students on net migration. At present there is no direct measure as e-borders is far from complete. Nor is there any survey evidence from the International Passenger Survey (IPS). Departing migrants have been asked the purpose of their journey so those who came as students and were going home to seek work were classed as workers; as a result it has not been possible to distinguish departing students from departing workers. According to the IPS, 1.5 million students have, over the past ten years, been recorded as arriving for more than one year but the government have not the slightest ideas how many have actually left. It is hoped that an improved questionnaire asking departing migrants their original purpose for entering the UK will produce some initial results from 2012.

12. Genuine students are, of course, to be welcomed – they come to study, spend money and add to the richness of campus life. If they return home, they do not add to net migration. Bogus students however add to net migration and call into question the whole system of border control. It is in everyone's interest that bogus students should be

3 Michael Knight, *Strategic Review of the Student Visa Program 2011*, June 2011, URL: [http://www.immi.gov.au/students/\\_pdf/2011-knight-review.pdf](http://www.immi.gov.au/students/_pdf/2011-knight-review.pdf)

4 <http://www.nao.org.uk/idoc.ashx?docId=6292113b-0dce-449c-b55e-c8ffb607d642&version=-1>

prevented from arriving and that there should be no question of manipulating the statistics in respect of those who are genuine.

13. Universities UK wish to see foreign students taken out of the migration statistics unless and until they stay on legally either to work or marry. They also want to see a significant expansion in numbers. The implications of these proposals need closer examination.

14. Foreign students fall into four main categories:

- a) Bogus students  
Those that intend from the outset to remain in the UK. Much firmer measures are needed to combat this abuse, notably the re-introduction of interviews, in line with our main competitors (para 10 above).
- b) Genuine students who return home  
No problems if they do return at their end of their courses
- c) Genuine students who stay on legally  
A number will stay on to work or marry. This is a natural, indeed welcome, aspect of overseas students but the numbers are significant. Universities UK have accepted the Home Office estimate that they amount to about 20%. With annual arrivals of foreign students running at about 250,000, that flow would add about 50,000 a year to net migration. There is therefore a significant relationship between the scale of overseas students and net migration.
- d) Students who arrive legally but stay illegally  
Such students usually stay on to work so as to pay off their debts and later to send money home. They add to the illegal population, take jobs from young British workers and add to the cost of public services. Those from poorer countries are much more likely to overstay. Last year 125,000 from such countries were granted visas; if, in addition to the 20% who are likely to stay on legally, a further 20% were to stay illegally this would add 25,000 to the figure in sub paragraph c) above.

15. The universities UK proposal that only those who stay legally should be counted fails to address those who fall into categories (a) and (d). Indeed, as there are still no checks on departure, there is no way of knowing how many students have, in fact, stayed. To suggest that they be removed "for policy purposes" makes no sense when some 75,000 stay on every year, legally or otherwise, and the central purpose of the policy is to get the overall numbers down to an acceptable level. As for the implication that university level students be treated separately for statistical purposes, that is clearly impracticable. Some students come for foundation courses before going on to universities. Others go to nearly 500 institutions who offer degrees, often in association with the universities themselves.

### **Foreign exchange earnings**

16. Universities UK state that foreign students contributed nearly £8 billion to the foreign exchange earnings of the UK in 2009. This was about 2% of the UK's total foreign exchange earnings (£400 billion) in the same year. However, nobody is remotely suggesting that all foreign students be banned. A more relevant figure is that a 10% change in the number of foreign students might change the UK's foreign exchange earnings by about 0.2%. This takes no account of the fact that any such earnings will be offset by money that former students are likely to send home over many years.

### **Conclusion**

17. This paper suggests that, were students to be removed from the net migration calculation, the statistics would be distorting reality. If the public are to have faith in the immigration statistics, excluding a high proportion of those who enter (and stay in) the UK would undermine the credibility of the entire system – especially as no other major country does so. There is more than enough mistrust in this field without adding to it further.

**Annex A**

**Comparison of visa regimes for international students**

	UK	USA	Australia	Canada
Interviews for student visa applicants	No	Yes	Yes	Yes
Test of intention to return after study	No	Yes	Yes	Yes
Checks on departure	No	Yes	Yes	No
Out of country appeals by students	Yes	No	No	No
Inclusion of students in net migration statistics	Yes	Yes	Yes	Yes