Migration Advisory Committee Call for Evidence: the impact of international students in the UK

The BMA (British Medical Association) is an apolitical professional association and independent trade union, representing doctors and medical students from all branches of medicine across the UK and supporting them to deliver the highest standards of patient care. The Association welcomes the opportunity to respond to the Migration Advisory Committee’s (MAC) call for evidence on the Government’s commission to assess the impact of international students in the UK. The BMA values the contribution of international students, at both an undergraduate and postgraduate level, the different experiences and viewpoints that they bring to the UK, and the benefit this has for medical schools and the wider NHS.

Q2. The economic and social impacts of international students in the UK

1. International medical students who have either graduated from a medical school outside the UK or from a medical school within the UK have become essential members of the UK’s NHS and university workforce. We are dependent on their contributions in the provision of high quality education and care to patients.

2. New research¹ into the economic impact of international students conducted by Oxford Economics and commissioned by universities UK has shown the considerable impact made by them. The research found that in 2014-15:

- International students paid an estimated £4.8 billion in tuition fees to UK universities. This accounts for over 14% of total university income. Some 88% – £4.2 billion – of this fee income was paid by students from outside the EU
- As well as university fees and accommodation, international students spent £5.4 billion off-campus on goods and services
- Spending by international students supported 206,600 jobs all over the UK
- Visitors to international students in the UK spent an estimated £520 million – benefitting in particular the transport, hotels, hospitality, cultural, recreational and sports attraction sectors – generating an estimated knock-on impact of £1 billion in gross output
- Taking their university payments, off-campus spending, and the spending of their visitors together, international students generated £25.8 billion in gross output
- International students were responsible for £10.8 billion of UK export earnings
- The economic activity and employment sustained by international students' off campus spending generated £1 billion tax revenues. This is the equivalent to the salaries of 31,700 nurses or 25,000 police officers

¹ Economic impact of international students Universities UK
3. In other research – jointly published by the Higher Education Policy Institute and Kaplan International Pathways – the costs and benefits of international students are analysed by parliamentary constituencies. After taking out the “cost” of international students, including health and social security costs, which amount to £2.3bn, the net contribution from international students in the UK amounts to £20.3bn. The report also shows that international students benefit all areas of the UK, not just cities such as London.

4. Students from outside the EU are often paying full fees for their course and this is thought to provide an internal subsidy for other parts of a medical school’s work. Indeed, Aston University’s plans for a medical school explicitly proposed using international student fees to subsidise the fees of students from the local community from under-privileged backgrounds.

The long term impact of Medical Students

5. As well as the general economic impact that international students have on a local community, international medical students bring additional benefits. First, a medical degree is four to six years in length and therefore each student will have an impact over a longer period. Second, there is significant evidence that, post graduation, domestic and international medical students stay in the locality in which they were educated and trained (hence the reason in recent years for establishing new medical schools in areas that have a lack of doctors).

6. Medical students are also different from the generality of EU and international students in that they are expected (and expect) to stay on after graduation in order to undertake postgraduate medical training. This is factored into the workforce planning assumptions of the NHS. For example, from graduation the majority of UK graduates enroll onto the Foundation Programme, a two-year generic training programme which forms the bridge between medical school and specialist/general practice training. The programme is facilitated by the UK Foundation Programme Office (UKFPO), and is open to non-UK/non-EU nationals who graduate from a UK medical school.

7. A further economic impact is through the building of a long-term relationship between the UK and doctors who may become their country’s future healthcare leaders, medical researchers and teachers. And the opportunity this provides for collaborations of economic benefit in all three of these areas, such as selling UK expertise and medical education and contributing to research projects.

8. Any fall in the number of non-EU students to UK medical schools has serious consequences for medical school funding, as non-EU students pay, in England, fees of between £25,000 and £35,000 per year. If they were replaced by UK medical students, this would create an increased burden on both the UK taxpayer and individual universities. It has been suggested that a drop in EU student numbers would adversely affect the ethos of universities and the experience of students.

Q3. Brexit and the impact on International students

9. Brexit brings great political uncertainty and the longer-term impact on international students at higher education institutions is currently still unknown. Much will depend on what is agreed during the ongoing negotiations between the UK government and the EU.

10. However, the UK’s decision to leave the EU will have wide ranging ramifications for the education of EU students currently studying and seeking to study at medical schools in the UK. The following issues urgently need to be addressed.

2 The costs and benefits of international students by parliamentary constituency - Report for the Higher Education Policy Institute and Kaplan International Pathways

3 The House of Commons Library briefing on the impact of leaving the EU on higher education from December 2016.
▪ funding arrangements,
▪ transferability and recognition of medical degrees,
▪ transferability and recognition of postgraduate medical training;
▪ access to the Erasmus scheme by UK-based medical students and trainee doctors;
▪ the future immigration system and the extent of its flexibility regarding medical students and doctors.

Application and funding process

EU students

11. During the second phase of negotiations the government must clarify the application and funding process for EU students who wish to study at a UK medical school once the UK leaves the EU.

12. This is particularly important regarding the level of tuition fees that EU medical students will be set and whether this will involve a shift in the level of tuition fees they pay from home fee status to international fee status. This may have an impact on the number of students from the rest of the EU applying for UK degrees, especially in medicine, which is longer than most undergraduate degrees.

13. In October 2016 the government announced that EU students applying for a place at an English university in the 2017 to 2018 academic year would continue to be eligible for student loans and grants for the duration of their course, even if the UK leaves the EU during this period. The government has also confirmed that EU students will be charged the same tuition fees (home fee status) as UK students; EU nationals who have lived in the UK for over five years will be able to apply for undergraduate maintenance support and master’s loans.

14. The announcement gives universities greater certainty and clarity over future funding whilst also reassuring future medical students from the EU that the terms of their funding will not change if the UK withdraws from the EU during their course. Currently home and EU domiciled student course fees account for £10,481 billion of the income of UK HE providers with a further £4,226 billion coming from fees paid by non-EU students.

15. In March 2017 the Scottish Government announced that EU students studying until 2022 will not need to pay tuition fees. That means that EU students entering medicine courses in Scotland in 2018 will not need to pay fees for their first four years – however their fee status for their fifth and sixth years of their course are still unclear.

Non-EU students

16. It is also important to acknowledge that the current costs for students from outside of the EU are by comparison to EU medical students substantial, as mentioned earlier in our response.

17. In addition to these fees, in Scotland, students from outside of the EU also have to pay an additional cost of clinical teaching levy (ACT levy) to cover the costs of NHS clinical teaching. This means that from September 2017 and each subsequent year of study a student would be required to pay an annual sum of up to £10,000. This is a substantial cost to the student and separate from the University tuition fees.

Mutual recognition of professional qualifications

4 Department of Education (11 October 2016) Funding support for EU students
5 House of Lords library note (October 2016) Leaving the European Union: funding for universities and scientific research
18. We note from the recent report\(^6\) on the UK’s orderly withdrawal from the EU, that qualifications granted either in the UK or in any other EU 27 state before the specified date, or where recognition procedures are ongoing on the specified date, will have recognition maintained.

19. Although we welcome progress made in this area, and support the stance of the UK government during Phase I negotiations (to recognise qualifications in the course of being obtained as well as those granted), we urge the government to continue to seek, during Phase II negotiations, the maintenance of some form of mutual recognition of professional qualifications.

20. Current regulations have helped create an environment which has facilitated and encouraged movement of workers and students, sharing of ideas as well as ensuring EU nationals are quickly able to fill gaps within specialties in UK medical workforce and the wider health service. EU nationals are eligible to apply for training posts on the same basis as domestic students. However, those outside the EU have additional hurdles to jump through such as the resident labour market test – where they can only be considered for the position when the job has been advertised for 28 days and there are no suitable UK or EU applicants.

21. In medicine, the opportunity to continue postgraduate training in the NHS also helps to make UK medical schools an attractive option. Should reciprocal arrangements be lost completely there is a risk this will have a detrimental impact on the UK’s ability to fill gaps within the NHS and also on our ability to collaborate with our EU partners, to retain research staff and to learn from colleagues. There is also a risk that upon qualification as a doctor, EU students who have trained at a UK medical school may face difficulties in practising medicine in their country of origin or in another EU country.

**The future of the Erasmus+ programme following the withdrawal of the UK from the EU**

22. UK students should retain the right to benefit from the wider experiences offered by the Erasmus+ scheme. Following the UK’s departure from the EU, the loss of funding currently provided by Erasmus+ would have significant financial repercussions for students moving abroad. The UK also benefits from the opportunities that the Erasmus programme offers to students from the rest of the EU to spend some time in the UK as part of their degree.

**Workforce planning**

23. As referenced in the General Medical Council’s (GMC’s) State of medical education and practice in the UK report, the UK’s medical profession is at ‘a crunch point’ and will suffer increasing pressure over the next 20 years unless action is taken\(^7\).

24. As highlighted above, medical students are factored into NHS workforce planning and, therefore, retaining them within the NHS as they progress to become doctors is vital to future sustainability of services. There is a risk that, due to uncertainty or the introduction of an immigration system which does not allow students to study and then continue to work in the NHS, some medical students from the EU may either choose to leave their prospective careers in the NHS or be forced to leave the UK.

25. To encourage doctors to stay within the NHS, the Scottish government is introducing a new graduate medical course open to its first intake of students from 2018 and designed to develop doctors interested in a career as a general practitioner within NHS Scotland, with a focus on rural medicine and healthcare improvement. Those accepted onto the course will be entitled to a bursary of up to £16,000 if they commit to work in the NHS in Scotland for at least four years after qualifying. The programme is,

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\(^6\) Joint report from negotiators of the EU and UK Government on progress during phase 1

\(^7\) Read the full State of medical education and practice in the UK report.
however, only open to applicants classed as home/EU or RUK (rest of the UK) for fee purposes. Those classed non-EU for fee purposes are not eligible to apply for this course.

**Expansion in medical school places**

26. The number of medical school places in England will increase by 1,500 beginning in 2018 onwards as a move towards self-sufficiency in medical staffing.

27. It takes at least 10 years to train a senior doctor, and poor workforce planning by the government over many years has meant that the UK does not have enough for the number of patients in need. The NHS is already understaffed in many areas such as A&E and general practice. The government has recognised the challenge this presents and recently introduced a new international recruitment programme to bring in more than 2,000 GPs from overseas to meet workforce targets.

**Future immigration system**

28. It is unclear what immigration system will be put in place for EU students once the UK leaves the EU, but it is essential that EU students who are currently studying at UK medical schools are given certainty about their future in the UK. Thousands of EU and non-EU medical students are factored into NHS workforce planning. The ongoing absence of certainty over their future rights to live in the UK and train and work in the NHS may force some EU medical students to leave their prospective careers in the NHS. There is a danger that the implementation of stringent immigration policies will deter EU students from seeking to study in the UK at all.

29. We have also raised concerns about the bureaucracy and costs inherent in the visa system for international students from outside the EU who choose to study at a UK medical school, particularly as they progress through their medical training. Additional costs, such as the health surcharge and visa fees, have exacerbated the costs incurred by these medical students who have committed to training and working in the UK. While the extension of international student tuition fees to EU students would raise a significant amount of revenue for medical schools, there is a risk that this may deter some EU students from choosing to take up a place at a UK medical school favouring instead other EU or international destinations.

30. Unlike EU students, international (non-EU) medical students are currently subject to a 7.5% cap on numbers (the Government has announced the removal of this cap from 2019/20). In addition, starting in 2019-20, international medical students will be required to fund their own clinical placements as well as tuition fees and living expenses. This represents a potential increase in annual cost to students in addition to current University fees and whilst this appears to be potential new revenue, a more likely scenario is that many students may be priced out of coming to the UK with an overall net loss of income to the UK.

31. For example, an overseas medical student at the University of Sheffield in their third year, would normally be expected to pay £35,500 per year for the final 3 (clinical years), would see more than a 100% increase in fees for these years with the inclusion of the placement tariff, and around a 72% increase in total fees for their medical degree (from about £148,000 to more than £255,000).

**Quality of the student experience**

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8 https://www.st-andrews.ac.uk/subjects/medicine/scotgem-mbchb/

32. Among the risks to UK students is the likelihood that the quality of the student experience is diminished. The destabilising effect of a reduction in the number of students from the rest of the EU may also risk losing the creative diversity that has been an important feature of UK universities in recent years.

33. The opportunities that UK students currently have to spend part of their degree in another EU country (through exchange programmes such as ERASMUS+) and the educational and cultural benefits that they derive from them risk being diminished and thus diminish the attractiveness of UK higher education.

Q4.1.3. Do migrant students help support employment in educational institutions?

34. As noted above, fees by international students help support the wider work of medical schools and will, therefore, in turn, support the employment of academic, technical and administrative staff at the university.

Q4.1.5. How do migrant students affect the educational opportunities available to UK students?

35. The proportion of international students on medical courses has historically been capped, in part reflecting the fact that there is an overall limit on medical student numbers. It is, therefore, unlikely that international medical students are taking away opportunities from UK students. Indeed, as noted above they are more likely to be helping to support the system overall and thus enabling participation by UK students.

Q4.1.6. To what extent does the demand from migrant students for UK education dictate the supply of that education provision and the impact of this on UK students?

36. UK medical degrees would be available regardless of the level of demand from outside of the UK. Medical students studying in UK universities as said earlier, are factored into workforce planning. The fact there is a demand from international students to study medicine in UK Universities does have an economic impact as well as a benefit to UK students for the reasons we’ve outlined earlier in our response.

Q4.1.9. What role do migrant students play in extending UK soft power and influence abroad?

37. The UK is ranked 2nd in the Soft power 30 index. The index provides an analysis of a country’s soft power resources across six categories (Government, Culture, Education, Global Engagement, Enterprise and Digital). The UK scores highly on education, and provides services fed by some of the world’s most successful higher learning institutions that attract the world’s best and brightest.

38. The instability caused by the decision to leave the EU has thrown many of these strengths into question. In the analysis of the index in order to make a success of striking out alone in such a politically unstable period, the UK requires ‘a positive and inclusive narrative to take to the rest of the world and the right structural policies’. It is vital therefore that the UK remains attractive for international students and continued investment in universities and medical schools that export British soft power will only become more vital as the Brexit process continues.

Q4.1.11. What are the broader labour market impacts of students transferring from Tier 4 to Tier 2 including on net migration and on shortage occupations?

39. We know that medical students from a UK medical school are expected to stay on after graduation and transfer onto the UK foundation programme, and then undertake postgraduate medical training.

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10 Soft Power index created by Portland [https://softpower30.com/](https://softpower30.com/)
Medical graduates from outside of the EU, who studied at a UK medical school, will start the foundation programme on a Tier 4 student visa and generally progress onto postgraduate training on Tier 2.

40. We would expect that some of these students will have gone on to work in hard-to-recruit specialties that are included on the shortage occupation list. However, it is not our role to provide data on net migration or the exact number of these students that work within specialities on the shortage occupation list.

Q4.1.12. Whether, and to what extent, migrant students enter the labour market, when they graduate and what types of post-study work do they do?

41. As stated above, medical students from a UK medical school are expected to stay on after graduation and transfer onto the UK foundation programme and then undertake postgraduate medical training. As mentioned previously this is factored into workforce planning assumptions of the NHS.

42. The numbers of international medical students in the UK is increasing. The number of European students rose slightly from 2.6% in 2012 to 3.1% in 2016. Students from outside the EU make up 9% of the medical student population, which is a 6.6% increase from 2015 to 2016 but is similar to the proportion of non-EU students in 2012\(^\text{11}\). 

43. Most doctors enter foundation training from medical school and then many doctors go onto GP training, specialty training or core training or they can practise as a doctor without further training. We do not have sufficient data to determine which pathway international students decide to take following foundation. However, data for 2016 shows that most doctors in their first foundation year (F1) qualified at a UK medical school. Of the remaining appointees, 2.2% qualified at an EU medical school (excluding the UK) and 1.8% qualified from a non-EU medical school\(^\text{12}\).

44. Data for F1 doctors by ethnicity in hospitals, show that approximately 15% are international. We can therefore assume that 10-12% are international students who graduated from UK medical schools.

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\(^{11}\) The State of medical education and practice in the UK 2017, General Medical Council

\(^{12}\) UKFPO Annual report 2016