

The UKBA's Proposed Restrictions on Tier 4 visas: implications for University recruitment of overseas students

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Background and Summary

1. During the General Election, David Cameron said the Tories 'would like to see net immigration¹ in the tens of thousands.' The Coalition Manifesto of 20 May 2010 said nothing of reducing legitimate student migrants but only that, 'We have agreed that there should be an annual limit on the number of non-EU economic migrants admitted into the UK to live and work.' However, the Home Office moved swiftly to commission its Migration Advisory Committee to advise 'at what levels should limits on Tier 1 and Tier 2 of the Points Based System² be set for their first full year of operation in 2011/12, in order to contribute to achieving the Government's aim of reducing net migration to an annual level of tens of thousands by the end of this Parliament.'
2. In November, new limits on Tier 1 and 2 (i.e. work-related) visas were duly instituted and in December the Home Office issued a Consultation on proposals to reform Tier 4 (i.e. student) visas. The Consultation, which apparently elicited ten times as many responses as that on Tiers 1 and 2, closed on 31 January and the UK Border Agency is expected to implement new restrictions in March/April. This paper demonstrates that the Home Office's proposals would significantly reduce the recruitment of bona fide non-EU students into UK Higher Education.
3. To implement the proposed measures as they stand would amount to a hostile act against Britain's universities.
4. This is partially obscured by the Consultation's intermittent focus on visa abuse. But the UKBA's proposals for tackling abuse will do much less to eliminate it than alternative proposals put forward by Universities UK. What UKBA's proposals would do is devastate pre-university pathway courses, costing universities c.£1bn in fee income alone. If the goal is to protect universities while imposing drastic cuts in sub-degree (as distinct from pre-degree) provision, this paper shows it would be much more effective to frame policy explicitly in those terms.
5. UKBA's determination to cut non-EU student recruitment is based on thoroughly unreliable data. The Migration Advisory Committee (MAC), to whom

¹ "Net immigration/migration" is the number entering the country less the number leaving in the same year

² The points-based system (PBS), introduced in 2008, is a system for managing migration for those wishing to enter the UK for work or study.

the Home Office has turned for guidance on reducing net immigration, considers itself obliged to rely on data collected by the International Passenger Survey (IPS). MAC is deeply unflattering about the reliability of those figures. MAC's own estimates suggest that net immigration is half that recorded by IPS – and that IPS gives a particularly misleading figure for student outflow. Yet MAC has left unresolved whether the IPS or its own estimate of student outflow is more accurate, and UKBA's analysis and proposals continue to be based firmly on IPS figures.

6. It is now possible to establish beyond doubt which estimate is more accurate, using the meticulous data collected by the HE Statistical Agency (HESA), the Home Office's visa records, and the new eBorders passenger data the Home Office is collecting. Universities would willingly pay for the exercise this very month. If successful, the government will have developed a superior data source on which to base migration policy.

7. Should the Home Office be too nervous of the outcome to permit IPS to be subjected to such a test and insist on pursuing the current policy trajectory, the consequences will be dire.

To promote or restrict recruitment of legitimate international HE students?

8. The key question for universities is whether the government intends to promote or restrict recruitment of bona fide non-EU students in Higher Education. On the need to root out remaining abuse, to eliminate all bogus use of Tier 4 and any illegal overstaying, the HE Sector and the Home Office are at one. Indeed, UUK's own proposals on this are more rigorous than those of the UKBA. But what is not clear is whether the government is knowingly seeking to cut recruitment of thoroughly legitimate international HE students.

9. The answer might seem obvious. The Prime Minister has repeatedly underlined Britain's welcome to legitimate overseas applicants and on 9 February assured Parliament that the Government 'are not currently looking at limits on tier 4 immigration visas.' The Home Secretary appears to welcome legitimate overseas students in her introduction to the Consultation. Both Vince Cable and David Willetts have been entirely supportive.

10. Anything else would certainly be surprising. Higher Education is now a major British export in a market set to grow rapidly. In 2008/09, as the Home Secretary points out in her introduction to the Consultation, the combination of International fee income and personal off-campus expenditure by international HE students already approached £5bn. This has become a vital income stream for universities and, indeed, for the wider economy. In a tricky funding period,

most universities plan to expand international numbers in the immediate future.³ The ability to do so reflects and enhances the reputation of UK HE internationally: it is a Performance Indicator in international league tables. Culturally, the international student presence is a key to ensuring our Home students prepare for and excel in a global graduate market. In STEM (Science, Technology, Engineering and Mathematics) fields, many courses are only made viable by a substantial proportion of enrolments from outside the UK and EU. The UK's international alumni provide a healthy anglophile network among public and private decision-makers in every one of our trading partners.

Foreign students 'are not and never have been immigrants' (Enoch Powell)⁴

11. A cursory reading of the Home Secretary's introduction and the Consultation's language might give the impression that where student migrants are concerned, all that is envisaged is the elimination of abuse. 'We need to ensure that the number of international students coming to the UK is broadly in balance with the number leaving.' (*Consultation*, 2.9) 'Broadly in balance' may be read as allowing for three-year courses, the normal minimum for undergraduate and research degrees, and recognising that those arriving will exceed those leaving when British recruitment rises, and those leaving will move into surplus when British recruitment falls. If so, this approach would be compatible with the view that a strong flow of legitimate international students, provided they leave promptly, is thoroughly healthy. There would be active Home Office support for education's rapid climb among Britain's export sectors and in particular for the magnetic power of our Higher Education, in which the UK punches vastly above its weight – only one in a hundred of the world's population but one in seven of the world's top 200 universities. While in the UK, non-EU students do not acquire any settlement rights; by law they have limited access to UK benefits; when their Tier 4 visa expires they are required to leave the country, bar that small proportion to whom UKBA deliberately chooses to grant an alternative visa; those in HE pay non-EU fees precisely on the grounds that their primary home is outside the EU. This common-sense approach lies four-square with the interests of British commerce, the balance of payments, an export-led recovery and, it seems, the aspirations of No 10, HMT, BIS and the Foreign Office. It encourages a continued rise in British recruitment of genuine students, unconcerned, to underline the point, that when recruitment is on an upward trajectory there will be an increase in 'net migration' of a distinctive and

³ HEFCE data gathered in 2009 showed English universities aiming to increase non-EU numbers some 20% between 2008-09 to 2012-13.

⁴ In his 'Rivers of Blood' speech in April 1968: 'I stress the words "for settlement." This has nothing to do with the entry of Commonwealth citizens, any more than of aliens, into this country, for the purposes of study or of improving their qualifications, like (for instance) the Commonwealth doctors who, to the advantage of their own countries, have enabled our hospital service to be expanded faster than would otherwise have been possible. They are not, and never have been, immigrants.'

thoroughly desirable kind – just as there will be net emigration in years when recruitment drops. Visa compliant international students are, as it were, lifted out of 'net migration' and warmly welcomed not least for lavishing foreign currency on British goods and services.

12. Even Migration Watch appears to endorse the value of genuine student migrants, remarking last month that 'It is important to realise that genuine students are not an immigration problem; most return at the end of their courses (to be replaced by others).'

13. But close study of the Consultation's proposals shows that UKBA's approach to temporary student migrants precisely parallels non-student migrants - if their course keeps them in Britain for more than a year they are part of the problem. The grounds given are that for the purposes of international migration statistics, migrants are defined as those changing their usual place of residence for a year or more. Yet the UK is entirely free to abide by international procedures for the collection of statistics but choose to base policy on considerations of national interest. Once that approach is rejected, however, the policy becomes driven entirely by numbers – with especially grave consequences when, as is shown below, the numbers are wrong. The underlying analysis on which UKBA is basing its policy indicates that the real purpose is to cut numbers as such, even if this means cutting recruitment of non-EU students who are thoroughly genuine and fully compliant. This goal has been explicitly confirmed in some UKBA presentations on the Consultation.

14. Once this is admitted, a strange asymmetry in the Home Office's approach becomes evident. When asked by the Home Secretary to advise on limits to Tiers 1 and 2, MAC was specifically charged to take into account 'social and public service impacts as well as economic impacts.' In its November 2010 report, MAC duly devoted two long and weighty chapters to the pros and cons of economic migration.⁵ For Tier 4, on the other hand, no such assessment has been sought or made: perhaps because here the pros so obviously and massively predominate.

Tackling Abuse

15. If the real purpose is to squeeze out abuse, the most effective measures would be (a) to stiffen sharply the accreditation rules so that all institutions sponsoring student visa applications bring their compliance record much closer to the standard of those granted what is known as Highly Trusted Sponsor (HTS) status⁶, and in particular to the standard of universities where, according to the UKBA's December 2010 paper on *Overseas Students*, noncompliance

⁵ Migration Advisory Committee, *Limits on Migration*, November 2010, pp. 134-220.

⁶ To secure a Tier 4 visa, an applicant needs the support of a licensed sponsor. In 2010 a special new category of Highly Trusted Sponsors (HTS) was introduced to identify those sponsors who comply best with their sponsor obligations, and whose students comply best with the terms of their visas or permission to stay.

averages at most 2 per cent; (b) to make significant deposits obligatory for Tier 4 visa applicants; and (c) to use improved UKBA systems (and eBorders appears to have the capacity) to ensure that all sponsors are swiftly informed when students they have sponsored enter the country, leave the country or are granted a non-Tier 4 visa. These steps would do more to eliminate abuse than the Consultation proposals. They would enable HTS to monitor with full precision the visa compliance of those they sponsor. The off-putting constrictions proposed would become superfluous, and the message could go out that Britain remains enthusiastically open for business.

Pre-University Pathway Courses

16. As they stand, the UKBA proposals miss the opportunity to squeeze remaining abuse right out and yet would directly hit legitimate recruitment, including HE recruitment.

17. Indeed, if implemented in their current form, the changes proposed would amount to a hostile act against British universities, those 'jewels in our economic crown' as Ministers so well describe them.

18. The greatest threat is the impact the UKBA's proposals would have on pre-university pathway courses. These are a set of courses quite distinct from sub-degree awards. They provide pre-university preparation for large cohorts of international students who would not otherwise come to the UK. The issue is epitomised by the proposal to raise the minimum English language competence required for UK entry to study to a level known as B2. A B2 speaker of English is instantly recognisable to most British people: it is the level of English spoken by educated people in Northern Europe and by good high school graduates in some parts of the Commonwealth. It is more seldom achieved in Southern Europe and almost never in East Asia. To make this the minimum for entry to the UK is incompatible with the interests of Britain's universities and Britain's economy. Data gathered for UUK during the Consultation indicate that upwards of 40 per cent of the international students at UK universities come via a pre-university pathway course; upwards of 70 per cent of recruits to those courses would be barred by this change.⁷ Implement it and HE fee income would swiftly fall by c£1 billion, and a great deal more when university income derived from pathway provision itself is added.

19. Pre-university pathway courses, which are typically delivered on campus either by universities themselves or in close partnership with private providers, are a necessary link in the chain of university recruitment. This is especially true of undergraduate recruitment to the UK from non-Commonwealth countries,

⁷ The students barred to the UK, it should be noted, would come predominantly from countries where visa abuse is judged low-risk, and make much less impact on high-risk countries in most of which English is one of the official languages.

where the norm is to leave school only having completed the equivalent of AS level. For recruitment from countries where English is not one of the official languages, combining academic preparation with intensive English language tuition from native speakers is essential. Sever the link and the damage inflicted on our universities will be severe.

20. Almost as damaging in its present form is the proposal to shorten drastically the permitted length of pre-sessional courses. Only a little less harmful is the proposal to insist on English language testing by a short-list of 'secure' English language Tests (SELTs), despite their unavailability in much of the market, the drawbacks to each of the testing systems available, the additional burden the regulation would place on formal partnerships where non-EU undergraduates do the first 1 or 2 years in an overseas university and move to the UK to complete the degree, the invasion of university autonomy involved and the apparent trampling over devolved powers.

21. There is a third set of proposals which, while less directly destructive, are deeply discouraging to British recruitment and guarantee competitive disadvantage – to end the recently introduced possibility of time-limited leave to seek post-study work after graduation, to limit the right of international students to take part-time jobs (an ugly taste of apartheid and not easily administered) and to restrict dependants accompanying Tier 4 students. The message of these unattractive proposals is that the UK's attitude is unwelcoming even towards legitimate international students. Any jobs these measures might free up for British citizens would be dwarfed by the number of British jobs lost because of non-EU students concluding Britain does not want them and deciding to take their custom elsewhere. Unsurprisingly, the British Council warns that the impact of the current Consultation (like those of the last government) is already proving grim.

Protecting universities

22. Looked at closely, the UKBA proposals turn out to be better designed to cut recruitment rather than abuse. Yet the government remains insistent that it does not wish to damage university recruitment. If that is the case, and the government's wish is to effect drastic reductions in sub-degree⁸ (as distinct from pre-degree) provision but genuinely to protect universities, it would be much more effective to frame policy explicitly in those terms and take the following steps:

- (a) Exempt pre-university pathway programmes from the changes proposed, from the proposed B2 English language criteria, insistence on SELT testing, the curtailing of pre-sessional course

⁸ It should be noted that similar considerations may apply to sub-degree provision. However, this paper does not address these and is concerned only with the impact of the proposals on universities

length and as many of the other restrictions as feasible. Grant this exemption

- i. EITHER to a new category of strictly defined pre-university pathway course,
 - ii. OR to those institutions on which the UKBA has accorded and continues to accord Highly Trusted Sponsor status (or to a new HTS subset comprising HE institutions and the pre-university pathway providers they endorse and vouch for).
- (b) In doing so, actively demonstrate and publicise across the world that students recruited to British HE and pre-degree pathway courses by these carefully monitored and genuinely trusted HTS institutions are warmly welcome. That way, the current damage to HE recruitment efforts can be halted and reversed and the threat to the financial stability of UK universities removed. That way the Home Secretary's express wish can be delivered for 'a visa system which encourages the entry of genuine students coming to study legitimate courses.' (Consultation, 1.6)

23. The present proposals do no such thing. In contrast to the Coalition's May agreement, which focused specifically on reducing *economic* migration and said nothing of cutting genuine students, they treat students as no more attractive than worker migrants and send legitimate students a raft of deeply off-putting messages.

Basing British policy on statistics that are 'not fit for purpose'⁹

24. In terms of the national interest, policy-making and due process, what makes the situation so disturbing is that the UKBA's determination to cut non-EU student recruitment is based on thoroughly unreliable data.

25. The detailed policy is based on MAC's November report *Limits of Migration*. MAC has been given the remit of advising the Home Office how it is to achieve the aim of cutting 'net migration' to 'tens of thousands' during this parliament.¹⁰ It understands it to be government policy that in assessing the scale and make-up of current net migration, and in identifying the steps needed to reduce future net migration to 'tens of thousands', it is obliged to rely on the data collected by the International Passenger Survey (IPS). MAC's own opinion of this data is not flattering.

26. It notes that the IPS was not established to measure net migration. It notes that it has been known significantly to undercount outflows in the past,

⁹ In May 2008, following its inquiry into the adequacy of population estimates, the House of Commons Treasury Committee found that the IPS was 'not fit for purpose' and 'not suitable for estimating international migration.'

¹⁰ Treating students as 'migrants' despite the obvious differences between students and economic migrants.

and strongly suggests this is continuing to happen.¹¹ It regrets the very small sample used (1 in 500 passengers entering and leaving). It spells out graphically the very low level of confidence that can be placed in the accuracy of the net migration figures IPS yields. Its own estimate of non-EU outflow for 2008 (*Limit on Migration*, p.301), drawing on the UKBA's recent study *The Migrant Journey*, suggests a non-EU net immigration figure less than half that of the IPS. It observes that the Annual Population Survey for 2009 puts net immigration of non-EEA nationals at 53,000, a fraction of the IPS non-EU estimate of 184,000, and the Labour Force Survey indicates that there was no net non-EU immigration at all but a small *outflow* (pp. 70-2). It regrets that because IPS has never asked those departing their original reason for entry or the visa route that brought them to the UK, it does not provide the data needed to disaggregate the contribution made by the three migrant routes – work, study and dependants. Yet it is on this desperately fragile and in key respects, as is shown below, demonstrably false data that MAC has felt compelled to base the calculations which threaten to wreak such havoc.

27. MAC spelt out its approach when recommending the level of cuts to be made to inward migration via the work route. It took as the benchmark the IPS figure for total net migration in 2009 (196,000) and set as the target over the next 4 years that this be reduced to 50,000, i.e. a reduction of 146,000. Since 12,000 of the 196,000 are attributable to British, EU and other minor factors not susceptible to visa control, it concluded that the necessary 146,000 reduction must be borne by the three routes (work, study, dependants) responsible for the remaining 184,000. Or, to put it another way, since 12,000 of the 50,000 net immigration target cannot be cut by visa measures, the combined target for those routes that can be so cut – work, study, dependants – should be 38,000.

28. MAC then weighed how the required reduction should be shared out among each of those three routes. It noted 'the absence of a formal comparison of the costs and benefits of migration through different routes,' a rather coy reference to the Home Office's remarkable lack of interest in a report on the pros and cons of international student recruitment (p. 129). It therefore decided the cuts should be borne in proportion to the contribution each of the three routes has made to the IPS's net migration figure. However, MAC could not bring itself to use the net figure for each route yielded by the IPS, so hard to credit are IPS recorded outflows. Instead, it made outflow estimates of its own (see Section 8 below) and concluded that each route contributes to net migration broadly in the same ratio as it contributes to inflow¹² – however counter-intuitive, given that students typically stay markedly shorter than economic migrants or dependants.

¹¹ The IPS's poor record in counting the outflow of young people, especially men, has long been recognised: it was the largest source of the error, discovered following the 2001 census, which led to previous estimates greatly overstating the size of the British population.

¹² "Inflow" refers to the gross numbers entering the country, "outflow" to the numbers leaving. "Net migration" to the balance of the two.

29. The proportions given are:

Work 20%

Dependants 20% (13% of which are connected to Tier 4 migrants)

Study 60% (Tier 4)

30. Accordingly, MAC's net migration target of 50,000 is composed of 12,000 (EU/routes not susceptible to visa control) + 7,600 (work route), + 7,600 (dependants route), + 22,800 (student route).

31. From this flowed MAC's recommendation in November that inflow via both the work and dependant routes should each be cut by 20 per cent of 146,000, i.e. 29,200, by the end of this parliament and net annual immigration in each category should be limited to 7,600. The direct corollary is that Tier 4 net migration should be limited to 22,800 and to achieve this Tier 4 inflow should be cut by 60 per cent of 146,000, i.e. 87,600, by the end of this parliament.

32. How big an impact on HE recruitment would a cut in inflow of 87,600 have? The 2009 IPS figures, on which MAC's calculations are based, record a non-EU student inflow of 163,000. Thus a reduction of 87,600 means cutting the inflow of non-EU students to 75,400.¹³

33. Thus even if recruitment at all other levels was banned outright, non-EU recruitment to HE would have to be slashed by almost 50 per cent to meet UKBA'S target. If this juggernaut is left to run as programmed, it will smash into the UK's 'economic crown jewels'.

What if net immigration had been pegged to the UKBA's IPS target since 2005?

34. The scale of what is at stake may be seen by imagining the economic cost had the inflow of non-EU students been successfully capped since 2005 at the level necessary to limit net immigration via the student route to the c23,000 target in MAC calculations. The impact on UK PLC would have been awesome in terms of both the balance of payments and job creation.

35. Unlike most pieces of counter-factual history, it would be possible to measure the impact in lost students and lost revenue with some precision because annual IPS inflow figures and actual student fee income since 2005 are there for all to see. The permitted inflow for each academic year would have been 23,000 plus the annual student outflow captured by the IPS. This latter figure would presumably have fallen each year to reflect the precipitate decline

¹³ Because MAC distrusts IPS outflow figures, there is no neat fit between this permitted inflow of 75,400, the Tier 4 net migration target of 22,800, and the IPS student outflow figure for 2009 of 34,000. Instead, MAC is implicitly envisaging some viring between the outflow attributable to each of the three migration routes, and allowing for rather higher student outflow than IPS records.

there would have been in non-EU students available for outflow. The assumption may be made that this modest quota of non-EU students would have been reserved entirely for HE recruitment. The permitted inflow can thus be subtracted from the number of new non-EU HE students requiring a visa who arrived each year since 2005 and the loss in fee income (averaging about £10,000 per year per student) calculated.

36. The order of magnitude of the economic damage wrought can be seen by using HESA's annual count of first year enrolments of non-EU students on HE courses. It should be noted, again, that this HESA data includes a minority of non-EU students progressing to a higher degree or not required to have a visa despite being domiciled abroad. However, the adjustment needed to allow for this would be far outweighed by the additional loss of fee income and economic activity arising from the ban on all non-EU recruitment below HE.

37. In round figures, the £2.3bn fee income in 2008/9 that the Home Secretary celebrates in her introduction to the Consultation would have been cut to little over £1bn. By 2010, IPS outflow would have fallen to about 15,000, making the maximum acceptable student inflow 38,000 - compared to the c150,000 full-time first-year non-EU enrolments in 2010. On that basis, HE fee income in 2010/11 would have been some £1.8bn lower than it actually was. The cumulative loss to the balance of payments from fees alone between 2005/6 and 2010/11 would have been some £6bn. Adding off-campus expenditure, the negative impact would have exceeded £12bn.

38. Every other country in the world is delighted to nurture and expand a trade surplus in HE. The US and Australia are currently vigorously nursing self-inflicted wounds arising from poorly targeted measures against abuse and negative perceptions by prospective international students. Both, of course, relish the prospect of Britain being misled by IPS into energetically surrendering market share.

An exercise to cross-check the IPS figures in the national interest

39. The stakes are sufficiently high for the country that it is in the national interest for an urgent cross-checking of IPS data to be undertaken.

40. In 2008, the IPS estimates that 126,000 non-EU students entered the country and just 34,000 previously occupied as students departed. This outflow figure seemed so implausibly low to MAC that it devoted much of its detailed Appendix B to the matter. Using conservative estimates of the average student stay, and making generous allowance for up to 10 per cent securing a work visa after ending their studies, MAC estimated that the number of those who had originally entered the country to study and in 2008 departed was 80,000, not 34,000.

41. Faced with the yawning gap between the two estimates, MAC identified only two possible explanations: 'First, a proportion of students may be overstaying their legal right to stay in the UK, or second, the IPS may potentially undercount outflows of students.' (*Limits to Tier 1 and 2*, p.300) There the matter was left hanging and with it the good health of one of Britain's major exports.¹⁴

42. Which is the true explanation? A clear answer emerges from a study published last month by UKBA itself, *Overseas Students in the Immigration System*, based on a sample of 17,000 non-EU students sponsored for a visa. It used data from eBorders, the system the Home Office is developing to gather comprehensive, individual entry and exit information supplied by carriers and, though coverage of exit points is not yet complete, incomparably more accurate than IPS. It was thus able to track these students with what is in relative terms pinpoint precision.

43. The analysis indicated that noncompliance by university students was *at most* 2 per cent. It also indicated that universities are currently responsible for about 50 per cent of students sponsored. It is possible to count the HE half of the cohort with some accuracy given the legendary precision of HESA. 83,000 non-EU students completed HE awards in 2007/08. Making allowance for those who may have secured a visa to work, or progressed to a higher degree, or had right of entry to the UK despite being domiciled overseas, or been non-compliant with visa-expiry there remains a figure of c70,000 who completed their degree, whose leave to remain expired, and who left the country. This HE figure on its own is more than twice the total IPS outflow figure. And to it needs to be added those among the c.50 per cent of non-EU students studying outside universities (where the UKBA analysis suggests non-compliance may average up to 14 per cent) who also left the country.

44. The conclusion is that noncompliance cannot account for the yawning discrepancy between MAC's estimate and the IPS figure. MAC's analysis leaves only one explanation: the IPS (massively) undercounts ex-students leaving the country.

45. There is an even more conclusive way to test the relative veracity of the IPS and MAC estimates. HESA holds the names and dates of birth of the 102,000 non-EU Higher Education students who completed their course in 2009/10. Given the will, and due care with Data Protection, it is now possible to count with considerable accuracy how many of them left the UK in 2010. First, check their names and dates of birth against visa records to establish which among them

¹⁴ At this point, MAC becomes opaque. But it seems that while feeling obligated to accept IPS figures for net immigration – 163,000 in 2008, 196,000 in 2009 – it regards its own estimates as a closer guide to reality. Its own estimate for 2008 (p. 301) indicates that total non-EU outflow was some 95,000 higher than IPS recorded. It is a little awkward that this would bring overall net immigration down to 68,000 (tens of thousands) before any new migration limits are introduced. Perhaps prudently, MAC does not provide its own outflow estimates for the benchmark year 2009.

had no valid reason to remain by the end of 2010. Second, take that list – c80,000? – and use eBorders records to check how many duly left the country and how many failed to do so¹⁵. Add a conservative allowance for HE completers of earlier years leaving the UK in 2010. Having completed the exercise, attempt a similar exercise, as far as data permits, for non-EU students outside HE – or extrapolate from the HE exercise. Add the two figures to arrive at a solid estimate of student outflow.

46. This figure can then be used to assess the accuracy of the 2010 IPS outflow figure and that yielded for 2010 using MAC's own methodology. Should the MAC estimate prove superior – and it is likely it will itself prove an understatement – there will be incontrovertible proof that the IPS undercounts the outflow of students, and the scale of that error will be visible. Universities have expressed their willingness to fund the exercise. The CBI might well be willing to fund a parallel exercise on work-route outflows – where MAC's own estimate for 2008 again far exceeds that of the IPS (p. 301).

47. The government will, to its credit, have developed a much more accurate and authoritative method of measuring non-EU net migration to replace the IPS. Very real public concern about the scale of net migration can be swiftly tempered. So too can the scale of the visa reductions envisaged to bring net migration down to the 'tens of thousands'. The tightening of the screw on Tier 1 and Tier 2 – which is already depriving universities, research institutes and businesses of first class minds from outside the EU – can be eased. Britain can seek to make the recruitment and education of legitimate and visa-compliant non-EU students an important part of its growth strategy.

The alternative

48. If the government is determined to be guided by IPS data and to discourage international HE recruitment, we need certainty about the matter. We can then drastically curtail the considerable British resource being spent on seeking to attract international students by our embassies, by the British Council, by BIS and by every university. William Hague can rethink his announcement in January that 'as British Ministers fan out across the world in the months to come we will be promoting British education as well as our economy as a whole.' HMT can build the concomitant fall in export earnings into its forecasts. HEFCE can revise its list of 'at risk' institutions. Universities can plan with local authorities how to cope with the rapid loss of income, shedding of jobs and singularly ill-timed damage to university cities and regional economies that will follow.

¹⁵ The UKBA's December 2010 study on *Overseas Students* reports that 'approximately 50 per cent of all routes and carriers are currently covered by e-Borders, although key routes are all covered' (p. 8). Coverage was sufficient for that sample study to judge that no more (and quite possibly less) than 2% of the ex-university students due to leave the country did so.