

Post Study Work Steering Group

Evidence of Reputational Damage Following Closure of Post Study Work Route

March 2016

This paper collates all suggested evidence illustrating what impact the closure of the post study work route in April 2012 has had on prospective international students and international student numbers in the UK and Scotland. The reports referenced are based on surveys at a UK, not Scotland, level. The international student statistics are however at a Scottish level.

Timeline of post study work in Scotland:

2005–2008: Fresh Talent: Working in Scotland Scheme (FT: WISS) operated in Scotland.

2008: FT: WISS was subsumed into the Tier 1 (Post Study Work) visa.

December 2010: The UK Government announced a public consultation on the reform of the student visa system, which included a proposal to close the Tier 1 (Post Study Work) visa. The consultation ran until 31 January 2011.

March 2011: The UK Home Secretary confirmed that the Tier 1 (Post Study Work) visa would be closed the following year.

6 April 2012: Tier 1 (Post Study Work) closed to new applicants.

Summary:

- The **survey reports** referenced appear to show that post study work opportunities are a factor for a quarter to a third of prospective students, depending on which report is referenced.
- The **international student statistics** referenced indicate a correlation between the ending of the post study work route in Scotland and a reduction in international student numbers, including those from key markets which have previously sent large numbers of international students to Scotland.
- Although Scotland has seen a 2% increase in (non-EU) international entrants in academic year 2014/15 compared to 2013/14, this masks falls in international entrants from key countries over recent years.
- Scotland saw a 22% decrease in (non-EU) international students at Further Education colleges in academic year 2013/14 compared to 2010/11.
- Since 2008/09, there has been a drop each year in the number of international students studying in further and higher education at colleges in Scotland (from 2,805 in 2008/09 to 1,885 in 2013/14).
- The **comparator country statistics** suggest that Scotland is losing out to its key competitor countries in attracting international students.

SECTION ONE: SURVEY REPORTS AND INTERNATIONAL MEDIA

Reports published by Hobsons in May 2014 and August 2015

Hobsons is a private company working largely in the education sectors on communications, consultancy and technological support.

May 2014 - [*Beyond the Data: Influencing International Student Decision Making*](#)

- In a study conducted by Hobsons in January 2014, prospective international students who had made enquiries to a UK or Australian higher education institution since 2012 were surveyed about their perceptions and expectations of study in these countries.
- The survey received 18,393 responses across 195 countries and 198 nationalities. This represented an 18.3% response rate. The majority of participants were from Asia. This low response rate may be problematic as it is not possible to determine whether there were distinct differences between the people who responded and those who did not.

Key findings:

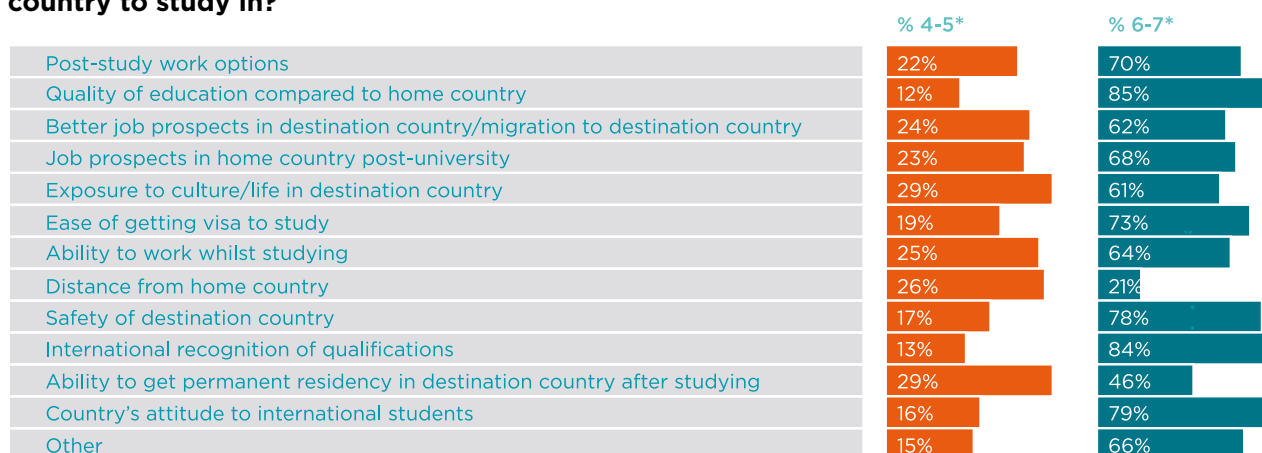
- The five most important factors for international students when considering study abroad are consistent regardless of the country in which they intend to study. These five factors in order of importance are: quality of education (compared to their home country), international recognition of qualifications, **the country's attitude to international students**, safety and **ease of getting a visa**.
- The four least important factors are distance from home country, **ability to get permanent residency in the destination country after study**, exposure to culture or life in the destination country, **better job prospects in the destination country**.
- Too little is being done to demonstrate to international students that both the UK and Australia welcomes them. **Key action:** Central government in both the UK and Australia have a role to play in communicating a welcoming message to international students and that appropriate safety mechanisms are in place to protect them. Immigration policy and practice must reflect this welcoming approach (Note – this survey was carried out prior to the introduction of a post study work visa in Australia).

Findings specifically in relation to post study work options:

Students were asked to rate the importance of the factors set out in the following tables, when choosing a place to study, on a scale of 1-7. It is not clear from the survey whether participants were given the option to select as many factors as they felt relevant, or a specified number.

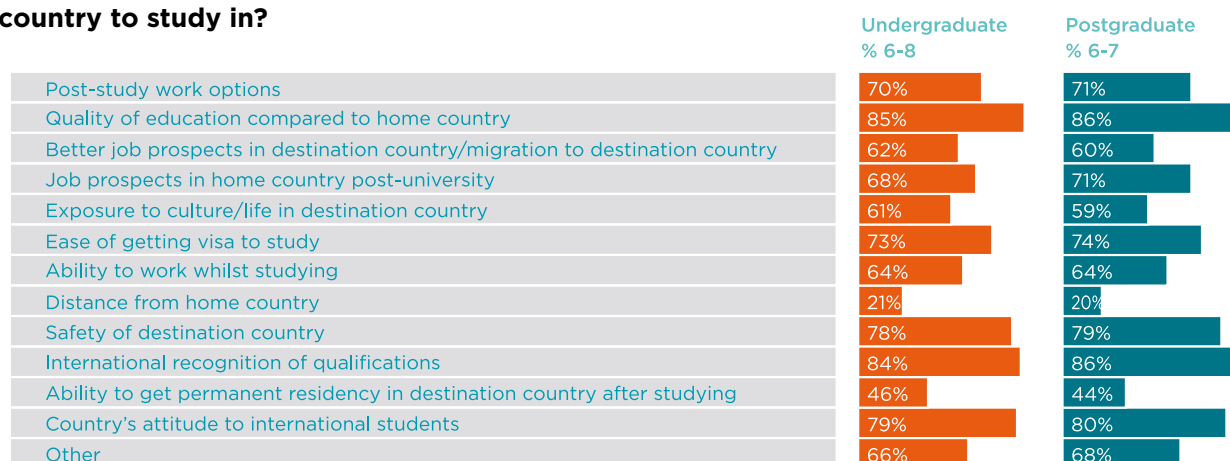
The numbers reflected in Table 14 below represent the percentage of students who selected 4-5 or 6-7.

Table 14: How important or unimportant are the following factors when choosing which country to study in?



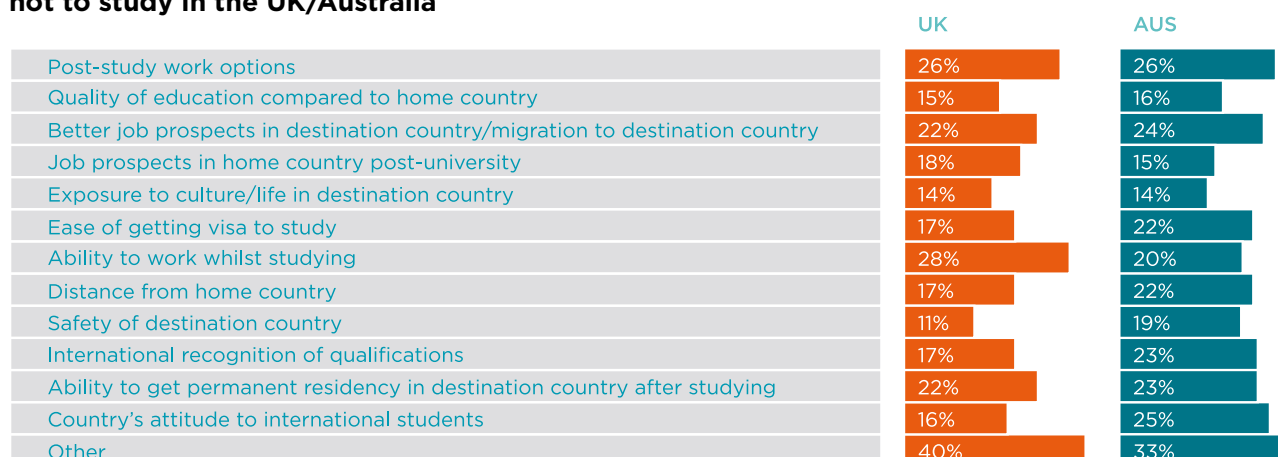
The numbers reflected in Table 15 below represent the percentage of undergraduates and postgraduates who chose 6-7. Please note: Hobsons have confirmed that '6-8' is an error and instead should read '6-7'.

Table 15: How important or unimportant are the following factors when choosing which country to study in?



In Table 16 below, the orange column reflects the percentage of UK students and the blue column reflects the percentage of Australian students.

Table 16: Please select from the list below those factors that were influential in your decision not to study in the UK/Australia



August 2015 - International Student Survey 2015: Value and the Modern International Student

- Hobsons surveyed a large cohort of international prospective students for the UK, Australian and Malaysian markets who had applied for, or enquired about, study in 2014. Participants were asked about their perceptions and expectations of international study.
- 17,336 responses were received from students considering studying in the UK. The largest respondent cohorts for the UK survey were Nigeria (10%), India (6%) and Ghana (5%).
 - Prospective students were asked to rank their five most important criteria for choosing one country over another.
 - **'Post study options' was one of the top four main factors** influencing that choice: more than a quarter (26%) of respondents included post study work options in their top five criteria.
 - Quality of education and international recognition of qualifications were selected as key factors by more than half of respondents. Also important to prospective students was the safety of the country and its hospitality towards international students.
 - Students who had considered to, but not chosen to, study in the UK were asked why they made this choice. **Post study work options were the leading factor for these students, with 36% saying this played a part in their decision not to study in the UK.**
 - One of the report's eight recommendations was that UK institutions should send the government a clear message on the importance of improving post study work rights, or see revenue generation from international students decline rapidly. A second recommendation focused on employability skills and opportunities for international students to gain work experience.

2014 – Made in the UK: Unlocking the Door to International Entrepreneurs

This survey was conducted by the National Union of Students (NUS) alongside The Entrepreneur's Network (TEN), to determine international student perceptions of employment and entrepreneurship in the UK. The survey findings are set out in the report [**Made in the UK: Unlocking the Door to International Entrepreneurs**](#) and also in NUS's October 2014 submission to the [**All-Party Parliamentary Group on Migration Inquiry into the Post Study Work Route.**](#)

- 1,599 international students from outside the EU/European Economic Area took part in the survey. Students were invited to take part in the research, and cash prizes were offered, to encourage participation. The survey was carried out between May and July 2014.
- **Key findings included:**
 - **Motivation for studying in the UK:** asked to choose the top five reasons why they chose the UK as a place to study, almost two thirds of respondents (63%) noted the perceived quality of education. 'Opportunity to work in the UK after my studies' was selected by 37% of students.

- **Gaining work and market experience:** 70% of students indicated that they would like to work in the UK following graduation; 48% of these students doing so with no intention to make the UK their permanent home.
- **Plans to start a business post-graduation:** 42% of respondents stated they planned to set up a business following graduation, but just a third of those respondents wanted to set up a business in the UK.
- **The study made nine recommendations designed to encourage international graduate entrepreneurs to start their business in the UK. Recommendations included the following:** Many students would benefit from more time and experience prior to starting a business. To this end, the UK government should reinstate the post-study work visa, de-coupled from the sponsor system, to allow international students to explore markets and industry before finalising their business idea for the Tier 1 (Graduate Entrepreneur) application. This will go a long way to ensuring students' business ideas meet the requirement of being 'credible and innovative'.

More detailed findings:

Post study work plans

- Only 16% of international students indicated they would not be interested in seeking employment in the UK following graduation. 70% responded they would like to seek some form of work experience.
- For almost two thirds (62%) of those who did wish to seek employment in the UK as a graduate, gaining work experience in a particular industry was the main attraction. Gaining work experience in the UK was essential for professional accreditation in 61% of respondents' chosen areas.
- However, around two thirds (65%) claimed to be not confident at all or only somewhat confident that they would find employment in the UK after completing their studies. This was mainly due to the perception that employers might be unsure if potential international employees from outside the EU would be allowed to work for them. Students were more pessimistic about opportunities in 2014 than when surveyed by NUS in 2012.
- Students confirmed that they believed they would not meet current Tier 2 visa requirements. 42% intended to apply to micro-medium sized businesses which, anecdotally, are less likely to be Tier 2 sponsors. 32% expected to earn below the £20,000 threshold needed for a Tier 2 visa at that time. 38% responded they would need more than four months given at the end of their visa to find a suitable job after graduation.
- There was still a great deal of confusion about the immigration routes to post study work amongst international students. 41% were not aware of Tier 1 and 47% were not aware of Tier 2 as an option for post study work.
- Over two thirds (68%) agreed to some extent that applying to a larger employer would make it easier to get a Tier 2 visa, with just under a half (48%) claiming this would be the main factor in their decision regarding which employers to apply to.

- Almost half (48%) of respondents had been told they were ineligible to apply for a job because of their visa status. Over a third (35%) had been rejected from a job after making an application because of their visa status.

Overall perceptions of the UK

- Almost a third (32%) believed that the UK is worse than others for post study work opportunities. Only 18% believed that the UK has a better offer than other countries.
- Over a third (35%) would not recommend friends and family to come to study in the UK because of the work experience and employment opportunities available. This was significantly higher for students from India (60%), Pakistan (55%) and Nigeria (47%).
- A negative post study work experience leads to a negative recommendation of the UK. Of those who were told they were ineligible for a job because of their visa status, 51% would not recommend the UK. For those who had applied for a job but then were rejected, 54% would not recommend the UK.

The experience of international students finding post study work

- Students found that some companies were simply unable or unwilling to sponsor international students under Tier 2.
- There is evidence of bad practice from employers. One student was offered a job on the basis that the student would incur the full costs of sponsorship under Tier 2. Others rejected students on the basis of foreign sounding names.
- Even large companies were cited as unwilling sponsors. Smaller companies often cited that the process for Tier 2 was too bureaucratic or complicated.
- Tier 2 salary limits and a limited time period given to students to find a Tier 2 sponsor were also found to be barriers for students looking for post study work.

Scottish Informatics and Computer Science Alliance (SICSA)

SICSA is the Scottish Funding Council's Research Pool in Informatics and Computer Science. In addition to coordinating research in the area, SICSA also has an Education group led by their Education Director. This group is particularly concerned with curriculum issues, computing in schools and labour supply issues in the digital economy. In the context of labour supply issues, SICSA has been concerned by the closure of the post study work visa.

SICSA takes the view that the post study work visa route definitely added to the digitally skilled graduate labour supply and many companies routinely hired those with a post study work visa.

SICSA has also provided anecdotal evidence reported by some Higher Education Institutions on the impact experienced due to the closure of the post study work route. SICSA has noted that the majority of universities believe that changes in conditions around 2012 (including the closure of the post study work route, economic conditions, fee changes and changes in other visa regulations) has led to a drop in the quantity and quality of applicants from the Indian subcontinent.

Media publicity in India

The closure of the post study work route in the UK has been publicized in the Indian media. The following are examples of known articles and blogs.

- ['Mumbai boy is Scotland's face of work visa push'](#), Times of India, 7 June 2015: Quoted Maulin Buch, *“The abolition of the post-study work visa had a big impact as it led to a big clump in Indian students. It also had an impact on the reputation of universities, as Indian students no longer consider UK as an option”*.
- ['Scotland plans post-study work visas for Indians'](#), Times of India, 7 June 2015: *“Scotland is working on plans to overrule the British parliament, if need be, to introduce a special visa that will allow Indian students to work for at least two years after they finish their education there”*.
- ['Studying in UK gets costlier; jobs rules tougher for new graduates'](#), Times of India, 27 October 2015: quoted Margaret Burton, EY-UK partner specializing in global immigration, *“Further restrictions on legitimate students, coupled with the increased cost of studying in the UK, could have adverse effect on the numbers of students that choose the UK as their study location”*.
Quoted an Indian student who is hoping to get a job in London’s financial sector, *“If I have to return to India empty-handed, I know it will be impossible to then get a UK-based job; no investment banking outfit will agree to a telephone or Skype interview”*.
- ['Scotland offers respite to students'](#), blog by Ishani Duttgupta, The Economic Times, 30 November 2015: *“There is a great deal of concern over the fall in the number of Indian students opting for higher education in the UK after the post study work visa for international students was removed.”*

SECTION TWO: INTERNATIONAL STUDENT STATISTICS

Higher Education Statistic Authority (HESA) statistics

Non-EU International entrants at Scottish Higher Education Institutions

- Although Scotland has seen a 2% increase in (non-EU) international entrants in academic year 2014/15 compared to 2013/14, this masks significant falls in international entrants from key countries over recent years, including **India** (a reduction of 59% between 2010/11 and 2014/15), **Pakistan** (a reduction of 38% between 2010/11 and 2014/15) and **Nigeria** (a reduction of 26% between 2010/11 and 2014/15).
- The previous academic year of 2013/14 saw an increase of 1% in the total number of international entrants at Scottish HEIs, however the academic year of 2012/13 saw a decrease of 2% in the total number of international entrants at Scottish HEIs, compared to increases each year since 2008/09.
- The number of entrants from **China** increased continuously from 2,605 in 2007/08 to 5,935 in 2012/13, and was 5,875 in 2014/15.
- The number of entrants from the **United States** has increased gradually since 2007/08 (from 1,310 in 2007/08 to 1,945 in 2014/15).
- The number of entrants from **Canada** has fallen by 10% since 2013/14 from 520 to 470 respectively.
- The number of entrants from **Malaysia** has risen slightly, from 395 in 2007/08 to 585 in 2014/15.

Total non-EU international students at Scottish Higher Education Institutions

- The **total number** of students from **China** studying at Scottish HEIs increased continuously year on year from 4,220 in 2007/08 to 8,545 in 2013/14, but fell by 1% to 8,450 in 2014/15.
- International students from the **United States** and **Norway** have continued to rise year on year gradually from 2007/08 to 2014/15.
- International students from **Malaysia** rose steadily from 2007/08 to 2014/15.
- International students from **Canada** and **Saudi Arabia** increased between 2007/08 and 2013/14, but decreased by 3% and 13% respectively over the year to 2014/15.

Scottish Funding Council (SFC) Statistics

- Scotland has seen a 22% decrease in (non-EU) international students at Further Education colleges in academic year 2013/14 compared to 2010/11.
- Since 2008/09, there has been a drop each year in the number of international students studying in further and higher education at colleges in Scotland (from 2,805 in 2008/09 to 1,885 in 2013/14).
- In 2011/12 in particular, there was a reduction of 21% from the previous year.
- Key countries have experienced particular declines, including **India** (a reduction of 22% between 2010/11 and 2013/14), **Pakistan** (a reduction of 47% between

2010/11 and 2013/14) and **Nigeria** (a reduction of 61% between 2010/11 and 2013/14).

Competitor Countries

- Scotland is losing out to its key competitor countries in attracting international students. During the period 2012/13 to 2013/14, the number of international students in higher education in the United States increased by 8%¹, the number increased in Canada by 11%² and in Australia by 8%³. Latest figures show that during the period 2013/14 to 2014/15, the number of international students in higher education in the United States increased by 10%⁴.
- Prior to 2014/15, the number of international students in higher education in the **United States** has continued to rise gradually from 623,805 in 2007/08 to 886,050 in 2013/14.
- Prior to 2013/14, the number of international students in higher education in **Canada** increase slightly in 2007/08 and 2008/09 and considerably from 2009/10 onwards (by 10% or 11% each year).
- Prior to 2013/14, international students in **Australia** fell from 242,025 in 2009/10 to 230,000 in 2011/12, with a slight increase to 230,435 in 2012/13.
- It is noted that in March 2013, Australia introduced the Skilled Graduate visa as part of the implementation of new post study work arrangements.

International entrants in the United States and Australia (entrant data for Canada is not held)

- The number of international entrants to the **United States** has increased continuously since 2007/08, notably increasing by 10% in 2012/13, 8% in 2013/14 and 9% 2014/15.
- The number of international entrants to **Australia** fluctuated between 2007/08 and 2011/12, however has increased by 8% in 2012/13 and 14% in 2013/14.

¹ Source: Institute of International Education, United States

² Source: Canadian Bureau for International Education

³ Source: Australian Education International, Australian Government

⁴ Source: Institute of International Education, United States



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