



## Students and Net Migration - Why They Should Be Counted

### Summary

1. Students should not be removed from either the net migration statistics or the target of reducing net migration to the tens of thousands. Competitor countries include students in their net migration statistics and also publish students in separate administrative visa statistics, much like the Home Office. About 20% of students stay on legally. There is, at present, no way to be sure how many of the other 80% leave the United Kingdom at the end of their stay. If bogus students were largely eliminated and if measures were taken to ensure that genuine students left when they should, the impact on net migration would be much reduced.

### Students in the UK

2. The UK has long attracted students from around the world. International students are certainly valuable to both the local and the UK economies. Migration Watch UK estimate that international students are worth £4.3 billion to the UK economy, through course fees and other spending.<sup>1</sup> Universities UK have put the figure at £8 billion.<sup>2</sup>

3. Some international students stay on in the UK by switching into a work category, or marrying and switching into the family category. These former students must find a graduate level job and be paid the going rate for the relevant sector so they are of economic benefit to the UK provided that they do not displace recent British graduates of whom some 20% are unemployed. In doing so they, of course, add to net migration and thus population growth.

4. Some international students will also remain in the UK illegally after their studies, thus undermining the rule of law, competing with locals and legitimate migrants for work, and placing additional pressures on local communities through access to health and housing.

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1 Migration Watch UK Briefing Paper Number 2.20, 'The Economic Value of International Students', August 2012, URL: <http://www.migrationwatchuk.org/briefingPaper/document/276>

2 Universities UK, 'Parliamentary Briefing', 31<sup>st</sup> May 2013, URL: <http://www.universitiesuk.ac.uk/highereducation/Documents/2013/Backbench%20Debate%20Student%20Visas%206-13.pdf>

## **The call to remove students from the net migration statistics**

5. In January 2012, following heavy lobbying by Universities UK, the chairmen of five Parliamentary committees called on the Prime Minister to remove students from the net migration target on the grounds that “doing so has the potential to support economic growth in the immediate and longer term, supporting jobs in university towns and increasing export earnings.”<sup>3</sup> This can only be the case if removing them from the statistics would somehow increase the number of legitimate foreign students. As the government have placed no limit on them, it is hard to see the relevance of this demand (but see below).

## **Why students should remain in the net migration target**

6. If students were to be removed from the net migration target there would be no logical reason for workers not to be removed also. They are both theoretically semi-permanent in that their visas are valid for a specific period of time and they both have a route to settlement, through the family or work routes. Students account for 60% of the non-EU inflow, as measured by the International Passenger Survey (IPS). Were students to be removed from net migration the statistics would become worthless. In any case, students use resources like any other type of migrant. They have full access to the NHS, require housing and use infrastructure. There is no logical reason why they should be removed while other categories remain included.

7. Students are counted out as well as in, so they do not contribute to net migration provided they leave as they should. There is therefore no need to remove students from the target. The only effect would be that both the immigration statistics and the net migration target would lose all credibility with the public.

8. There is at present no way to be sure that students go home at the end of their studies. The Home Office conducted a cohort analysis which found that 18% of students who entered in 2004 remained ‘in the immigration system’ five years later. However, this varied dramatically by country of origin. Around half of nationals from the Indian sub-continent were still here legally after five years. This means that they may still be studying or may have switched into another immigration category. The claim by Universities UK that “18% of individuals who entered as students in 2006 remained in the UK five years later” is misleading.<sup>4</sup> Overall, 18% continued to have the right to remain in the UK. This however is not evidence that the other 82% had left the country. Until the UK introduces exit checks the government is unable to say who remains in the UK illegally and who has left. However, from August 2013 the IPS will be able to distinguish departing students from workers, albeit only on a survey basis. This will provide an estimate of students who have stayed until such time as full exit controls are in place.

9. Much has been made of the UK’s competitor countries excluding students from their net migration calculations. This is misleading. All of the UK’s competitor countries include students in their net migration calculations. They also count students for administrative purposes where they are classified as non-immigrants. This is much the same as the Home Office publishing visa statistics which show students separately.

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3 BBC News, ‘PM urged to remove overseas students from migration target’, 31 January 2013, URL: <http://www.bbc.co.uk/news/uk-politics-21263976> The letter was signed by Rt Hon. Keith Vaz, Chairman of the Home Affairs Committee, Rt Hon Margaret Hodge, Chairman of the Public Accounts Committee, Mr Adrian Bailey, Chairman of the Business, Innovation and Skills Committee, The Lord Hannay of Chiswick, Chairman of the Lords EU Sub Committee F, and The Lord Krebs, Chairman of Lords Science and Technology Committee.

4 Universities UK, ‘Parliamentary Briefing’, 31<sup>st</sup> May 2013, URL: <http://www.universitiesuk.ac.uk/highereducation/Documents/2013/Backbench%20Debate%20Student%20Visas%2006-6-13.pdf>

- a) For example, Australia's definition of Net Overseas Migration (the equivalent term) includes anyone who stays in Australia for 12 months in a 16 month period. The definition states: "It also means that people who are not permanent residents of Australia can be counted as NOM arrivals, even if they leave Australia briefly (however many times they wish) so long as their time in Australia adds up to at least 12 months within a 16 month window. It therefore includes permanent and temporary migrants, as well as New Zealand citizens and Australians."<sup>5</sup> As the above definition makes obvious, students are counted in net overseas migration to Australia.
- b) In 2012, net migration to the United States was 1.85 million. The United States Census Bureau estimates net migration in a similar way to the UK, including the movement of all native and foreign born populations, regardless of their reason for migration or length of stay as long as it is over 12 months.<sup>6</sup> The US Department for Homeland Security, like the Home Office, publishes the number of students granted visas and entering the United States under the category 'non-immigrant'.

### So why the fuss?

10. At first sight it seems that the University Lobby have simply got their facts wrong and that this is much ado about nothing. However, it is more likely that their campaign is a pre-emptive effort to remove foreign students from the immigration debate despite the likelihood that they are, in fact, a significant source of net migration.

11. The universities are aware that, from August 2013, there will be survey evidence of the extent to which students are staying on in Britain, legally or otherwise. This is likely to show that many do indeed stay on. Later, when e-borders is fully up and running, we will also know which students have stayed on illegally (although it will not be easy to find them and it will be extremely expensive to remove them).

12. A further factor is the universities' ambition to see student numbers grow in the future. Universities UK has called on the government to "commit to supporting growth in higher education exports".<sup>7</sup> In 2004 the British Council projected that demand for international student places in the UK would grow by 4.7% annually between 2003 and 2020.<sup>8</sup> Using a rounded growth rate of 5%, based on current inflow of around 200,000 per year this means that in 10 years student numbers would rise by 63% to over 325,000 per year and to over 500,000 in twenty years. Clearly, once the public realise the scale of student overstaying, there will be no support for a continuing increase in their numbers, probably the reverse.

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5 Australian Government, Department of Immigration and Citizenship, 'The Outlook for Net Overseas Migration', December 2012, p. 4, URL: <http://www.immi.gov.au/media/publications/statistics/immigration-update/nom-dec12.pdf>

6 See the US Census Tables which state: Net international migration for the United States, regions, and states includes the international migration of both native and foreign-born populations. Specifically, it includes: (a) the net international migration of the foreign born, (b) the net migration between the United States and Puerto Rico, (c) the net migration of natives to and from the United States, and (d) the net movement of the Armed Forces population between the United States and overseas. Net international migration for Puerto Rico includes only the international migration of native and foreign-born populations between the United States and Puerto Rico. URL: <http://www.census.gov/popest/data/state/totals/2012/tables/NST-EST2012-04.xls>

7 Universities UK, 'Parliamentary Briefing', 31<sup>st</sup> May 2013, URL: <http://www.universitiesuk.ac.uk/highereducation/Documents/2013/Backbench%20Debate%20Student%20Visas%206-6-13.pdf>

8 British Council, 'Vision 2020 – Forecasting international student mobility, a UK perspective, 2004. URL: [http://www.britishcouncil.org/eumd\\_-\\_vision\\_2020.pdf](http://www.britishcouncil.org/eumd_-_vision_2020.pdf)

## **The impact on net migration**

13. Students only add to net migration to the extent that they stay on legally or otherwise. A sharp reduction in bogus students would achieve a similar reduction in net migration as they would otherwise be expected to overstay. Measures to discourage genuine students from overstaying would have a similar effect. Thereafter, the trade off is about 20% - that is for every additional 100,000 students some 20,000 are likely to stay on legally and add to net migration.

14. A reduction in net migration requires that the government focus on emigration as well as immigration. The government have largely reformed routes into the country and thus any further reduction in student inflows will be the result of tightening of the system to prevent bogus students from entering and bogus colleges from operating. The government must also look at emigration, that is students leaving at the end of their legal stay. We generally view emigration as a choice, for example by British citizens, but within the category of emigration are also those visa holders who no longer have the right to remain and who must emigrate as a condition of their visa.

## **The way forward**

15. The argument for a large inflow of foreign students turns on their contribution to the balance of payments and their long term value as friends of Britain. To have these benefits without high net migration and the ensuring rapid population growth student immigration needs to be largely temporary in nature. There must now be a major effort to sharply reduce bogus students and those who are genuine but overstay. When e-borders is operating fully we will know from which countries they are coming and the institutions they are applying for. Those who fall into either category must be very carefully checked.

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