

International students: economic and social impacts

Response from Bournemouth University to the Migration Advisory Committee's call for evidence, January 2018.

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What impact does the payment of migrant student fees to the educational provider have?

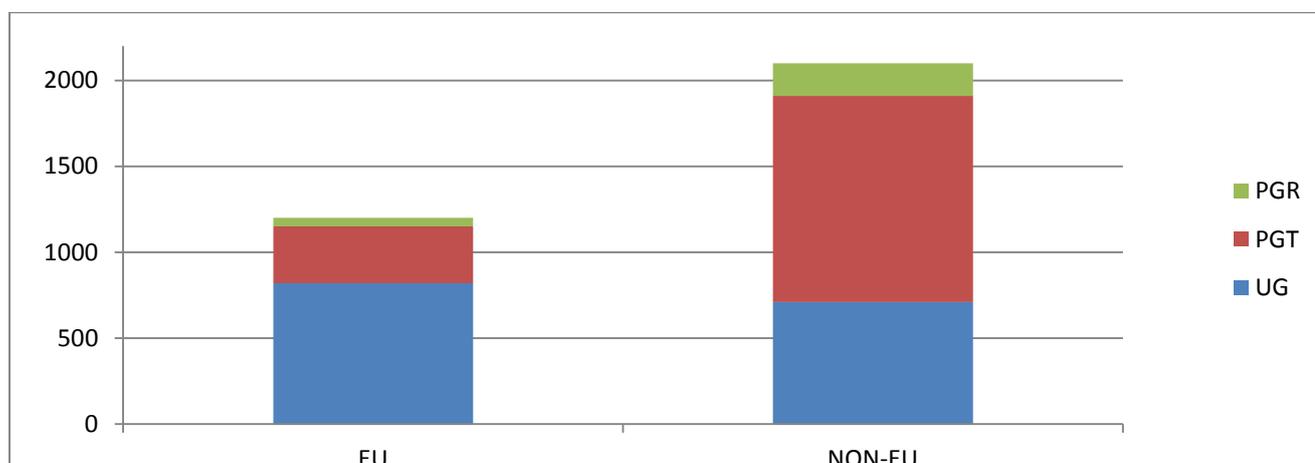
In total we have 3,300 international students (16% of all students).

- 6% of our students are from EU countries (1,200)
- 10% of our students are from non-EU countries (2,100) (10%)

Bournemouth University's proportion of international students is generally consistent with the national sector average (National sector data 2014/15 14% average international students (Universities UK with Oxford Economics); and the January 2018 HEPI/Kaplan with London Economics which updates the average figure to 19%).

The majority of EU students (68%) take undergraduate degree courses (3-4 years). 28% take taught postgraduate programmes (usually 1 year of study), and 4% follow postgraduate research programmes (approximately 4 years study).

57% of non-EU students take taught postgraduate programmes, 34% undertake undergraduate study, and 9% are undertaking postgraduate research programmes.



Tuition fees from international students therefore make a significant contribution to BU.

In 2015-16, of the 92 postgraduate taught programmes provided at Bournemouth, 56 of the programmes included more than 20% international (both EU and non-EU) students. Without these students the diversity and range of courses on offer at Bournemouth might be more limited.

What are the fiscal impacts of migrant students, including student loan arrangements?

Our best estimate is that half our EU students take either undergraduate or postgraduate loans from the student loans company.

At Bournemouth University (BU) we undertook a [survey in 2013](#) on the economic impact of the university, and we update the impact numbers each year. To do this we assume the same pattern of expenditure. This data shows that we expect that expenditure related to EU and overseas students is as follows (including direct, indirect and induced expenditure):

- Bournemouth, Christchurch and Poole (BC&P) - £69,159,000
- South-West region - £84,668,000
- UK - £146,435,000

The full data is set out below. As noted, these figures are based on the assumption that expenditure patterns by staff and students are the same as those identified in the 2013 update of the BU impact study.

Expenditure Effects related to overseas students	Overseas Students			TOTAL
	Direct	Indirect	Induced	
B,C & P Conurbation	30,595,814	10,708,535	5,167,633	46,471,982
South West Region	32,673,135	16,336,567	7,883,561	56,893,263
UK	38,497,002	32,576,163	27,325,172	98,398,337

Expenditure Effects related to overseas students	EU Students			TOTAL
	Direct	Indirect	Induced	
B,C & P Conurbation	14,936,539	5,227,789	2,522,781	22,687,109
South West Region	15,950,664	7,975,332	3,848,667	27,774,663
UK	18,793,812	15,903,324	13,339,848	48,036,984

Do migrant students help support employment in educational institutions?

As we have noted above, in 2015-16, of the 92 postgraduate taught programmes provided at Bournemouth, 56 of the programmes included more than 20% international (both EU and non-EU) students. Without these students the diversity and range of courses on offer at Bournemouth might be more limited, which might have an impact on employment. Professional services staff are required to support these students in services such as advice, catering, estates, administration and sports facilities.

How much money do migrant students spend in the national, regional and local economy and what is the impact of this?

In the Universities UK report (UUK Briefing: The economic impact of international students, March 2017), it is stated that *“on and off campus spending by international students and their visitors generated £25.8 billion in gross output for the UK economy.”* In the same report it highlights that *“On- and off-campus spending by international students and their visitors supports jobs all over Britain, supporting 206,600 full-time equivalent (FTE) jobs nationally.”*

When looking regionally, the same report studied the economic impact of international students on the regions and confirmed that in the southwest region in which Bournemouth University sits, international students’ off-campus expenditure amounted to £323 million, there were 2,832 jobs generated by international student spending and export earnings generated by international students amounted to £612 million.

Our local area has the greatest concentration of English language schools in the UK, bringing in much needed income to the region all year round. The demographic for the English language schools ranges from junior to adults and helps create an international vibrancy within the town. In research completed by the International Education Forum in conjunction with the Bournemouth and Poole Tourist Boards it was calculated that £1 in every £10 generated in the local economy is derived from international students, equating to over £300 million annually.

As we have noted above, based on our estimates, international students attending Bournemouth University alone generate at least £26 million for the local economy from their accommodation costs, food and consumables, study resources and transport to the University.

How do migrant students affect the educational opportunities available to UK students?

Considering our own student recruitment, international students do not take places at BU that could otherwise be filled by UK students – our international students are valued additional participants in our community.

We believe strongly that UK students benefit by being part of a diverse cohort of students, UK students build international contacts and an understanding of other cultures that equips them for an increasingly globalised labour market. A recent survey (HEPI (2015) What do home students think of studying with international students?) found that three-quarters of domestic students say that studying alongside international students was a useful preparation for working in a global environment, and the same proportion said it gave them a better worldview.

An integral part of the degree offer at Bournemouth University is the opportunity of a placement within industry. Anecdotally staff report the UK students are able to access further-reaching global placements through contacts made through their fellow international students.

To what extent does the demand from migrant students for UK education dictate the supply of that education provision and the impact of this in UK students?

In a recent HEPI report entitled *How much is too much? Cross-subsidies from teaching to research in British universities* it is argued that each international (non-EU) student in the UK contributes £8,000 to UK research, as on average tuition fees charged to non-EU students are higher than those charged to home and EU students. This supports our research, our staff, and our research students. International students benefit through the inclusion of cutting edge research in their curriculum.

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A strength in UK HE is the interaction with international employers and global accreditation bodies in the creation of courses. This leads to universities constantly evaluating their portfolio of programmes, ensuring they are fit for purpose in a global environment. The output of this is that both UK and migrant students are being offered courses of relevance nationally and internationally, providing options for all students to be globally employable.

What is the impact of migrant students on the demand for housing provision, on transport (particularly local transport) and on health provision?

Bournemouth has seen a growth in private business providers of student accommodation over the last few years and has also increased the frequency of university bus services (which are used by the wider community). This has had a positive impact on the local community and the environment and has created additional employment opportunities locally. It is also reducing the proportion of private rented accommodation occupied by students, which has improved the local housing supply. The overall student numbers, including international students, have supported these developments.

As regards health provision, the University subsidises a local campus-based GP surgery to provide an additional nurse practitioner staff resource (for all students and the community). The overall volume of all students recruited, including international students, makes this support measure possible.

What impacts have migrant students had on changes to tourism and numbers of visitors to the UK?

Using the January 2018 HEPI publication (HEPI and Kaplan with London Economics: The costs and benefits of international students by parliamentary constituency, January 2018) calculations which determine the per student value of spend by our overseas visitors to visit the student or student's area alone, we can estimate that the impact our international students have on the regional Dorset economy to be £7.8 million including their full period of study and their graduation ceremony.

Additional to this figure is the significant income brought into Bournemouth by the numerous language school students and its context as a desirable tourist area in its own right.

What role do migrant students play in extending UK soft power and influence abroad?

A report entitled Britain's Global Future: Harnessing the soft power capital of UK institutions (Blond, P., Noyes, J. and Sim (2017) Britain's Global Future: harnessing the soft power capital of UK institutions. London: ResPublica.) states:

“The UK's domestic institutions of education and research have a vital role to play in building Britain's soft power. The UK's status as a world leader in education (higher education in particular) and academic research contributes significantly to our national prestige and provides many opportunities to reach out to equivalent individuals and institutions abroad to form the meaningful long-term relationships which underpin soft power.”

It goes on to say that the UK's position as the second most popular country in the world for attracting migrant students places UK universities in a very strong position for:

“Encouraging analytical skills and accurate information...a vital prerequisite for citizens of other countries to be influenced by the power of example channelled by British institutions, rather than having traditional ways of thinking reinforced.”

A 2015 report by ComRes, The Soft Power 30: A Global Ranking of Soft Power, noted that the ability of a country to attract foreign students, or facilitate exchanges, is a powerful tool of public diplomacy. In a report by the Higher Education Policy Institute, (HEPI (2015) Now that's what we call soft power: 55 world leaders educated in the UK) it was reported that 55 world leaders from 51 countries have studied in the UK.

UK higher education is one of the UK's 'export' sectors. As well as the “soft power” described above, international students can be a longer term resource for business partnerships, future mobility opportunities and capital flow. In the context of the higher education sector, this can mean future research funding, mobility opportunities, placement and employment opportunities for students and graduates.

Additional references:

- Atkinson, C. (2010) Does Soft Power Matter? A Comparative Analysis of Student Exchange Programs 1980–2006. Foreign Policy Analysis, 6 (1), 1-22.
- Brown, Richard. (2009) Global Horizons: How International Graduates Can Help Businesses. London: Council for Industry and Higher Education London.
- Hill, Ch. And Beadle, S. (2017) The Art of Attraction: Soft Power and the UK's Role in the World. London: British Academy.
- Matthews, D. (2014) Higher Education Bolsters UK Soft Power. The Times Higher Education. Available from: <https://www.timeshighereducation.com/news/higher-education-bolsters-uk-soft-power/2011196.article> [Accessed on 14 December, 2017].
- Trilokekar, R. D. (2010) International education as soft power? The contributions and challenges of Canadian foreign policy to the internationalization of higher education, 59 (2), 131-147.

If migrant students take paid employment while they are studying, what types of work do they do?

For a variety of reasons, many migrant students face additional barriers to securing paid employment while they are studying (compared to UK students). Consequently many migrant students will seek employment in an environment where they feel secure and safe and will work on the University campus as student ambassadors in roles such as event support, IT, and in the library.

What are the broader labour market impacts of students transferring from Tier 4 to Tier 2 including net migration and on shortage occupations?

N/A

Whether, and to what extent, migrant students enter the labour market, when they graduate and what types of post-study work do they do?

Of the BU international recent graduates who responded to the 2015/16 Destination of Leavers in Higher Education survey (an eligible international and non-EU BU population of 291):

- 80.4% were in employment or further study (with EU students = 84.3%)
- 70.7% were engaged in professional level employment (with EU students = 74.6%)

Of those in employment 28.3% (58) remained in the UK with 41 of those (73.2%) in professional level employment. They were primarily employed within the industries of Marketing & Events, FE & HE (lecturing and research), Hospitality, Animation and Visual Effects.

We have analysed the Destination of Leavers Higher Education data across a four year period for the Bournemouth University PhD graduates from an international background. 50% of international PhD graduates take up employment within our region, of this 38% remain in the immediate local area. The data does not reveal their actual roles however given their specialised and high level of qualification it seems likely they are making a positive contribution to the local market.

Any other relevant information the institution wishes to provide

International students are often first in line to volunteer within the community. Bournemouth University's Students' Union (SUBU) note that EU and Non-EU students have had a potentially significant positive benefit on the local community in Bournemouth. SUBU have analysed the figures for community volunteering undertaken through the Union and have confirmed that, out of all students registered with the Union, EU and Non-EU students are more likely to volunteer than UK students:

- 5.1% of UK students registered with the Union volunteer
- 7.3% of EU students registered with the Union volunteer
- 10.7% of Non-EU students registered with the Union volunteer.

Examples of volunteering undertaken by EU and Non-EU students include beach cleans; food donation collections for food banks; putting up Christmas decorations in care homes; and conservation work at a local RSPB reserve.

A comment from one of our international student volunteers (Hakay Ross):

"I feel very fortunate to be able to go to Bournemouth University. Unfortunately though I feel as a university we can become so disconnected from the community around us. Putting on the first Vegan Festival this year felt like bringing some of that community to the uni. With many local organisations, charities, individuals and companies coming in. I got to see the coming together of students and community. Fulfilled may be the best word to describe how I felt that day working alongside many of the other society members of the Reducetarian society.

For me as an international student coming to university life and having this and many other unbelievable experiences feels more like a wonderful dream looking back on it. I am grateful that others have the opportunity as well to do the same as I have here."

Two major political decisions had a significant negative effect on applications and enrolments by EU and non-EU students. The loss of the post-study work visa in 2012 and the Brexit result of the EU referendum led to marked declines in application and enrolment rates from both EU and non-EU students. Following the changes to the post-study work visa there was a particularly large drop in applications from Southern Asia and this negative trend continued until 2016/17. This effect has been widely reported across the HE sector.