UNITED KINGDOM: INTERNATIONAL STUDENTS AND SKILLED MIGRATION

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ABSTRACT

The United Kingdom has a long history encouraging student mobility and developing and sustaining international partnerships within their academic institutions. For the UK, the internationalization of education is big business, with estimated total export earnings accounting for over £12.5 billion per annum (£27 billion per annum if indirect earnings are included). While this industry is largely institution led, there have been several UK government strategic initiatives to grow international education and research cooperation and to attract international students. However, several key government supported programmes are due to finish this year with no significant follow-up planned, and the Conservative-led government's introduction of immigration quotas for international students will likely both reduce the absolute numbers of student visas issued as well as negatively impact on perceptions of the UK as a welcoming destination for students.

BACKGROUND: WHY INTERNATIONALISE EDUCATION?

UK education providers, and higher education institutions (HEIs) in particular, have a long history of developing and sustaining international partnerships and encouraging student mobility and, over the last ten years or so, the UK's international outreach has both increased and diversified. Many national and institutional benefits have accrued and accordingly investment from institutions, the UK government and other national organisations to support activities have grown considerably.

The motivations for expansion are varied and will differ for institutions according to their mission, for example, for HEIs whether they are 'research-led' or 'teaching-led'. There is also considerable variation according to which international activities that they prioritise, as 'international education' is a very broad definition. Additionally activities are inter-related and might be summarised to include:

- Student exchanges, including to promote UK domestic student mobility
- Staff exchanges and recruitment
- Internationalisation of the institution and its programmes
- International student recruitment, for teaching and research
- International collaboration in research
- International comparative education
- Curriculum and programme related; to cover country, area or regional policy studies, foreign language and other specific topics
- Delivering and supporting global education as an 'international good'; education and the international development agenda, including to support capacity building in developing countries
- Transnational education (TNE), to include distance learning, overseas campuses, collaborative delivery, franchising and licensing arrangements

Internationalisation policies and practicalities have been reviewed by a number of authors including and particularly for the UK by John Fielden[1]. A further major consideration within a UK institution is the need to cover costs and this requires prioritising activities that might also generate revenue.

At the national level a recent study[2] suggests that total export earnings from international education in the UK could be over £12.5 billion per annum and if indirect earnings are included this might total £27 billion per annum. In summary the direct value of education exports to the UK economy was estimated to be:

- Education and training exports direct: over £12.5 billion
- International students in the HE sector (excluding transnational education): £5.6 billion (includes both fees and other spending by international students)
- Transnational higher education: £200 million
- International students in the college sector (excluding English Language teaching): over £1.2 billion
- International students in English Language colleges: over £1 billion
- International students in the independent schools sector: about £315 million

In addition to student related income, UK universities generate significant revenue from their research activities including from private business, US agencies (eg NSF and NIH) and research support from the EU budget particularly for research cooperation. However, while all international activities are individually important, it is the recruitment of international students that has attracted the greatest attention over the last few years both in the UK and globally. The total revenues associated with international students were estimated to be £8.5 billion and within this fee revenue for UK public HEIs was over £2.5 billion pa. For individual institutions international student revenue can be very significant as is illustrated by the data in Table 1. More recently, for 2009, University of Manchester was reported to have received £70 million from international student fees. Note that the high proportion, relative to total turnover, reported for LSE in Table 1 is due to the LSE being predominantly social sciences and without high cost medical, science and engineering and technology faculties.

TABLE 1: International student fees for a selection of UK universities

UNIVERSITY	TOTAL INTERNATIONAL STUDENTS	TOTAL INTERNATIONAL STUDENT REVENUE (£MILLION)	INTERNATIONAL STUDENT REVENUE AS PROPORTION OF TOTAL UNIVERSITY REVENUE
Manchester	7,300	£56.80	8.9%
London School of Economics	5,700	£54.40	32.3%
Nottingham	6,500	£50.40	13.2%
Cambridge	5,400	£22.40	3.2%
Westminster	5,600	£20.90	14.3%
Hertfordshire		£18.20	10.1%
Northumbria		£18.30	11.4%
Robert Gordon		£10.30	12.9%

Source: Times Higher (2008) reporting 2007 data for UK universities

Fee revenues from international student fees are also desirable as they are less 'tied', for example as compared with UK government support for domestic students, and thus can be employed flexibly to support new initiatives and supplement budgets. The potential to grow additional revenue from student recruitment has meant that institutions are more willing to invest to ensure their market position and all indications are that investments will only increase, given the recent cuts in the UK government's funding of higher education and the pressures from more intense international competition.

While the fees are important, UK institutions also benefit greatly from international students for many other reasons and these include: enhanced research output, greater internationalisation of the institution (its curricular, its staff and student bodies), promotion of qualitative change, improved efficiency particularly for student support, as well as for the growth of long term international relationships.

UK INSTITUTIONS AND INTERNATIONAL STUDENT MOBILITY

A very varied mix of UK education and training institutions are engaged in international student recruitment and very approximate numbers of international students recruited according to type of institution in each broad group is provided in Table 2.[3,4]

TABLE 2: APPROXIMATE NUMBERS OF INTERNATIONAL STUDENTS IN UK EDUCATION BY INSTITUTION TYPE (2008)

INSTITUTION TYPE	APPROXIMATE NOS OF INTERNATIONAL STUDENTS
Universities/Institutes of Higher Education (State)	415,000*
Further/technical colleges (State)	120,000**
English Language Schools (Private)	400,000**
HE and Related Colleges (Private)	100,000**
Private Schools (Secondary)	20,000**

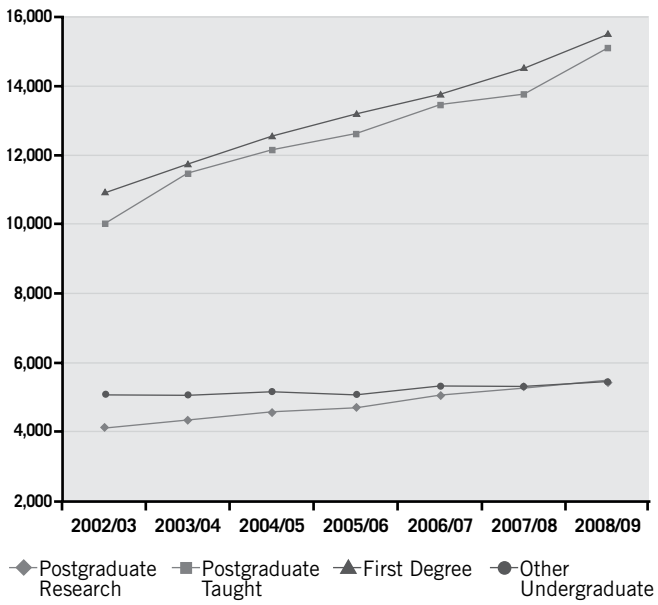
* UK Higher Education Statistics Agency (2008-09)

** These are all estimates made by the author, based on a mix of sources, as there are no reliable data that comprehensively covers the categories

In addition there are probably 300,000 students enrolled on UK higher education programmes delivered in their own countries through various means of TNE; these include distance learning, e-learning, franchised, licensed and twinning programmes and the such like.[3,4]

This paper considers in the main public higher education, given the dominance of the sector, its multiplicity of interests, its total value and impact, and because it has the most reliable data set. The total number of students in

FIGURE 1: Enrolment trends for international students in UK HEIs according to levels of study (EU and non-EU)



Source: HESA (UK)

UK public HE by main source country and levels of study is detailed in Table 3 below. This provides a good indication of the main countries from which UK institutions and organisations invest in and prioritise to recruit students. From these data it is clear that the majority of students on degree programmes are at the postgraduate level (on research doctorates or taught Masters' programmes) – overall 57 percent. The 'Other Undergraduate' classification refers to students on non-degree programmes such as study abroad and exchange programmes, English language preparation and various foundation studies, in preparation for transferring to degree programmes. Figure 1 indicates the trends in enrolment according to levels of study over the last six years and from this the continuing popularity of UK Master's degree programmes is apparent. This is due to the demand for the UK's one-year taught Master's programmes that are concentrated in 'vocational' areas, such as business, management, computing, law and electronics. It is interesting to note that there has been a rapid growth in the number of Master's degree programmes offered in English from non-UK and non-Irish European universities specifically to attract international students. The Academic Cooperation Association in Brussels has reviewed[5] this provision across Europe and their study in 2007 reported a growth from 700 to 2,400 such courses over five years (nb omitting programmes in UK and Ireland).

What is also apparent from Table 3 is that three student source countries dominate recruitment to UK institutions: China (excluding Hong Kong SAR), India and the US. While enrolments from China have been static for the last three years, those from India have continued to grow fast and possibly now total over 40,000. Enrolments from the US have also grown at a steady rate (about three percent per annum) but Table 3 does not include those US students on shorter periods of study in the UK under study abroad and similar arrangements; if these are included the total number of US students in the UK is probably 45,000. Malaysia remains an important source as does Ireland

TABLE 3: Numbers of International Students in UK Higher Education Institutions: main source countries according to level of study (2008-09)

COUNTRY	FIRST DEGREE	OTHER UNDERGRADUATE	POSTGRADUATE RESEARCH	POSTGRADUATE TAUGHT	TOTAL
China	19,990	4,445	5,210	20,810	50,460
India	4,865	1,550	2,140	27,555	36,105
United States	3,560	8,800	3,610	5,840	21,815
Germany	6,740	4,345	2,965	3,930	17,980
France	7,035	5,615	1,350	3,715	17,715
Ireland	6,760	2,075	1,305	5,705	15,850
Nigeria	4,190	825	975	9,115	15,105
Greece	4,745	610	2,700	5,320	13,380
Malaysia	8,460	390	2,400	2,110	13,355
Cyprus (EU)	7,165	395	765	2,325	10,645
Pakistan	2,990	395	1,410	5,400	10,190
Hong Kong (SAR)	7,035	870	625	1,550	10,080
Total	**155,610**	**54,275**	**54,730**	**150,975**	**415,585**

Source: HESA UK (2008-09)

and the larger European countries. There has been recent strong growth in student numbers from Nigeria, Pakistan, Poland and Saudi Arabia. Countries for which declines have been seen over the last few years include Japan, Singapore and Greece.

EU students and fees: Enrolments from EU countries account for approximately thirty percent of the international student population in the UK and totalled about 138,000 in 2008/09. There has been considerable rapid growth in enrolments from the 'new member states'[6] since 2005 although there is evidence of a recent decline in growth from these countries.

There is a differential fees policy in England[7] in relation to EU and non-EU students. As part of EU policy, UK public sector institutions can only charge students from other EU countries at the same fee rate as for UK domestic students. Non-EU students have to pay 'full cost' fees and this will differ according to course and HE institution, varying from about £6,000 to over £20,000 per annum (more for medicine and some MBA programmes). However while many state sector HEIs prioritise non-EU recruitment there is also interest in recruiting EU students particularly to attract doctoral researchers, to recruit high quality scholars and to ensure a wider mix of countries are represented on campus. Some programmes (particularly in management related topics) are priced at the full economic costs of delivery and for all students. This is particularly so for MBA programmes where often there is thus no difference between fees for EU and non-EU enrolments and these programmes are priced from about £10,000 to over £25,000.

The UK government has recently announced a new domestic fees policy for higher education and this is likely to see fees for UK (and other EU) students increasing to between £6,000 and £9,000. While this continues to be backed by an income-contingent loans programme and EU students have equal access to this, it seems inevitable that this new policy will result in a decline in the enrolment of students from other EU member states.

Other UK education providers: About two thirds of international enrolments in the UK's college sector is for pre-university programmes that provide foundation or bridging courses that lead to enrolment to undergraduate degrees. The other third of students are enrolled on technical or vocational courses and training.

Private sector colleges[8] offer degree and other professional programmes mainly in management, business, finance, accounting, law and information technology. Degrees are normally awarded through validation arrangements involving UK's state sector universities; some offer degree programmes from non-UK universities.

SUBJECTS OF STUDY IN DEMAND

International students in the UK tend to be concentrated in a limited number of subject areas, as is indicated in Table 4. Overall about 55 percent of international students are enrolled in business and related areas, computing, information technology and electronics. Business and management related subjects are by far the most popular as over a quarter of all international students in the UK are enrolled in these disciplines; additionally their rate of enrolment growth has been very high over the last six years (8.8 percent per annum). Economics is the most popular topic within social studies and electronics is the subject in demand within engineering and technology.

TABLE 4: International students (EU and non-EU) in UK HEIs according to main subject areas of study (HESA for all levels of study)

SUBJECT AREA	2002/03	2008/09	PROPORTION OF TOTAL (%)	ANNUAL GROWTH (%)
Medicine, biosciences and related	36,925	53,900	13.0	6.5
Physical, computing and mathematical sciences	34,785	44,040	10.6	4.0
Engineering & technology	44,885	61,185	14.7	5.3
Social studies & law	41,935	55,180	13.3	4.7
Business & management related	65,905	109,275	26.3	8.8
Arts and humanities	33,265	37,375	9.0	2.0
Creative arts & design	15,135	20,850	5.0	5.5
Education	12,360	14,555	3.5	2.8

Source: HESA (UK)

The enrolment proportions, according to broad subject areas, for both undergraduate and postgraduate taught degree programmes are similar, however disciplines in demand for postgraduate researchers are very different. At this level engineering and technology accounts for some 17 percent of the nearly 55,000 international students, followed by social studies (11.5 percent) and physical (9.5 percent) and biological (9.1 percent) sciences. There are also distinct differences in source countries for research students: Asian students favour engineering and technology disciplines, North American students are more concentrated in arts and humanities and European students are spread across most of the areas. Again for a more detailed analysis refer to the HESA database.

UK GOVERNMENT POLICIES IN SUPPORT OF INTERNATIONAL EDUCATION

While the larger proportion of investment to attract international students derives directly from the institutions involved, there have been several UK government strategic initiatives to grow international education and research cooperation and attract international students. The UK government has prioritised attracting international students in several of its programmes for, in addition to additional national revenue, there are considered to be wider 'public diplomacy' benefits: returning students have the potential to be long term ambassadors, enhancing the UK's trade, political, social and cultural interests.

Towards the end of the 1990s the UK government realised that through some form of central and targeted investment in international education the benefits to the country might be enhanced. The first major programme launched was the 'Prime Minister's Initiative for international education' (the so-called PMI)[9]; it had at its core the establishment of the Education UK brand and was backed by an international marketing and communications strategy. The initiative was extended in 2006 (as PMI2) and this provided for new activities[10] to enhance the UK's international education position, particularly to stimulate international partnerships involving UK institutions; new programmes developed include:

- UK-India Education and Research Initiative (UKIERI)
- BRIDGE (British degrees in Russia programme)
- UK-China Fellowships programme (specifically to support the mobility of young researchers)
- International Strategic Partnerships in Research and Education (INSPIRE) for countries in Central South Asia
- England-Africa Partnerships (EAP) for sub-Saharan Africa
- Development Partnerships in Higher Education (DelPHE) wit lower income countries in Africa and Asia

Additionally the individual country administrations of Scotland, Wales and Northern Ireland, invest their own resources to enhance their own international education strategies[11].

While direct investment by the UK government to promote the UK as a study destination is a relatively recent phenomenon, the British Council[12] has consistently employed its grant from government to assist UK education providers in their international activities. Its offices in some 110 countries as well its English Language schools in many of these, has contributed to promoting the UK as a study destination. The British Council is also a member of the Education UK Partnership[13] (EUKP), an organisation that was jointly established by UK institutions and the British Council to assist UK education providers in their efforts to attract international students. The EUKP and the British Council have supported the international positioning of UK education through a wide mix of activities including: developing the Education UK Brand and its promotion; managing the Education UK website[14] (a searchable database detailing all programmes available in UK institutions, including in a number of languages); delivering country focused marketing and communications initiatives; running education exhibitions and other promotional events; training of staff involved in international education; and providing conferences and workshops for practitioners.

INTERNATIONAL STUDENTS AND SKILLED MIGRATION

There have never been explicit policies in the UK to enhance skilled migration through recruiting international students, apart from a few limited circumstances. The current position is that non-EU international graduates can apply to remain in the UK for two years for employment purposes after graduation and this has proved to be popular. However the new Conservative-led government that came to power in May 2010 announced a major initiative to reduce net migration and international students, being the largest single category of migrants, are of particular interest in this context. At the time of writing this article, the UK government is undertaking a detailed consultation across the education sector to assess how it might best reduce international student numbers[15]. The need will be to agree achievable reduction targets without depriving UK education institutions of both revenue and the quality students and researchers essential to maintaining their international competitiveness. For its part the government has said it believes much of this reduction can be achieved through eliminating abuse of the system; it reports that a significant number of graduates had stayed beyond the two year maximum and without formal 'leave to remain' in the UK[16]. However UK education providers remain very concerned about the likely impact of these reductions.

It should be noted that all students from EU member states have the same rights as UK nationals in terms of obtaining employment and residing in the UK. There is no doubt that the UK has benefitted from their presence as professionals in business and for their involvement in UK scientific research and innovation, For example there were over 14,000 postgraduate research students in UK universities in 2008-09[17] from EU member countries and these were particularly concentrated in science and technology[18].

Scotland introduced a 'Fresh Talent' programme in 2005 that allowed international graduate students to remain for employment purposes for two years after graduating. It was well promoted internationally and enhanced Scotland's

position as a welcoming education destination. Feedback from students and staff from Scottish institutions was very positive and this was ultimately extended to cover all the UK. The extension to allow all international students to apply to remain in the UK for two years after graduation was welcomed, as it provided opportunities for them to gain work experience to consolidate their studies. It was also suggested that through this approach international graduates might develop contacts with UK business and these would be mutually beneficial when the individual returned to work in their own country.

INTERNATIONAL STUDENTS IN THE UK: FUTURE DIRECTIONS

As this short article has demonstrated the UK has been extremely successful at attracting international students to its education institutions, however there is great uncertainty as to whether the momentum can be maintained. At the same time as many of the UK's competitor countries are investing in expansion of international student recruitment, there is likely to be reduction in UK government support for international education. For example many of the programmes mentioned previously are due to finish this year and there is no significant follow-up planned other than a proposal to extend UKIERI in a yet to be decided new approach.

The Conservative-led government's introduction of immigration quotas for international students will effect all education providers, although the private sector are likely to be effected significantly more than state colleges and universities. However any changes will both reduce the absolute numbers of student visas issued as well as negatively impact on perceptions of the UK as a welcoming destination for students.

The new and greatly increased fee levels for domestic students (between £6,000 and £9,000 per annum) will effect enrolments from EU member states, particularly as fees for programmes on offer in alternative European destinations are much lower. As yet no guidance has been provided as to expected fee levels for Masters' programmes.

In conclusion, UK institutions have been very successful at growing international activities due to both their own efforts together with support from government. However the changes now in train will almost certainly result in some reduction of activities, including reduced numbers of international students.

FOOTNOTES

* International Education Consultant and Visiting Fellow, Institute of Education, University of London

1 'Global Horizons for UK Universities'; John Fielden; UK Council for Industry and Higher Education (2007)

2 'The value of UK education and training exports: an update'; Pamela Lenton, University of Sheffield, September 2007 (published by the British Council)

3 Refer to the HESA (UK) 2008-09 data set

4 'Trans-national Education and Higher Education Institutions: Exploring Patterns of HE Institutional Activity'; Drew et al; DIUS Research Report 08 07 (2008)

5 'English-taught programmes in European higher education: the picture in 2007'; Bernd Wächter and Friedhelm Maiworm;

6 Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia. Bulgaria and Romania joined in 2008.

7 Note that Scottish HEIs do not charge fees for Scottish and non-UK EU students enrolled in Scottish HEIs

8 'The growth of private and for-profit higher education providers in the UK' Fielden et al for Universities UK (2009)

9-10 http://www.britishcouncil.org/eumd-news-pmi-ie-launch-takes-up.htm

11 For examples see 'Universities Scotland: http://www.universities-scotland.ac.uk/

12 http://www.britishcouncil.org/new/learning/

13 http://www.britishcouncil.org/eumd

14 http://www.educationuk.org/UK/Home

15 The Student Immigration System: A Consultation'; UK Border Agency, December 2010

16 'Overseas Students in the Immigration System: types of institution and levels of study'; UK Border Agency, December 2010.

17 Higher Education Statistic's Agency (HESA), UK

18 'UK's Competitive Advantage: The Market for International Research Students'; Kemp et al; UK Higher Education International Unit, July 2008