



The Graduate Visa:

An Effective Post-Study Pathway for International Students in the UK?

July 2023

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Foreword by the Co-Chairs of the All-Party Parliamentary Group for International Students

A lot has happened in the five years since we published our 2018 Inquiry report *A Sustainable Future for International Students in the UK*. The government published its International Education Strategy; setting and meeting the target to recruit 600,000 international students; an international education champion has been appointed to champion the UK's outstanding education offer around the world; and the Graduate visa has been established, reinstating post-study work rights for international students studying in the UK. Over the next few months, the very first of these international graduates will complete their two-year Graduate visa, and it is only fitting that having recommended it five years ago, we now look to see if it has met their expectations.

The Graduate visa has been central to the success of the International Education Strategy and our principal recommendation is to provide reassurance on its future. Only 18 months after the route was launched some voices in government have made calls to reduce its length, but returning to policies to reduce net migration at any cost fails to recognise the benefits of our international education exports. International students bring an estimated £41.9 billion in economic benefit to the UK every year, equivalent to £560 per citizen (HEPI 2023).

By meeting targets to grow international student numbers and broaden recruitment, the Graduate visa has already proved its value, but there are additional benefits when students complete their study journeys and contribute to the UK economy. Our competitors have seen our success and are including employability in their strategies for growth. For Australia and the United States, international students are counted separately from net migration figures, and global graduates of their universities and colleges are seen as a benefit to local economies and global soft power. Our higher education sector can play a role in this competitiveness as much as changes to visa rules can, with a national strategy for international employability. Our offer to international students must remain competitive, and this includes the Graduate visa.

International students, who provide the extraordinary opportunity for UK students to study alongside students from so many other countries and continents, now have the opportunity to become international graduates in the UK and share their global experiences with employers and charities. The flexibility of the Graduate visa means that our communities can instantly benefit from international students moving to positions as volunteers, employees, and entrepreneurs who come with extensive language skills, knowledge of cultures and business from every corner of the world and already know so much about the UK.

Their potential to support our export goes even further. In the previous post-study work visa, international students and graduates were paired with local SMEs looking to export to their countries. Language and cultural skills delivered the boost many needed to step up into export for the first time. If universities, colleges, and employers know the Graduate visa is here to stay, the potential for international graduates to open global doors to UK business is exponential.

Our Inquiry set out to see if the Graduate visa was meeting its potential, for students, employers, and communities. What we found is that it is a critical, and much welcomed, part of a wider journey to graduate success. International students, like home students, seek education to pave their way to new beginnings and a better self. They need the opportunity to explore new prospects and find direction for their future career throughout and beyond their time studying. They need the chance to integrate into their communities and industries, and to share their cultural understanding with others to find a place where they can thrive. The end of their studies is only a transition to more learning, as they begin to apply their knowledge and explore those critical first career steps. This is why some of our recommendations look across the student journey, and beyond the Graduate visa itself.

While many of our recommendations are practical ways to improve the effectiveness of the Graduate visa, they are underpinned by an urgent need for more information on what international graduates do after study, and the benefits the Graduate visa can bring to the UK. We propose the introduction of data and evidence strategy, not only to understand this Graduate visa, but to avoid the misguided policy intentions which resulted in the closure of the previous post-study work route in 2012.

Our thanks go to all of those who provided their expert research, and the international students who joined our student roundtable, to IDP Education for resourcing the Inquiry and to Jane Venn, Joy Elliott-Bowman and our secretariat Independent Higher Education for their outstanding work in supporting the Inquiry and preparing this report.

International students enrich our world-class education system, and now there is opportunity for them to share those benefits more widely, to communities, employers and UK trade and export. International students have long been ambassadors for our universities, colleges and communities. There is so much more they can contribute to every corner of the UK, if we have the collective ambition to make it so.



**Paul Blomfield MP (Co-Chair
and Registered Contact)**



Lord Bilimoria of Chelsea (Co-Chair)

Executive Summary

The Graduate visa for international students has been in place since 1 July 2021. As the two-year anniversary of the route came into view, we wanted to understand how the visa is perceived and whether it's performing well. We did this by seeking the views of international students, and by evaluating the data and wider evidence which has been amassed to date.

Our previous Inquiry found evidence that supported the need for a UK post-study work visa.¹ Since the introduction of the Graduate visa, many of its objectives are being met but some are yet to be realised.

- **Ambitions for work** – Evidence from the Home Office² and AGCAS³ shows that the majority of international graduates on the Graduate visa are employed. This shows the visa is meeting ambitions for work as UCAS research shows students are five times more likely to rank landing a job in their destination country, relative to their country of domicile, as their top priority when choosing a study destination⁴. There has also been significant positive feedback on the Graduate visa; with students appreciating the simple and efficient application process, employability support from their universities, and the opportunity to gain work experience and employability skills.⁵
- **Perceptions of the UK as a study destination** – Data from IDP⁶ shows that since the visa's introduction perceptions of the UK improved in 2022, but in 2023 the UK has slipped back.⁷
- **Supporting local economy** – Evidence from HEPI and Kaplan⁸ shows that many employers remain largely unaware of the visa, particularly small to medium sized enterprises (SMEs). Student surveys and our student roundtable supported this evidence, with students reporting that they are having to be a source of information for employers on the legitimacy and rules of the visa.
- **Diversification of students coming to the UK** – IDP data⁹ shows a strong correlation between choice of study destination and good employment opportunities after graduation among students across the globe. IDP says that by creating clearer pathways from education to employment UK demand will increase from a greater number and more diverse set of countries.¹⁰ According to Home Office data reported by the British Council, the granting of sponsored study visas issued to applicants from Nigeria, Pakistan and Bangladesh increased from 2021 to 2022 by 140.4%, 94.7% and 72.3% respectively, among other large increases.¹¹ UCAS data also suggests there are some signs of diversification: "Around two in nine international acceptances to UK higher education are from China, but new markets are emerging with Nigeria (+102%) and Pakistan (+59%) seeing notable increases since 2016."¹²

1 [Inquiry Report: A sustainable future for international students in the UK](#), AAPG IS, (Nov 2018) p8

2 [Graduate route: early insights evaluation](#), Home Office, (July 2022)

3 [International Graduate Routes: Narratives from the UK job market](#), AGCAS, (Feb 23) p9

4 [Where Next? What influences the choices international students make?](#), UCAS, (May 2022) P29

5 [International Graduate Routes: Narratives from the UK job market](#), (Feb 2023) p10

6 [Emerging Futures Core Member Webinar](#), IDP (March 22), slide 16

7 [IDP Report April 2023](#), slide 15

8 ['Not heard of this': Employers' perceptions of the UK's Graduate Route visa](#), HEPI/Kaplan, (Jan 2023) p8

9 [IDP Report April 2023](#), slide 12

10 [Press Release: Emerging Futures 3](#), IDP, (19 April 2023)

11 [2022 UK student visa statistics: Strong overall growth, with India overtaking China as the top student source market](#), British Council, (01 March 2023)

12 [Where Next? What influences the choices international students make?](#), UCAS, (May 2022) P5

The aim of this Inquiry has been to determine whether the Graduate visa has been effective at supporting the international student experience and generating positive views of the UK as a study destination, as well as boosting local businesses and communities.

Given the limited time the Graduate visa has been available, this Inquiry was focused on existing evidence and analysis already completed rather than issuing an open call to gather new information. Student views were sought to provide further insight.

This report presents recommendations for both Government and the higher education sector and encourages cooperation in order to develop a Graduate visa route that provides flexible post-study options, straightforward systems and processes for students and employers to navigate, and delivers benefits to the UK's education institutions, communities, and economy.

The most prominent feedback from the Inquiry is that the Government should show commitment to the Graduate visa by promoting and endorsing this route as an effective, flexible option for international students post study. Further, a systematic review of the global competitiveness and effectiveness of the Graduate visa should take place and a sector-wide international education data strategy should be established to evaluate the impact of the Graduate visa. When combined, these measures will instil confidence and negate public speculation regarding the benefits of the Graduate visa.

The higher education sector needs to create a clear strategy for international student employability that supports students and graduates, and provides the knowledge, tools, and skills they need to navigate the various options open to them post study.

There is a clear need for collaboration and cooperation to ensure the effectiveness of the Graduate visa. The need for comprehensive data collection is key, but this should not fall exclusively to Government. Education institutions need to work alongside employers and central and local government, to improve the frequency and quality of data collection that will support the stability and effectiveness of the Graduate visa.

Recommendations for Government

- 1** Government must publicly commit to maintaining the Graduate visa into the next Parliament.
- 2** Government should commit to regular reviews of the global competitiveness and effectiveness of the Graduate visa as part of the annual review of the International Education Strategy.
- 3** Government should ensure students don't lose leave as they transition between Student and Graduate visas, and permit leave extensions for students registered on professional accreditation or extended graduate programmes.
- 4** As part of their ambitions to grow higher technical education, the Department for Education should consider the role international students could play in addressing skills shortages and supporting local colleges.
- 5** Government should maintain other routes for post-study work to provide choice and facilitate different outcomes. Clarification and simplification of the ways to switch routes will be key.

Recommendations for Higher Education Institutions

6 A clear national strategy should be developed to address the unique employment challenges faced by international graduates and support the effectiveness of the Graduate visa.

7 Higher education providers should play a proactive liaison role between students and local employers.

Recommendations for Cooperation

8 Government and the higher education sector must collaborate to endorse the Graduate visa and communicate it effectively to students and employers.

9 A UK-wide international education data strategy should be developed jointly between Government, education institutions and stakeholder bodies, including evaluation of the impact of the Graduate visa across the student journey, and the economic and soft power contribution of international graduates.

10 Institutions and employers should work together to mitigate the costs of the Graduate visa for students from lower and middle income backgrounds.

About the All-Party Parliamentary Group for International Students

The All-Party Parliamentary Group (APPG) for International Students was established to: recognise the internationalisation and global prominence of UK education; promote the value of international students to UK education, economy and 'soft power'; raise awareness of issues which affect international students and UK education; and provide a platform for collaboration between parliamentarians, international education institutions and professionals and business leaders.

The Group's website is www.internationalstudents.org.uk

Inquiry Committee

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The APPG Secretariat is provided by Independent Higher Education (IHE). This report was written by Joy Elliott-Bowman (IHE) and Jane Venn (IDP Education) on behalf of and in partnership with the APPG Officers and Members. Expert support was provided by the APPG Advisory Group and UKCISA's International Student Employability Group (ISEG). The report was funded in-kind by IDP Education and Independent Higher Education as the Secretariat. Funding for the Inquiry was provided by Supporters of the APPG for International Students (for a list of supporters visit www.internationalstudents.org.uk).

Acknowledgements

We would like to thank all the groups and individuals who submitted their expert evidence to the Inquiry and who participated in our expert and student roundtables. Our sincere appreciation goes to the UKCISA International Student Employability Group (ISEG) for their early support in framing the Inquiry and identifying research and evidence and students for the roundtable, and to IDP Education for collecting much needed data through their insight polls and excellent analysis of available research. We would also like to thank the Association of Graduate Careers Services (AGCAS), the British Universities International Liaison Association (BUILA) and the National Union of Students (NUS) for their support in finding students to share their experiences at our student roundtable.

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Powers

The APPG is an informal cross-party group, registered in the House of Commons as an All-Party Group and recognised by Parliament. It does not have Select Committee powers.

Disclaimer

The facts presented and views expressed in this publication are those of the APPG Officers and the content has been agreed by Officers prior to publication. The content is not necessarily endorsed by other members of the APPG for International Students, the political parties of the members of the Committee or IHE as the secretariat.

The Inquiry

Background

In 2017/2018 the APPG for International Students conducted an Inquiry into the challenges and opportunities inherent in building a sustainable future for international students in the UK. One of the key recommendations of that Inquiry was to create a post-study visa to allow international students to work in the UK after study. The Graduate visa was launched in July 2021, and from July 2023 the first Graduate visa holders will reach the end of their leave under the route.

The 2023 Inquiry coincides with this important anniversary and seeks to support a constructive dialogue between students, the education sector, and Government on how the visa can best meet the needs of students and the UK in the future.

The Inquiry Process

In May 2023, the APPG for International Students launched a short Inquiry into the effectiveness of the Graduate visa.

The Inquiry explored available evidence and evaluation of the route conducted to date and heard student views on their experiences of the Graduate visa, before and after study.

Inquiry Terms of Reference

The Inquiry set out to explore the effectiveness of the Graduate visa in three areas:

- Whether it supports international student ambitions to work in the UK after study.
- Whether it supports the international student experience and positive perceptions of the UK as a study destination.
- Whether it supports local, regional and national employers and economies by contributing to the skilled workforce and encouraging new entrepreneurs.

The aim of the Inquiry was to publish a report, including recommendations to Government and the higher education sector, identifying where the available evidence offered consensus on the effectiveness of the Graduate visa and where further information was needed before policy decisions could be made.

Evidence

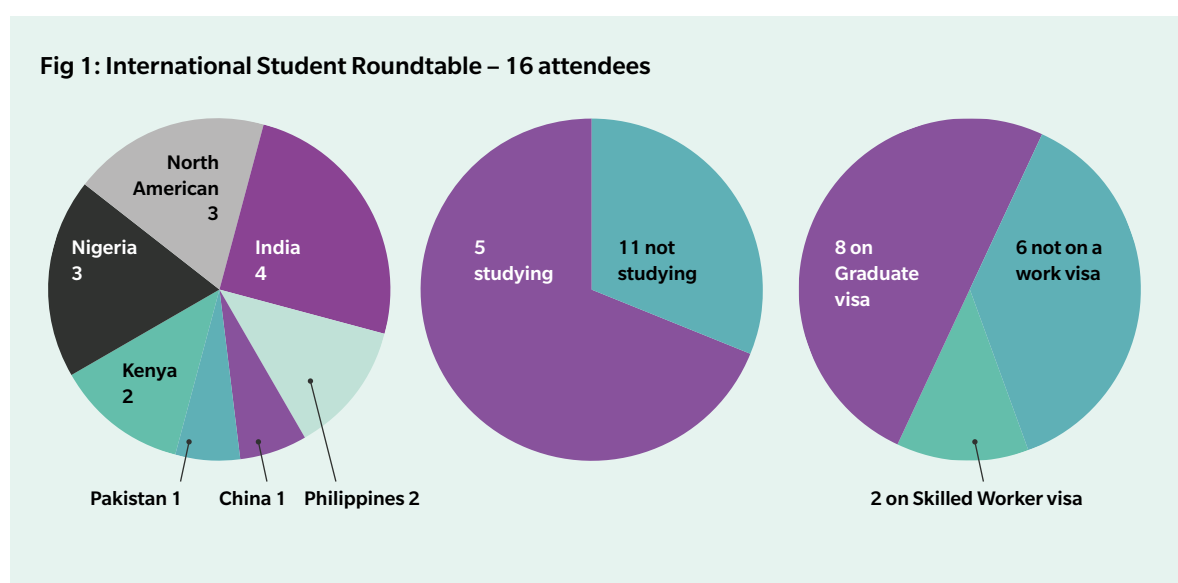
The Inquiry focused on available research and evaluation relating to the Graduate visa, as well as the views of students. Evidence was collected via two Inquiry sessions:

Expert Roundtable

On 23 May 2023, evidence was collected at an expert roundtable, which brought together representatives from organisations who have conducted research or evaluation into the effectiveness of the Graduate visa as it relates to the scope of this Inquiry. Participants were selected by the inquiry panel and secretariat and asked to submit their research or evaluation to the secretariat ahead of participation at the roundtable.

International Student Roundtable

On 7 June 2023, the online student roundtable heard the views of a varied group of international students with and without experience of the Graduate visa.



A full list of evidence referenced, the organisations represented at the Expert Roundtable, and details of the attendees at the Student Roundtable can be found in Annex A, with the evidence available from the APPG Inquiry website: www.internationalstudents.org.uk

Where individual case studies and individuals have been quoted or referred to in this report, identifiable details have been changed unless permission was given otherwise.

Overview of the Graduate Visa

The Graduate visa was launched on 1 July 2021, opening a route for certain students to stay in the UK to work for two years after completing their course (three years for PhD students). Our previous Inquiry expressed concern that its predecessor route, the Tier 1 Post-Study Work (PSW) visa, was ended prematurely without comprehensive evidence as the basis for that decision.¹³ As part of this Inquiry, we have closely considered what data and evidence is needed to support the effectiveness of the Graduate visa route and those who use it, while ensuring Government has the evidence needed to make sound policy decisions on the future of the visa itself.

The UK's previous PSW visa ran from 1 July 2008 to 5 April 2012. It was discontinued by Theresa May as Home Secretary over concerns that the net migration figure was too high – “The new system is designed to ensure students come for a limited period, to study not work, and make a positive contribution while they are here.”¹⁴ This decision, focused as it was primarily on overall net migration numbers, did not consider a full suite of evidence on the effectiveness of the PSW visa.

Our Inquiry has demonstrated the need to create more comprehensive processes for collecting data on which international students apply for the Graduate visa, what they do post study, and the impact this has on business, local communities, and the economy. Experts have told this Inquiry that the Graduate visa has considerable positive potential but also that some students are disadvantaged in accessing the visa and its benefits. While there is some early evidence to support this, policy decisions should be based on more robust findings.

Graduate visa rules

The route is only open to students who have completed a degree-level course (undergraduate, master's or PhD) at a higher education provider with a four-year track record of immigration compliance. These education providers are listed on the student sponsor register as “Student Sponsor – track record”. Students who study below degree level, for example on the government's new flagship Higher Technical Qualifications (HTQs) or at a sponsor institution which has not yet gained or recently lost their four-year track record of immigration compliance, are not eligible to apply for the visa.

Students must apply from within the UK and must still have valid Tier 4 or Student visa permission. They can apply once their education provider has confirmed completion of their course and up until their leave as a student ends. If they apply within this window they can stay until their application is confirmed. The application fee is £715 and the immigration health surcharge (IHS) is charged at £624 per year of leave granted.¹⁵ It must be paid in full at application for the two or three-year duration of the visa.

How many Graduate visas have been granted?

In the first year, 12,484 visa extensions were granted with the majority registering between July and September 2021.¹⁶ In 2022, there were 72,893 grants to students for further leave to remain under the Graduate route. Indian, Chinese, and Nigerian students were the top three nationalities progressing onto the Graduate visa and accounted for almost 63% of all accepted applications.¹⁷

13 [Inquiry Report: A sustainable future for international students in the UK](#), APPG IS, (Nov 2018) p18

14 [Major changes to student visa system](#), GOV.UK, (22 March 2011)

15 [Graduate route – When, where, how to apply](#), UKCISA, (Accessed Jul 2023)

16 [How many people continue their stay in the UK or apply to stay permanently?](#), Home Office, (Nov 2021) S1

17 [Why do people come to the UK? To work](#), Home Office, (Feb 2023) S1.4

By year-end March 2023, 92,951 Graduate route extensions had been granted to previous students. Indian nationals represented the largest group of students granted leave to remain on the Graduate route, representing 41% of grants.¹⁸

Current students retain the right to switch into other work routes including the skilled worker, short term work and entrepreneur routes.¹⁹ The British Council and FutureLearn, under the Study UK brand, have created an online course for international students to help understand the routes they have post-study and how to prepare: <https://www.futurelearn.com/courses/study-uk-preparing-for-work>

Visa extensions for work

Data is not yet available to show the number of students who extended their stay into other work categories for the same period of the Graduate visa as above. The Home Office data notes there were 130,138 'Other work visas and exemptions' granted, mainly reflecting 111,339 extensions granted in the Graduate visa category; Indian nationals accounted for over two-fifths (42%) of grants for the Graduate visa in the year ending March 2023.²⁰ It remains unclear how many students have switched from the Graduate visa into the Skilled Worker route or other routes as the data is not yet available.

Public perception of international students and the Graduate visa

In February and March 2023, Public First undertook polling for Universities UK (UUK) seeking public perceptions of international students and their post-study rights. When asked about how long international students should be allowed to remain in the UK on a temporary basis after their studies (i.e. on the Graduate visa) 20% of respondents said graduates should be allowed to remain in the UK to find a job and gain some experience of working in the UK for two to three years (top response). In total, 48% of the respondents felt that graduates should be able to stay for two or more years (18% said they should be able to stay indefinitely). While 42% said graduates should be able to stay in the UK for two or less than two years (13% said graduates should have to leave immediately once their studies are complete).²¹

International students and their effect on the UK economy

Research shows that the financial benefits international students bring are felt across all UK countries and regions²² and have increased rapidly during the lifetime of the Graduate visa route. A 2019 report by HEPI and Kaplan estimated that each non-EU international graduate contributed £34,000 in income tax and a further £23,000 in National Insurance contribution over 10 years of post-study employment.²³

18 Ibid S1.4

19 Working after studies, UKCISA, (Accessed Jul 2023)

20 How many people continue their stay in the UK or apply to stay permanently?, Home Office, (Nov 2021) S1.1

21 Public First Poll for UUK, UUK, (March 2023) Question 14

22 Early data from AGCAS, International Graduate Routes: Narratives from the UK job market, (Feb 2023) p21, shows similar uptake of employment across the countries and regions (except Northern Ireland) although the largest proportion of Graduate visa holders are employed in London. More data is needed to enable a more accurate picture of regional employment of Graduate visa holders.

23 The UK's tax revenues from international students post-graduation, HEPI/Kaplan, (March 2019) p8, p29

A 2023 report produced by HEPI, Kaplan International Pathways, Universities UK International, and London Economics into the benefits and costs of international higher education students to the UK economy²⁴ revealed the following key findings:

- The intake of international students in the 2021/22 academic year contributed £41.9 billion to the UK economy.
- The economic benefit of international students rose from £31.3 billion to £41.9 billion between 2018/19 and 2021/22.
- On average, each of the 650 parliamentary constituencies in the UK is £58 million better off because of international students – equivalent to approximately £560 per citizen.
- Even when accounting for dependants and other costs, international students are a substantial net contributor to the UK economy.
- Every 11 non-EU students generate £1 million worth of net economic impact for the UK economy.²⁵

Jamie Arrowsmith, Director of Universities UK International said:

“This report further highlights the positive contribution that international students make to the UK. They offer both a cultural and social benefit to our country and make a significant contribution to our economy. It is vital that the UK remains an open and welcoming destination for international students, and that their contribution is recognised and valued. Higher education is one of the UK’s most important and successful exports – but it is truly unique, in that alongside generating a significant economic contribution to the UK our universities have a hugely positive global impact, creating opportunity for millions of learners and helping address some of the most pressing global challenges.”

In the report’s foreword, the authors noted that:

“The most important lesson for policymakers ... is perhaps that a more joined-up approach towards international students across different government departments, co-ordinated by the centre of Whitehall, would be preferable to the damaging rumours, leaks and counter-leaks heard from different departments over recent years. Voters rightly expect secure borders and clear rules, but the presence of international students also enjoys huge public support, improves our education system, helps employers, and boosts the UK’s reputation abroad.”²⁶

Data has not yet been collected on the economic contribution of students during the Graduate visa period and we urge both the higher education sector and government to undertake this analysis to better understand the specific and unique contribution this two-year window of work experience makes to the local economy. Students in our Inquiry roundtable noted that when working, and consequently paying UK tax and National Insurance Contributions on their earnings, they also pay IHS for the use of the NHS. This should be factored into the analysis.

24 [The benefits and costs of international education students to the UK economy](#), HEPI, UUKI & Kaplan, (May 2023)

25 [International students boost UK economy by £41.9 billion](#), HEPI (16 May 2023)

26 [The benefits and costs of international education students to the UK economy](#), HEPI, UUKI & Kaplan, (May 2023) p iv

Is the Graduate visa route fit for purpose? Early perceptions and outcomes

Early evaluation of the employment activities undertaken by Graduate visa holders, carried out by the Home Office on a small cohort, revealed that 74% were employed, 24% were looking for work, and 2% were self-employed. Of those surveyed the majority 66% were employed in professional, associated professional, and technical occupations. The median salary for those in employment was £20k to £30k and it was more common for those who held postgraduate or STEM qualifications to report earnings over £30k than those with undergraduate degrees or qualified in non-STEM subjects.²⁷

Research by AGCAS in their 2023 report *International Graduate Routes: Narratives from the UK job market*, conducted among 345 international graduates nine months after the introduction of the Graduate visa, has identified several facilitative themes relating to the route.²⁸ These include:

- Positive experiences of the graduate application process including the straightforward and efficient nature of the application
- Positive perception of the UK as a provider of employment and lifestyle opportunities for international graduates
- Provision of more time and flexibility post study to stay in the UK to develop employment skills alongside cultural and socialisation skills
- Access to a wider range of employment opportunities
- A high level of support from education institutions including bespoke advice for international students
- Where employers were knowledgeable about the route, they were generally very welcoming of international students and appreciative of the unique skills they brought to certain roles

The same research also revealed barriers to UK employment post study categorised by several themes. These include:

- Lack of university careers support
- Lack of employer knowledge regarding post-study visas and general resistance to employing international graduates (which is sometimes felt as prejudice against international graduates)
- Graduate need for full knowledge and correct information on visas, employment rights, recruitment practices, and cultural norms - without this knowledge students feel they are at a significant disadvantage when seeking post-study employment
- Visa issues; including high costs, visa limitations, time restrictions, and a lack of government support
- Employment issues; including difficulty finding employment, precarious employment, differences relating to subject studied and availability of related work
- Living in the UK; including welfare issues such as a lack of available housing, mental and physical health issues, and financial concerns
- A general perception of the UK as unwelcoming towards international graduates

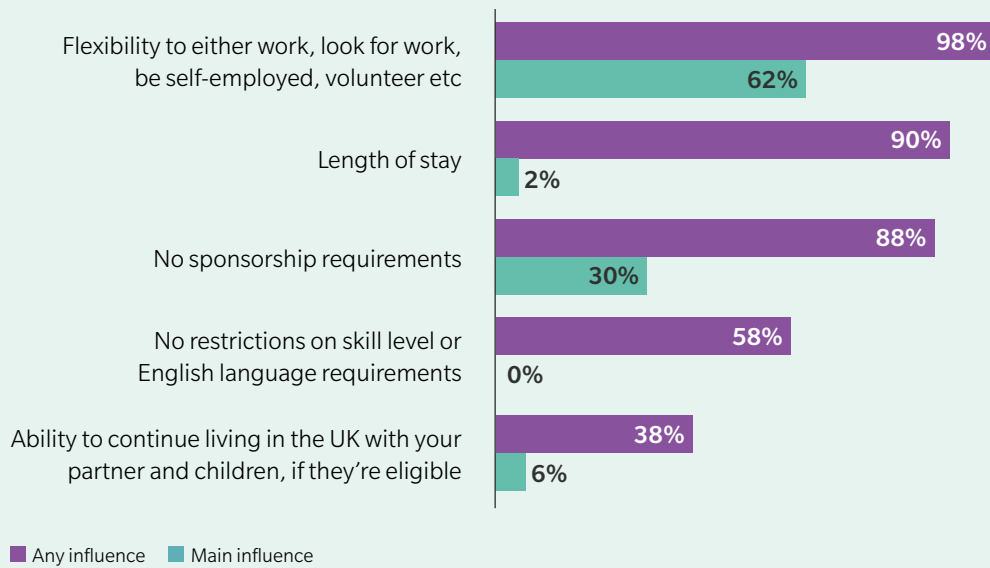
Early Home Office research conducted by IFF Research and Home Office Analysis and Insight (HOAI) from December 2021 to January 2022 on a small cohort of 50 students, found that the flexibility of the route either to work, look for work, be a volunteer, or be self-employed, etc. was the main influencing factor for 62% (98% said it was at least one of the influencing factors).²⁹

²⁷ Graduate route: early insights evaluation, Home Office, (July 2022)

²⁸ International Graduate Routes: Narratives from the UK job market, AGCAS, (Feb23) p29

²⁹ Graduate route: early insights evaluation, Home Office, (July 2022)

Fig 2: The influence of features of the Graduate route on permission holders' decision to remain in the UK



Source: <https://www.gov.uk/government/publications/evaluation-of-the-future-borders-and-immigration-system-early-insights-research-with-graduates/graduate-route-early-insights-evaluation>

The same research found that 80% of the cohort were either very satisfied or fairly satisfied (68% and 12% respectively) with the digital visa application process and 84% were either very satisfied or fairly satisfied with the overall visa application process (58% and 26% respectively).

Bearing in mind that the minimum salary for a Skilled Worker visa role is £26,200 per year³⁰, at least 31% of the cohort were earning less than the typical permissible income for a Skilled Worker visa (special criteria may mean some workers' roles may be eligible for the Skilled Worker route on a lower income) and 47% of the cohort were earning £20,001 to £30,000 per year.

Of the Graduate visa holders polled, 54% had found out about the visa from their university or institution, 34% said a news source had provided information, and 24% had found information on the UK Government website.³¹

However, much of the available data/evidence was seen by the expert roundtable as limited or "dipstick" in nature and not representative of the wider graduate cohort. They identified a need for more comprehensive data collection on the key areas raised in this early research. Further, these early responses from the first wave of visa applicants/permission holders (who may also have been affected by aspects relating to the COVID pandemic) are unlikely to be indicative of perceptions of the Graduate visa route as time has gone on. These students were more likely to already be in the UK or had made their decision to come to the UK when the route was first announced.

³⁰ Skilled Worker visa, GOV.UK, (Accessed July 2023)

³¹ Graduate route: early insights evaluation, Home Office, (July 2022)

Recommendations



Recommendations for Government

1. Government must publicly commit to maintaining the Graduate visa into the next Parliament.

Students told us that a stable post-study visa route (i.e. one that is likely to still be in place when they graduate) and good employability opportunities are key considerations when choosing a study destination. Institutions and employers told us that political rhetoric relating to student immigration, and the Graduate visa, as well as the inclusion of international students in efforts to reduce overall net migration, are damaging overall confidence in the Graduate visa. The Government's commitment to the Graduate visa is critical to ensure the route can remain an effective component of the UK's strategy for attracting international students and to facilitate willingness for stakeholder investment into the programmes and sector recommendations contained in this report.

Government commitment is critical because:

- Students told us they are making long-term decisions on their qualifications and post-qualification plans at the point of applying to higher education, sometimes earlier. The Graduate visa is important to this decision making and once the study destination has been chosen there is little option to change.
- Employers and employment experts told us that it is too early to have a complete understanding of the Graduate visa and more time is needed so that trust and confidence that it is a viable method for recruiting international students can be built up.
- The higher education sector told us they are embedding the Graduate visa in their careers advice and processes, but working with employers and the community will need more time. Rhetoric that the visa could be restricted is damaging and does not help build the strong relationships needed to make the visa more attractive and effective.

The evidence suggests commitment to the route is supported widely, not only by the sector and employers but also by the public. Stability and henceforth greater uptake of the Graduate visa is also likely to lead to greater economic growth.

Students and migration

There are concerns in the sector that a continued path to reduce overall net migration will destabilise the Graduate visa and the attractiveness of the UK as a study destination. The immigration approach to international students needs to be more nuanced as they impact net migration temporarily; however, any increase in arrivals takes time to be balanced by their outflow in the net figures.

Evidence presented to this Inquiry shows that a significant number of students return home after study and, while the Graduate visa may create delay, many will still ultimately return home to live and work.^{32,33,34,35} While some students indicated in our roundtable that they hoped to switch to the Skilled Worker route, most were focused on the employability gain and network experience they would take home, or to another country, following their Graduate visa leave.

32 [Recent Changes to visa numbers in Home Office Data](#), Home Office, (Feb 2023)

33 [Student Migration to the UK](#), The Migration Observatory, (Sept 2022)

34 [Paying more for less? Careers and employability support for international students at UK universities](#), HEPI/Kaplan, (Oct 2021) p12, ps47-49

35 [Why aren't we Second? Part 2](#), UUKI & IDP, (Sep 2021) p36, p59, p60, p65

In our 2018 Inquiry report, we called upon the Government to set a clear and ambitious target to grow international student numbers which would be supported by a cross-departmental strategy focused on recruitment and the student experience. We also called for the removal of international students from targets to reduce net migration so that the increasing numbers could be successfully facilitated.³⁶ While international student numbers have increased as hoped, the policy approach has reverted to using blunt overall net migration targets instead of more refined approaches. The Inquiry Committee urges the Government to accept that the International Education Strategy (IES) and introduction of the Graduate visa will do two things with positive implications for the UK:

1. Encourage more students to study in the UK rather than other study destinations
2. Enable students to stay longer in the UK

The IES and the Graduate visa have therefore increased net migration figures under the current calculations and extended the temporary stay of students. Students and graduates on the Graduate visa are temporary migrants and the associated rise in the migration figures will also be temporary. Government must wait for the data to even out as the influx of students and Graduate visa holders will eventually leave the UK.

MSc student – International Business Data Analytics:

“Two of my friends had family businesses back home and so opted not to take up the Skilled Worker visa. One went home immediately to take over the business. The other one used one year of [Graduate visa] and then took all the experience he had gained back home. There are lots of personal factors involved. For the friend who took one-year post-study extension, it really helped him to excel and now he has gone home, expanded his business and is now exporting to London and Europe.

“His mindset was clear, he wanted to get experience, working paid or unpaid, it didn’t matter to them, and he used the year as market research before he went home.”³⁷

The Graduate visa was designed to allow international students to stay temporarily to gain work experience, foster market and industry knowledge to take home or to other countries, and to increase their social and cultural knowledge. In their May 2023 report, the International Higher Education Commission (IHEC) said that the lack of an effective system to capture education exports means that these positive outcomes are largely invisible to the general public. One consequence of this, IHEC says, is that “the balance between international students as economic contributors and international students as migrants is often skewed”.³⁸

Better international student outcome and Graduate visa holder data would enable a more complete view of the post-study contribution of international students and further inform policy decisions on post-study work rights. We will look in greater detail at the question of data collection in Recommendation 9. At this time, and with a view to further increasing the number of international students who choose the UK as their destination for study, the Inquiry urges the Government to position the Graduate visa as a stable and positive route for international students to utilise temporarily post study.

36 Inquiry Report: A sustainable future for international students in the UK, APPG IS, (Nov 2018) p8

37 International Student Roundtable evidence

38 International Higher Education Strategy 2.0: Targeted Growth for Resilience, IHEC, (June 2023) p5

2. Government should commit to regular reviews of the global competitiveness and effectiveness of the Graduate visa as part of the annual review of the International Education Strategy.

In the IES, Government set out to “work with UUKI and the sector to identify and share good practice in how universities effectively support international students into employment and further study both here in the UK and when they return to their home nation” (Action 5).³⁹ There was also a commitment to work with the sector to enhance the evidence base on international graduate outcomes and to monitor the UK’s comparative position with respect to international student recruitment and the international student experience. The time frame stipulated for this action was: Ongoing: review annually.⁴⁰ The 2022 review of the IES contained no reference to activity on Action 5.⁴¹

Keeping the Graduate visa competitive is seen by the sector as crucial to supporting students, and ensuring we can continue to diversify our international student body. IDP data, gathered in February/March 2023⁴², shows that:

- As other countries have increased their post-study work rights for international graduates, the UK’s popularity as a study destination has declined – UK now ranks as 4th choice across students from all nations surveyed.
- Perceptions of the UK’s post-study work policy have declined in the last 12 months.
- 44% of students would consider another destination if the UK’s post-study work rights were reduced.

39 [International Education Strategy: global potential, global growth](#), GOV.UK, (Feb 2022) Action 5

40 [Ibid.](#) Annex A

41 [International Education Strategy: 2022 progress update](#), GOV.UK, (May 2022)

42 [IDP Report April 2023](#)

Table 1: Comparison of Post-Study Work Rights

| | US | UK | AUS | CAN | GER |
|--|---|--|--|---|---|
| Post-Study Work Rights | Optional Practical Training (OPT) | Graduate visa | Temporary Graduate Visa (subclass 485) | Post-Graduation Work Permit (PGWP) | German Student Visa |
| Duration of Work Permit/ Visa | Up to 12 months for most programmes; Up to 36 months for STEM graduates | Up to 2 years (3 years for PhD) | 2-6 years (depending on qualification and subject- related to skill shortage areas) | Up to 3 years ² | 18 months ³ |
| Cost of Visa¹ | Varies (approx. \$410 for application fee) | £715 (approx.) | From AUD \$1730 | CAD \$255 (approx.) | Varies (approx. €75 - €110) |
| Restrictions/ Conditions | Must be completed within 14 months of completing the degree; Requires employer sponsorship for extended duration | Must have completed a recognised degree from a UK institution; No job offer required; No restriction on job type or salary | Must have completed at least 2 years of study in Australia; No job offer required; Skills assessment may be necessary for some occupations | Must have completed a programme of at least 8 months duration at a designated learning institution; No job offer required | Must have completed a recognised degree; Sufficient funds for stay required; No restriction on job type or salary |
| Counts Towards Other Visas? | No | No | Yes, in some cases | No, although some PGWP programmes do count towards permanent residence | No |
| Dependents Allowed? | Dependents allowed on certain conditions | Yes, but under certain conditions (recently restricted) | Yes | Yes | Dependents allowed on certain conditions |
| Work rights during study | Up to 20 hours per week during academic sessions; Full-time during authorized breaks; students are allowed to work only in campus | Up to 20 hours per week during term-time; Full-time during vacations | Unlimited work rights during study | Up to 20 hours per week during academic sessions; Full-time during scheduled breaks | Up to 120 full or 240 half days per year |
| Visa Inclusions (e.g., healthcare) | No specific healthcare inclusion | Access to National Health Service (NHS) healthcare | Some access to Medicare (Australia's public healthcare system) | Access to healthcare depending on the province of residence | Access to healthcare through statutory health insurance |
| Cost of Visa Inclusions (if applicable) | Proof of health insurance is not mandatory but proof of subsistence for potential medical costs might be required. | No additional cost for NHS healthcare but Immigration Health Surcharge of c. £1200 or £1800 is payable | Applicants must have adequate health insurance for the duration of their visa stay. | Some students may need to have health insurance in place if not eligible for public healthcare | Cost depends on the chosen health insurance provider |

This comparison of Post-study Work Rights has been compiled for the purposes of this report by Study Group and IDP. It is correct to the best of our knowledge on date of publication.

- Notes:
1. Cost of visas mentioned are approximations and may vary based on exchange rates and other factors
 2. Duration of PGWP is directly linked to length of the program
 3. Once students finish their academic program their student visa will expire, and they will have 18 months to obtain a work visa to remain in the country, typically students are advised to apply for this permit while they are still at university else they will be forced to return to your country

The Graduate visa should be included in regular reviews of the UK's comparative position to ensure the route continues to meet the aims of the IES in being welcoming to and supportive of international students and alumni. Both the expert and student roundtables noted that the January 2023 speculation of a possible reduction to six months' duration⁴³ and the recent policy announcement regarding changes to rules on student dependants⁴⁴ may have been damaging and may already be affecting the pipeline of enrolments. Such changes will also put the UK out of line with Australia and Canada where a number of policy points in their post-study work offerings may be seen as more attractive to international students.

For example, in Australia, recent policy changes mean that from July 2023 international students completing select degrees in areas of verified skills shortages will see the length of the Australian Graduate visa increase from two to four years for bachelor's degrees, three to four years for select master's degrees, and four to six years for all doctoral qualifications.⁴⁵

The cost of the Graduate visa route was seen as prohibitive by many students, especially when considering that the applicants have just finished their studies and are unlikely to have gained full-time employment when they apply.

*"I think with the cost of the visa, the government asking graduates to pay £2000 upfront within four months after graduation, whether they have a job or not, it's really a big ask and the government should put into perspective that international students have already paid double the fees and when paying for student accommodation, they also have to pay 12 months in advance."*⁴⁶

While it could be argued that the application fee is competitive, especially when compared to the Australian Temporary Graduate visa (subclass 485), which costs from AUD 1,730 (approximately £928), the requirement for students to pay the entire sum of the IHS when they apply (two or three years at around £624 per year) means the total cost of applying for the Graduate visa is approximately £2,000.⁴⁷ We discuss possible sector-wide solutions to the high cost to students in Recommendation 10.

Ensuring equal access to the Graduate visa

The Inquiry Committee is concerned that recent announcements of changes to student visa rules will mean that not only is the UK's Graduate visa no longer competitive when viewed alongside other study destinations, but we are not treating students equally and are therefore disadvantaging certain groups. It is important that the Graduate visa is equally accessible across different groups of international students and in particular does not disadvantage those with protected characteristics.

The expert roundtable and student roundtable noted the changes announced in May 2023 (prohibiting students at postgraduate taught level from bringing dependents) alongside similar existing restrictions for undergraduate students, created inequitable access to the Graduate visa and were felt to discriminate against female students who often had caring responsibilities to dependants. These students are already at a disadvantage as they are more likely to have to return home before receiving confirmation of their award and are unable to apply for the Graduate visa from abroad.

We encourage Government to review the rules with a view to enabling students to apply for the Graduate visa from outside the UK, and to add dependants to their visa at that point. This is an important step to ensuring equal access for international students with caring responsibilities.

We strongly urge government to include Action 5 in the next review of the IES, including the Graduate visa in the comparative analysis and with an aim to ensuring equal access for all international students who meet the eligibility criteria.

43 [Whitehall opposition to Braverman plan to cut UK Graduate visa](#), Times Higher Education, (30 Jan 2023)

44 [Changes to Student visa route will reduce net migration](#), GOV.UK News, (23 May 2023)

45 [Extended post-study work rights for international graduates](#), Australian Government, (03 July 2023)

46 [International Graduate Routes: Narratives from the UK job market](#), AGCAS, (Feb 23) p49

47 [Graduate Visa – How much it costs](#), GOV.UK, (Accessed 08 July 2023)

3. Government should ensure students don't lose leave as they transition between Student and Graduate visas, and permit leave extensions for students registered on professional accreditation or extended graduate programmes.

In its June 2020 report, UUKI called for the visa length to be increased to three or four years.⁴⁸ The visa length for PhD graduates has been increased from two to three years, but there has been no movement on the visa length for undergraduates and post-graduates with higher degrees.

At the expert roundtable the Institute of Student Employers (ISE) agreed the length of the Graduate visa should be increased. At two years, they explained, the length of the Graduate visa doesn't work for employers who hire graduates onto established graduate programmes that often run for two, three, or four years.⁴⁹

Potentially, employers will have to pay the immigration skills charge to transfer an employee from a Graduate visa onto a Skilled Worker visa, especially toward the end of a graduate or trainee programme, and may see the charge as prohibitive. This may prejudice their view of employing a Graduate visa holder at the outset. Similarly, if an employer has paid the immigration skills charge to transfer a trainee onto the Skilled Worker visa and the employee has paid the application fee, both parties may feel this is unreasonable especially if the graduate plans to move on.

The evidence suggests that two changes to the Graduate visa could address these issues:

1. Providing the security of the Graduate visa without losing Student visa leave

UKCISA explained at the expert roundtable that the time frame relating to the Graduate visa is very tight and can be prohibitive. Typically, graduates have four or six months remaining on their Student visa when they finish their studies before results are published. Although graduates can work during this period following the completion of study, they told our Inquiry that employers want to know they have a work visa extending beyond this short period when they apply for a job. They report feeling pressured to apply for the Graduate visa as soon as possible, losing the period post study when they could look for work or a graduate position before beginning a new visa.

In practical terms, this reduces the overall amount of leave available to the student and makes it more difficult to take up any graduate programme offer with a well-defined start and finish date that does not match up with their Graduate visa permission.

Experts suggested to the Inquiry that a small change in the visa rules, allowing students to set their Graduate visa date for the end of their Student visa or adding the time remaining on their Student visa to the Graduate visa period of leave would allow them to both reassure employers of their right to work and provide ample time to seek employment.

48 [Kickstarting the recovery of international student recruitment: what do we need from government?](#), UUKI, BUILA, & UKCISA, (Accessed July 2023) S3(i)

49 [Annual policy review 2022-23](#), UKCISA, p33

2. Extensions for professional accreditations and graduate programmes

UK professional accreditation schemes and graduate programmes are a very attractive part of the UK higher education offer for students, but they can take up to four years to complete. Graduates seeking professional accreditation, including in many STEM fields, are therefore forced to apply for the Skilled Worker visa.

In the UK, professional accreditation schemes are commonly required for employment in occupations on the UK skills shortage list; for example, there is currently a shortage of civil engineers (occupation code 2121). To become a chartered civil engineer takes around four years after graduation through a peer-reviewed process.⁵⁰ Similarly, architects, also on the skills shortage list (code 2431), require a minimum of two full years' practical experience to become RIBA qualified.⁵¹

The Inquiry recommends that graduates undertaking specific accreditation programmes and professional qualifications should be able to extend their Graduate visas to allow them to achieve full accreditation/qualification. This should then facilitate their entry into the labour force as skilled workers at the end of their Graduate visa leave if they so wish. For those who choose to return home or travel to another country to seek employment, they will then leave with a globally recognised professional accreditation and increase the UK's soft power export benefit.

We recommend that Government should look to extend Graduate visa length to ensure that students don't lose Study visa leave while also providing extensions when students can prove that the date of their professional graduate or accreditation programme exceeds the end of their Graduate visa.

4. As part of their ambitions to grow higher technical education, the Department for Education should consider the role international students could play in addressing skills shortages and supporting local colleges.

The Inquiry notes the ambition in the IES to support the UK skills sector and to diversify higher education. Evidence from the Association of Colleges noted the Department for Education's ambitions to grow higher technical education through new qualifications known as Higher Technical Qualifications (HTQs) and the role colleges and international students could play in this ambition. The AoC *International Survey Report 2022/23* specifically noted the potential to recruit international students to HTQs and the impact this would have on the existing recruitment challenges for these courses. Concern from colleges such as the Collab group⁵² is that a historical downturn in demand for higher technical education could result in a recruitment challenge for the government's flagship HTQs. Experts at our roundtable agreed that international student recruitment could provide a much-needed boost for these qualifications and suggested further exploration on the role the Graduate visa could play in supporting a global reputation for these new qualifications.

50 [How to become a Chartered Engineer](#), The Welding Institute, (Accessed July 2023)

51 [Pathways to qualify as an architect](#), RIBA, (Accessed July 2023)

52 [New branding isn't enough to drive up demand for HTQs](#), FE Week, (12 Feb 2022)

According to the government’s current list of HTQs on offer⁵³ the majority are in key skill shortage areas⁵⁴ such as digital and information technology, cyber security, IT business analytics, informatics, and similar. Qualifications in the recently added health care skills shortage area are commonly included in higher technical education programmes.⁵⁵ Allowing international students who undertake HTQs to access the Graduate visa would not only boost recruitment to support the sustainability and growth of these qualifications but would also address key skills shortage areas.

The IES specifically notes the potential of the skills sector to “be significantly more successful than it is currently”⁵⁶ and that the UK wants to “take advantage of this demand where there is capacity to do so.” From the evidence presented to this Inquiry there appears considerable value in the Department for Education exploring the attractiveness of HTQs for international students, the role the Graduate visa could play in boosting their appeal and bringing findings to future reviews of the IES.

5. Government should maintain other routes for post-study work to provide choice and facilitate different outcomes. Clarification and simplification of the ways to switch routes will be key.

The Inquiry heard evidence from experts and students that the introduction of the Graduate visa has undoubtedly been positive and one of the contributing factors to the UK surpassing its 600,000 target for the number of international students studying in the UK ten years ahead of schedule. We also heard that some students still prefer other work routes, as they are a better fit for their post-study options, especially those working on professional accreditations, those whose employers want longer commitment, those looking to start a new business in the UK, or those wishing to settle in the UK.

The flexibility of the Graduate visa which enables graduates to explore options for work or volunteering, apply for graduate programmes or post-doctoral funding, or prepare for further study, was seen as a huge benefit. It facilitates choice and positive outcome benefits for different students and the benefit of these outcomes should be celebrated and vocalised for other students, education institutions and employers to hear.

PhD student in the UK, working towards becoming a Postdoctoral Research Fellow:

“Not having to worry about the visa is a huge relief. Different [post-doctoral] funding resources take different times to supply funds and have very specific submission periods. ...While I wait for funding, the visa gives me the opportunity to work and gain experience in aspects that are very different to my specialised PhD studies and these are important when you go out into industry.”⁵⁷

53 Transparency Data – Providers delivering Higher Technical Qualifications, GOV.UK, (Jan 2023)

54 Skilled Worker visa: shortage occupations, GOV.UK, (Accessed July 2023)

55 Qualifications, Skills for Care, (Accessed July 2023)

56 International Education Strategy, global potential, global growth, HM Government, (March 2019) p31

57 International Student Roundtable evidence

An important factor for students is the ability to choose the route most suited to their own ambitions. Students told us that, in some cases, the Graduate visa route was not appropriate for their situation, particularly when employers wanted to take a graduate on for longer than two years or where professional accreditation takes longer than the leave provided. In such cases, and where employers had the resources for sponsorship, the most appropriate route was the Skilled Worker visa. Students noted this was most common in areas such as law, where the subject of study was strongly linked to the UK and further study would be required to use their degree in another country. For these students it was important that the Skilled Worker route remain open and the concessions given to employers hiring international graduates of UK universities and colleges remain in place.

Students attending the roundtable and those quoted in research reviewed noted that larger employers were more willing to support them in covering the costs of visas, and these actions were also more strongly linked to larger employers who preferred students to stay in post beyond the two-year Graduate visa.⁵⁸ Graduates welcomed the ability to look for an employer who could support them with the costs of post-study work.

Transition

Students working for SMEs specifically referenced the challenge of encouraging their employer to apply for a skilled worker sponsorship licence when there was mutual agreement that the student would be welcome to stay in post beyond the Graduate visa period. Transitioning an employee to the skilled worker route was seen as daunting for SMEs and the cost could also be prohibitive. We encourage the Government to look more closely at supporting SMEs to apply to sponsor these graduates under the Skilled Worker visa to ensure they can keep the talent which is contributing to their success.

Under the current system, SMEs have to pay the immigration skills surcharge when switching students from the Graduate visa to Skilled Worker visa, something they would not have to do if they employed the student directly from study on a Skilled Worker visa. This adds unnecessary cost to the SME, either by forcing them to recruit again, or through the charge itself.

We urge the government to simplify and clarify the switching process for all students and employers and to remove any barriers that make switching routes abstruse and costly. Further support for students is included in Recommendation 10 which calls for sector-wide collaboration to assist with the mitigation of costs for students to support social mobility for international graduates.

⁵⁸ [International Graduate Routes: Narratives from the UK job market](#), AGCAS, (Feb 2023) p56

Recommendations for Higher Education Institutions

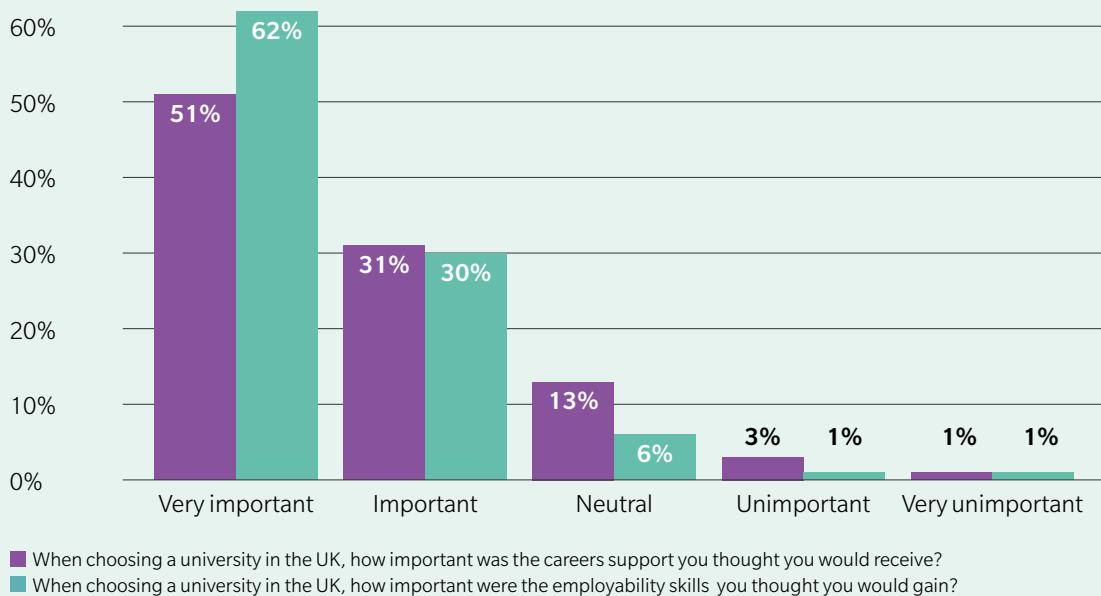
6. A clear national strategy should be developed to address the unique employment challenges faced by international graduates and support the effectiveness of the Graduate visa.

Supporting the employability of international students throughout their studies and preparing them for their next steps, including post-study work, further study, and entrepreneurship, is crucial for the success and effectiveness of the Graduate visa. There was consensus from student sources that students expect this support to be provided by the university or college where they study and for it to be available, to those who require it, throughout the duration of the Graduate visa. Evidence suggests this support is best when delivered by the student's university or college.⁵⁹ However, some students told us that they do not get this full breadth of help and need support over more of their student journey in the UK.

Employability experiences during study, through work or volunteering, are crucial to supporting international students' ability to learn more about UK communities and employment environments. Opportunities throughout the study period may be one of the only ways international students can gain the critical sense of belonging they need to feel confident approaching the post-study work phase. Students shared that these experiences had a dual role; to help them integrate into their communities and industries, while also supporting employers to be more enthusiastic to employ international students.

The implementation of a single employability strategy or national employability strategies specific to each nation of the UK, could streamline and standardise how this assistance is delivered and ensure that all international students are ready and able to transition easily into the job market.

Fig 3: Careers and employability skills



Source: <https://www.hepi.ac.uk/wp-content/uploads/2021/10/Paying-more-for-less-Careers-and-employability-support-for-international-students-at-UK-universities.pdf> p19

59 International Graduate Routes: Narratives from the UK job market, AGCAS: (Feb 2023) p22-24

What do international students want?

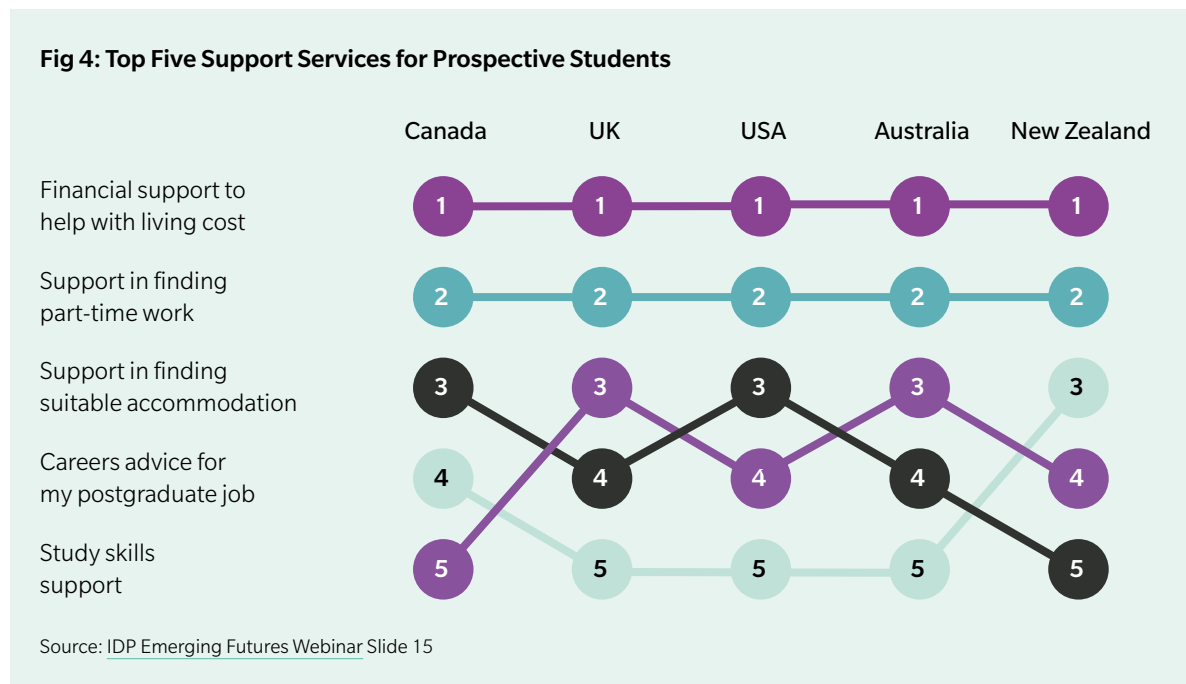
UCAS research shows a range of reasons why international students come to the UK including ‘to boost employability’ (44%) and because the ‘UK provides opportunities with industry/employers’ (43%).⁶⁰ The international undergraduate applicants surveyed by UCAS found that ‘Future employability in the applicant’s country of study’ (54%) was identified as a more important factor than future employability in the applicant’s home country (37%) in making decisions about study destinations.⁶¹

IDP research says that 65% of international students (global respondents looking to study at all study destinations) said the opportunity to acquire work experience in their study destination was an attractive feature of the various international post-study work offerings. But only 46% of respondents were confident they would find a job once they had obtained their post-study work visa.⁶²

Home Office data found that the top two factors impacting on permission holders’ decision to remain in the UK after graduation were:

- The content of the Graduate route and what it allows you to do in the UK (92%)
- The appeal of the employment/course/volunteering opportunities being pursued (86%)⁶³

Students want and need employability support and they are actively seeking this support from universities when choosing where to study.⁶⁴



60 *Where Next? The experience of international students connecting to UK higher education*, UCAS, (Jan 2022) p6

61 *Ibid* p 10

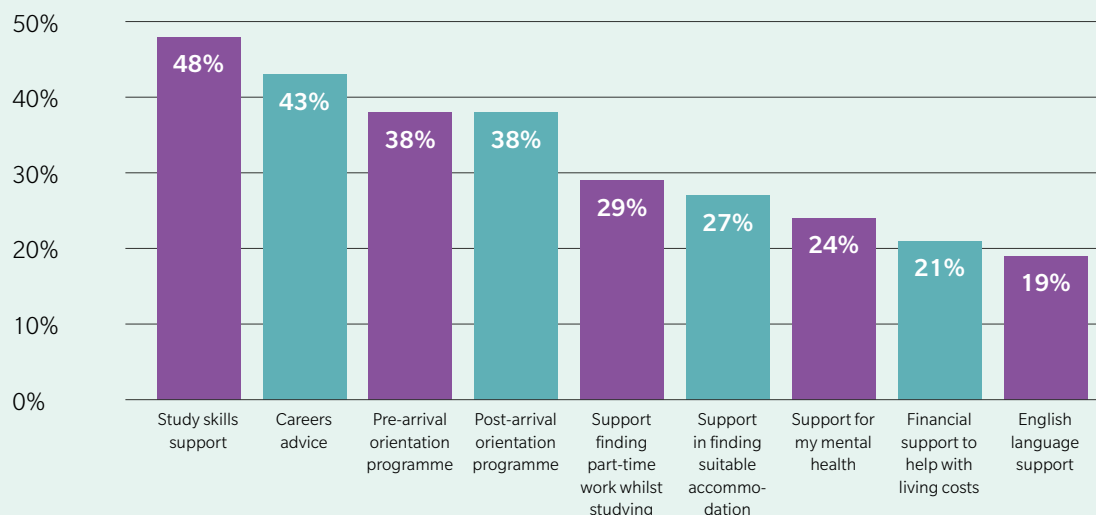
62 *Post-Study Work as a Driver in Destination Choice*, IDP, (09 June 2023)

63 *Graduate route: early insights evaluation*, Home Office, (July 2022) Fig 1.5

64 *Emerging Futures 3 Webinar*, IDP, (April 2023) Slide 15

When students commence their studies, careers assistance becomes the second most used support service for international students.⁶⁵

Fig 5: Support Services Accessed by Current Students



Source: [IDP Emerging Futures Webinar Slide 16](#)

Students agreed that employability support should start early during their studies, as this is the time that gaining employability skills, work and volunteering experience, and knowledge of the Graduate visa can be introduced and enhanced.⁶⁶

Students need:

- An understanding of the UK job market: this can be enabled by networking and taking up specialist work experience and skills programmes during studies.^{67,68}
- Full understanding of the Graduate visa and a way to clarify it straightforwardly and officially to employers.⁶⁹
- Tools for dealing with employer discrimination (especially when caused by lack of employer knowledge).⁷⁰
- Assistance after they complete their studies, especially with Graduate visa issues (such as when things go wrong) and clear signposting to the people who can help.^{71,72}
- Support with understanding cultural norms and information on UK recruitment practices.⁷³

65 [Emerging Futures 3 Webinar, IDP, \(April 2023\) Slide 16](#)

66 [International Graduate Routes: Narratives from the UK job market, AGCAS, \(Feb 2023\) p38 3.5.1](#)

67 [Ibid p39 3.5.3](#)

68 [Paying more for less? Careers and employability support for international students at UK universities, HEPI/Kaplan, \(Oct 2021\) p33](#)

69 [International Graduate Routes: Narratives from the UK job market, AGCAS, \(Feb 2023\) p5](#)

70 [Ibid p42 4.1](#)

71 [Ibid p47](#)

72 [Paying more for less? Careers and employability support for international students at UK universities, HEPI/Kaplan, \(Oct 2021\) p16](#)

73 [International Graduate Routes: Narratives from the UK job market, AGCAS \(Feb 2023\) p48 4.2.4](#)

“I secured one job but when I told them that I am on Graduate route, they simply refused to hire me.”⁷⁴

Throughout our evidence review and from speaking to international students at the roundtable, we found a sector-wide awareness that the scale of fees and associated costs paid by international students is high, and questions need to be asked about whether international students receive value for money when it comes to employability outcomes. While in many cases, the quality of the careers and employability support is extremely high, HEPI and Kaplan believe that they “cannot promise – hand on heart – that every international student has always received every penny of value they expected before they arrived”.⁷⁵

What successful careers support looks like

Research by HEPI and Kaplan found that three-quarters (75%) of students who say employability skills are part of their course were happy with their course and university, compared to just 43% of students who say employability skills are not part of their course.⁷⁶ This shows that embedding employability and enterprise into academic programmes and providing opportunities for work-integrated learning within the curriculum is seen as a positive part of the overall study experience for international students. It also removes the problems associated with leaving students to actively seek out employability support outside their core programme of their own volition.

AGCAS research revealed that only 26% of the international graduates who were in full-time employment had used their careers service in some way, of these, half (50%) had gained their full-time position less than three months after completing their course. 7% suggested they found their current role through their careers service.⁷⁷ This highlights the potential impact of careers and employability service engagement on positive student outcomes, but also the need to support students after completing their course.

The AGCAS research revealed a number of important facilitators for securing post-study employment, such as assisting students with enhanced CVs, covering letters, and interview techniques. Such skills and knowledge obtained through careers and employability services helped students feel confident and assisted them in securing post-study employment.⁷⁸ Study participants also noted the benefit of support tailored to the specific needs of international students, either through the careers service or specific teams with specialist knowledge of post-study visas, post study work rights for international students, and with links to local employers, so they could provide bespoke guidance and support.⁷⁹

“I’ve been using the careers service in my university since first year, so I started very early. Then I just keep improving on those skills. I used them a lot. Actually, I did a mock interview with them and the same question literally came up for my actual interview. That was really helpful.”⁸⁰

74 Ibid p27

75 [Paying more for less? Careers and employability support for international students at UK universities](#), HEPI/Kaplan, (Oct 2021) p11

76 Ibid p15

77 [International Graduate Routes: Narratives from the UK job market](#), AGCAS, (Feb 2023) p23

78 Ibid p33

79 Ibid p34

80 Ibid p33

International students expect careers support to continue after graduation, with half (51%) of students agreeing this should be offered to alumni for between one and five years after graduation.⁸¹ Almost two years since the introduction of the Graduate visa, the student roundtable evidence shows us that the transition from being on a sponsored Student visa, to an unsponsored Graduate visa can still be problematic and, without support, students may struggle.

One of the benefits of the Graduate route promoted to employers is that visa responsibility lies with the graduate⁸², but this should not mean students are left alone to cope with all eventualities. For the graduate, and especially those who do not receive support from their education institution, this can be distressing. In situations where the transition onto the Graduate visa does not go smoothly, the graduate may lose out.

“I found it a really difficult transition [onto the Graduate route]. I had always had the University sponsor my visa, but now I’m on my own and don’t have an employer sponsoring my visa, and I ran into a lot of issues with the application process. When you are on the Graduate route and you have no support it is really difficult to navigate and people do lose job offers when there is no assistance available.”⁸³

Better data to demonstrate outcomes and export potential

In Recommendation 9 we call on government, education institutions, and stakeholder bodies to improve data collection relating to students who take up the Graduate visa so that the higher education sector can better understand where they go, what they do, their progression, and the outcomes over several years.

This data should form a powerful component of the national strategy and should demonstrate to students and employers the versatility, simplicity, and benefits of the Graduate visa route for those who wish to work in the UK following graduation, as well as the potential for international graduates to gain experience and then return home or move to another country.

Opportunities to support the post-study work experience

While each university is different and we acknowledge that there are many institutions who already have effective careers support services in place which are tailored for international students, a national approach that could be implemented straightforwardly, even by those institutions hosting low numbers of international students, would provide the full support needed in an easy-to-deliver format, which should be especially useful as students and graduates transition from one visa route to another or as they return home.

For those students who take up the Graduate visa and become un-sponsored for the first time, clear signposting to ongoing post-study support can help them navigate their options and make decisions about what they should and could do next.

81 [Paying more for less? Careers and employability support for international students at UK universities](#), HEPI/Kaplan, (Oct 2021),p16

82 [Employer’s Guide to Recruiting International Graduates](#), BUILA/ISEG, (Accessed July 2023)

83 International Student Roundtable evidence

The national strategy for international student careers and employability guidance should include:

- **Education programmes and information** for students focusing on post-study options, including the different work visa routes and returning home.
- **Immigration advice for universities and colleges** to ensure international students are receiving full and correct advice.
- **Mentoring programmes** (Research showed that peer support reinforced positive visa application experiences⁸⁴ and collaborative projects, which include interaction with industry, could also involve student peers.⁸⁵)
- **Facilitated employer programmes** (which can be localised and will evolve into case studies) such as the *Sheffield China Gateway Scheme*⁸⁶ and the Strathclyde University Marketing Works teaching module (see case study below).
- The development of an **International Graduate Export Placement Scheme** which will allow UK businesses to draw on the language proficiencies, technical skills, local expertise, and networks of recent international graduates to realise new export opportunities.^{87,88}
- **Collecting data on international student alumni outcomes** to show employability successes and how the flexibility of the Graduate route can enable career movement as students do not have to work in their field of study.
- **Case studies for employers** on the innovative uses of the Graduate visa to inspire more to hire international graduates and to showcase their unique potential and valuable skills.

CASE STUDY – UNIVERSITY OF STRATHCLYDE

The *Masters in Marketing* programme, run by the University of Strathclyde's Business School, is part of a required module for all MSc degrees in the Department of Marketing. Students collaborate on a Marketing Works Group Project in which they take on real-life marketing projects with local businesses. The university invites local businesses to submit proposals seeking students to work on specific projects and then students are matched with the businesses.

Many students on the programme are international and this means that Scottish businesses gain awareness of the benefits of employing international students. For example:

Local social enterprise, the Saorsa Menopause Consultancy worked with three international students on a project to raise awareness of menopause issues. The project highlighted the versatility of the students who worked on a marketing plan for the new consultancy. The consultancy was incredibly impressed with the international students' project engagement and innovative ideas.

84 *International Graduate Routes: Narratives from the UK job market*, AGCAS, (Feb 2023) p30 3.1.2

85 *Paying more for less? Careers and employability support for international students at UK universities*, HEPI/Kaplan, (Oct 2021) p33

86 *Inquiry Report: A sustainable future for international students in the UK*, APPG IS, (Nov 2018) p31

87 *Why aren't we Second? Part 2*, UUKI & IDPC, (Sep 2021) p3

88 *Kickstarting the recovery of international student recruitment: what do we need from government?*, UUKI, BUILA, & UKCISA, (Accessed July 2023) S3(viii)

To provide effective outcomes, and to deliver international students equipped with the right tools for success, the higher education sector must be first in line to inform, advocate, assist and support international students during and after their studies. This goes further than traditional ‘careers advice’ and should be seen as a fundamental service provided by institutions seeking international student enrolments. A national strategy will mean all institutions would have materials and resources available to share with international students and a clear pathway for providing the programmes that can assist the local community and economy. The Graduate visa provides a flexible option for international graduates and these possibilities and opportunities should be explored with students before they end their studies.

“For me the flexibility [of the Graduate visa] has been really helpful because when I finished my PhD, I decided I didn’t want to go down the academic route, I wanted to gain some diverse work experience to build up my CV and I wanted to use the contacts I’d made in the UK. The flexibility has allowed me to be self-employed, I have been a tutor, a care worker, a volunteer and now I am working at a university.”⁸⁹

7. Higher education providers should play a proactive liaison role between students and local employers.

Data from the Institute of Student Employers (ISE) says that the number of graduate vacancies is now 20% higher than in 2019, before the Covid-19 pandemic. Job vacancies for graduates were expected to increase by more than a fifth (22%) in 2022 compared to 2021.⁹⁰ However, in January 2023, HEPI and Kaplan published a policy note entitled, ‘Not heard of this’: Employers’ perceptions of the UK’s Graduate Route visa, in which it was stated that “the reluctance of employers to recruit former international students is abundantly clear”.⁹¹

“I think a lot of employers, particularly small ones, are pretty cautious about what they’re allowed to do legally. They really don’t want to break visa rules and so forth. If I am brutally honest, working in a small SME myself, if we had the choice between a UK student and an international student for a placement, we would probably take the UK student.”^{92,93}

Individual institutions are well placed to be able to assist in countering this reluctance to employ international graduates and the Inquiry urges higher education institutions to become or continue to be the champions of post-study work rights for international students and to provide an unequivocal information link between students and graduates and local employers and industry.

Further, the newly formed Department for Business and Trade has a role to play in supporting a greater understanding of the Graduate visa among employers and should have a vested interest in assisting Universities to act as a liaison between international students and employers to create projects that will boost local trade among SMEs.

89 International Student Roundtable evidence

90 [Busting Graduate Job Myths](#), UUKI, BUIILA, & UKCISA, (Feb 2023) ISE data quoted page 8

91 ‘Not heard of this’: Employers’ perceptions of the UK’s Graduate Route visa, HEPI/Kaplan, (Jan 2023) p4

92 Ibid p4

93 [Webinar on international student’s careers and employability](#), HEPI/Kaplan, 14 October 2021

Engaging with local employers to tackle lack of knowledge and show benefits of hiring international graduates

Most institutions have the local contacts and relationships already in place to be able to facilitate better knowledge of the Graduate visa among local employers. These connections are fundamental for international student employability outcomes and should be forged and fostered at every opportunity. In our previous report, we highlighted University of Sheffield's 'Sheffield China Gateway Scheme' and University of Bristol's 'International Talent' scheme⁹⁴ as examples of organisation and coordination between institutions and local businesses. Such schemes can facilitate medium and longer-term benefits of partnerships and economic relationships with student workers and graduate employees. In this Inquiry we have highlighted the University of Strathclyde's Marketing Works teaching module (see Recommendation 6) as a best practice scenario for working with local employers.

Building localised schemes and programmes is crucial for facilitating better knowledge, countering employer reluctance and as part of the wider drive for successful outcomes for international students.

Our student roundtable participants told us that many HR departments (even university HR departments) were not familiar with the Graduate visa and a collaborative effort, led by student immigration experts, could support a sector wide upskilling on the Graduate visa and other work routes for international students.

As this report goes to press, ISEG and BUILA's brand new Toolkit for employers is scheduled for launch. The resources include an Employer's Guide to Recruiting International Graduates infographic⁹⁵ and a series of videos covering topics including the benefits of employing international graduates, dispelling the myths of hiring international graduates, and how students can use their work experience skills to gain graduate jobs.⁹⁶ This is indeed invaluable and timely and we urge institutions to use these resources and make them available to employers alongside liaison initiatives that will foster strong relationships with employers and promote the unique skills possessed by international students.

It is the Inquiry's aim that students will not have to explain how the Graduate visa works when they apply for jobs, and this will cease to be seen as one of the barriers to gaining valuable workplace experience post study.⁹⁷

Building localised programmes and sharing best practice for employer liaison

In their research, AGCAS has suggested a range of measures for institutions to share best practice with local employers. While we acknowledge that some, smaller institutions may not be able to implement all measures, the following actions could be tailored to form an institution best fit:

- Work with local employer engagement teams to ensure confident conversations around inclusive recruitment practices and advocate for the entire student community.
- Build 'graduate internship' schemes with SME contacts, providing international graduates with the opportunity to gain graduate-level experience without requiring employer sponsorship.
- Gather case studies and success stories from international students and graduates- and promote these appropriately.
- Identify employers (existing or new contacts) who embrace international students and offer them prioritised promotion opportunities to come to campus and deliver sessions.⁹⁸

94 [Inquiry Report: A sustainable future for international students in the UK](#), APPG IS, (Nov 2018) p31

95 [Employer's Guide to Recruiting International Graduates](#), BUILA/ISEG, (Accessed July 2023)

96 [Hiring International Graduates - Videos](#), BUILA/ISEG, (Accessed July 2023)

97 [International Graduate Routes: Narratives from the UK job market](#), AGCAS, (Feb 2023) p42

98 *Ibid* p13

Higher education institutions should assist local employers with a vision of what international graduates could bring to their businesses and the skills they possess to add value to the local economy and community. Programmes initiated for local businesses could include export programmes, language programmes, and drives to fill local skills gaps.

“ Different sectors have different demands. In my industry I had more demand for people who have studied this particular course and who were flexible to relocate, etc. [Having the Graduate visa] gives us an upper edge because we can get work experience.”⁹⁹

Institutions should link international students to the employers that need their skills, emphasising that many international graduates will have links to overseas markets and language skills that the domestic cohort of graduates are unlikely to possess.

⁹⁹ International Student Roundtable evidence

Recommendations for Cooperation

8. Government and the higher education sector must collaborate to endorse the Graduate visa and communicate it effectively to students and employers.

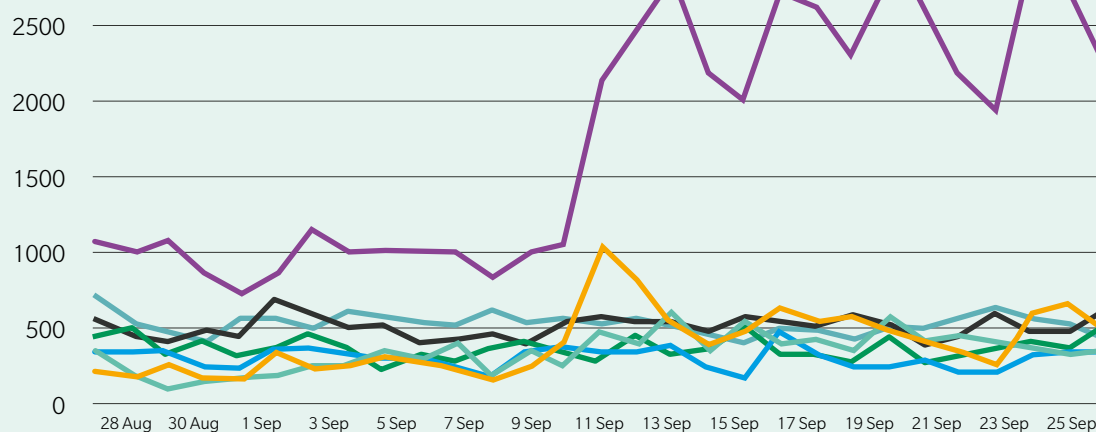
There is an urgent need for better communication of the legitimacy, flexibility and benefit of the Graduate visa to students and employers. Government needs to fully endorse and promote the route and support industries and communities to use it to address skills shortages and increase export opportunities. While Government should take a leading role in this action, higher education institutions and all levels of government should collaborate to reduce confusion and create greater visibility of the route among international students, both prospective and those already studying in the UK.

This communication is separate from strategies to improve international student employability and employer liaison roles. It must address the current challenge identified across the evidence we reviewed that employers and students do not have clarity on the rules, processes, potential uses, and limitations of the Graduate visa. We have heard that in some cases there is a lack of trust in information as it does not have a clear endorsement from Government. Others quoted evidence available from multiple sources, but it was not reaching employers or students. Government, universities, colleges, and higher education groups must collaborate to provide trusted, comprehensive and clear information on the Graduate visa for the route to be effective.

Awareness of the Graduate visa

When the introduction of the Graduate visa was announced on 11 September 2019, there was an almost immediate increase in interest from prospective students beginning their research into international study destinations, particularly from India. IDP Connect demand data showing the activity of prospective students on education search websites revealed the immediate surge in interest.¹⁰⁰

Fig 6: Graduate Visa Announcement Search Demand



Source: IDP: Post-Study Work Insights p1

100 Post-Study Work Insights, IDP, (01 Oct 2019)

However, awareness of the Graduate visa among students already studying in the UK and employers hiring graduates appears to be limited and inconsistent. In late October 2022, a HEPI survey asked employers about their use of the Graduate visa route. The results showed only 3% of the employers surveyed had knowingly made use of the Graduate visa and more than a quarter (27%) said they were not familiar with the Graduate visa route. A further fifth of the cohort (20%) said they would NOT consider using the route.¹⁰¹

Research by the AGCAS highlighted a number of barriers to UK employment for international graduates¹⁰² including a persistent theme of lack of employer knowledge as to what visas are available for international graduates and how they work. One respondent commented:

*“Most recruiters don’t even know how the Graduate visa works. It’s funny because I remember having an interview one time with a big company. It was the first stage and when the interviewer asked the kind of visa I had and I said the Graduate visa, she was like doesn’t that limit you in terms of the number of hours you can work?”*¹⁰³

Even those who were successful in gaining employment found themselves having to educate employers about the process of employing someone on a visa and what to do regarding the processes.

*“I find myself having to educate employers, whether I’m applying to them, or I’ve already applied to them, I have to tell them what exactly the process is, what sort of software or website they have to go to request certificates, sponsorship numbers.”*¹⁰⁴

The UK Council for International Student Affairs (UKCISA) explained that when the previous post-study work visa route was in place, international students could take a printed Government flier to employers which explained the available visa route for graduates. This was particularly helpful during interviews and was aimed at building confidence in the use of the visa. Materials such as these, endorsed by Government to show legitimacy of the route were critical to building confidence that this unique visa was indeed a legitimate way to employ international graduates.

The current information for employers is primarily contained on a government website and provides limited information. This leaves the onus on the student to educate and build confidence in the Graduate visa. Students shared stories of the negativity and possible discrimination they experienced due to a lack of Government endorsement of the route. A simple example shared is where careers platforms and employer applications don’t have ‘Graduate visa’ in the list of options for the type of leave an applicant holds.

Students want more guidance to be made available for employers on how to ensure the Graduate visa is accepted in their recruitment process, while employers need clear Government endorsement of the visa to be confident they are following employment and immigration rules to the letter.

The Institute of Student Employers (ISE) advised that among their membership of typically large employers, international students account for around 10% of all graduates employed each year.¹⁰⁵ ISE acknowledged that large employers have the specialised resources available (HR and legal teams) to cope with the processes and compliance risks as they relate to hiring international students on temporary visas. It is smaller employers and SMEs who are, in many cases, lacking the knowledge, resources, and willingness to undertake the risk of fines if visa rules are breached. Employers and universities told us that the rules around employing those without permanent right to stay in the UK are complex and carry a lot of risk.

101 ‘Not heard of this’: Employers’ perceptions of the UK’s Graduate Route visa, HEPI/Kaplan, (Oct 2021) p8

102 International Graduate Routes: Narratives from the UK job market, AGCAS, (Feb 23) p42

103 International Graduate Routes: Narratives from the UK job market, AGCAS, (Feb 23) p42

104 International Graduate Routes: Narratives from the UK job market, AGCAS, (Feb 23) p43

105 Student Recruitment and Development in 2023, Luminare Prospects, (Jan 2023)

ISEG and the British Universities Liaison Association (BUILA) have produced a number of guides and resources on employing international students,^{106,107} but say Government needs either to explicitly endorse and promote the existing guidance or to produce its own so that employers are able to recognise the legitimacy of the route and appreciate its simplicity, benefits and limitations. Evidence from this inquiry suggests the best route would be for the education sector and government to collaborate on such resources rather than duplicate efforts.

Discrimination

In sector research and from statements made at our student roundtable, it is evident that despite clear employment discrimination legislation and sector guidance on the recruitment of international graduates being in place¹⁰⁸ Graduate visa holders, and many international students as a whole, feel prejudiced against in the employment market.

At our student roundtable, the thoughts of the participants on this matter were clear:

“ I had a friend who actually received a job offer from a large, well-established organisation and during the interview he was told, ‘you have gotten the job, this is all good’. Then they asked what visa he had, so he told them it was the Graduate visa, they wrote it down, and then the next day he got a call from HR and they said ‘actually we have realised that you don’t have permanent right to work so we are going to have to revoke the offer’. This is definitely breaching employment laws and he had to go and talk to HR and say, ‘you can’t do this, you’ve given me this offer, it’s a permanent position and I’m on the Graduate visa. I can work’. Eventually, they said, ‘Oh wait, actually you’re right.’ And this is indicative of the fact that employers don’t know enough.”¹¹⁰

While such discrimination against students on the Graduate visa (whether intentional or not) is shocking, perhaps more so is the overarching lack of employer engagement with the route. Almost all the students who spoke at the roundtable, told us that there was a fundamental lack of knowledge about the Graduate visa and it didn’t appear on most job applications as an option for right to work in the UK.¹¹¹

“ Employers definitely lack a lot of awareness. I’ve had to be the subject matter expert in my own visa procedure. I’ve read every single document that I’ve been able to find, scouring the internet to learn about the Graduate route, the Skilled Worker visa, whatever pathways are available to me. I’ve had to champion that and be my own cheerleader.”¹¹²

Another graduate told us of an almost inevitable pause when an interviewer or HR department asked what visa she held and her answer was “Graduate visa”. This was typically followed by a request for the applicant to explain, or a statement about the route which conveyed unfamiliarity. This and other anecdotal evidence made the point clear – there is a fundamental lack of understanding and sometimes damaging misconception about what the Graduate visa is, what it enables graduates to do, how long the permission lasts, and how students are then able to transition onto other visa routes.

106 Recruiting International Graduates - A Guide for Employers, ISEG, (Accessed July 2023)

107 Employer’s Guide to Recruiting International Graduates, BUILA/ISEG, (Accessed July 2023)

108 Recruiting International Graduates – A Guide for Employers, ISEG, (Accessed July 2023) p6

109 International Graduate Routes: Narratives from the UK job market, AGCAS, (Feb 2023) p44 4.1.3

110 International Student Roundtable evidence

111 International Graduate Routes: Narratives from the UK job market, AGCAS, (Feb 2023) p 42 4.1.1

112 International Student Roundtable evidence

Home Office data suggests most students find out about the route from their university,¹¹³ and it is clear that higher education institutions are promoting the Graduate visa to prospective students. However, more needs to be done to ensure that the availability of the route is prominent during the education destination decision-making process for students and Government needs to be front and centre in assuring students that the Graduate visa will still be available when they graduate (see Recommendation 1 on Government commitment). Government must also be the vanguard with employers, in promoting the route as an effective and attractive way to fill job roles with the skills and attributes that international graduates possess.

9. A UK-wide international education data strategy should be developed jointly between Government, education institutions and stakeholder bodies, including evaluation of the impact of the Graduate visa across the student journey, and the economic and soft power contribution of international graduates.

The Inquiry received a significant number of studies and survey data exploring the impact of the Graduate visa on international student recruitment and student ambitions for graduate work. There was, however, limited data which could be said to be comprehensive, UK-wide, or systematically collected from an independent central source. It was noted that the International Education Strategy (Action 9) sought to improve data collection on international education¹¹⁴, there was no clear intention to include the impact of the Graduate visa, nor to develop data to address the concerns raised by Ministers which led to the closure of the previous post-study work route. We therefore recommend that a UK-wide international education data strategy be put forward by the Department for Education to include the Graduate visa, as the department responsible for Action 9, and supported across government including improvements to migrations and graduate outcomes data.

The Inquiry found sector-wide consensus, reflected in the evidence reviewed and the roundtable meetings, that the improved collection of data relating to international student journeys and graduate outcomes, both during the period of the Graduate visa and onwards, is imperative for the ongoing success of the route. Data on where the international graduates go, the jobs they fill including skills shortage roles, the salaries they receive, and the companies they start are all crucial for determining whether the route is successful. The evidence presented suggested that international graduates fill skills shortages, support UK business to export, provide substantial soft power outcomes, and provide strong reasons as to why we should be retaining the immense graduate talent coming out of UK universities. Better data specifically relating to Graduate visa holders and their movements post study will:

- Help shape future policy.
- Benefit education exports.
- Inspire, inform, and enable students and employers to see what graduates are doing, how they are doing it (the visa routes chosen), and assist in the creation of mentoring and support programmes to benefit future international graduates.

113 [Graduate route: early insights evaluation](#), Home Office, (July 2022) Fig 1.1

114 [International Education Strategy: global potential, global growth](#), GOV.UK, (Feb 2021)

The currently available data is self-contained, baring little reference to the other information collected about the Graduate visa or the students who use it and the sector feels that without comparative data it is difficult to make policy recommendations or to promote graduate work options to prospective students who ultimately make an inextricable correlation between quality of education and employability outcomes.¹¹⁵

“ We should not be reliant on one-off reports, as welcome as they are, to define the economic value of higher education to the country, and whether students do or don’t overstay, and so drive long-net migration.”¹¹⁶

Understanding student journeys

In August 2017, the Office for National Statistics (ONS) published a report entitled *What’s happening with international student migration?*¹¹⁷ The report acknowledged that “international student journeys are complex and their migration intentions at the end of their studies may change”.¹¹⁸ The authors called for better understanding of migration patterns, “not just of those that have recently finished their studies, but also those who have studied, but continued to stay in the UK, for legitimate reasons, for a period of time after their study period. The [International Passenger Survey] alone does not collect all of this information and needs to be viewed along with other data sources to provide a more complete picture of what students do after their studies.”¹¹⁹

The report states that “there is more work for the ONS team, in partnership with colleagues across the Government Statistical Service, to further improve migration statistics.”¹²⁰ We believe that this needs to be a collaborative effort, engaging the education sector more widely, to ensure that data is collected at all levels of study. This should also include a strategy to separate international student data from other net migration statistics, to understand how long students remain in the UK studying and when they return home or to another global opportunity. The current International Education Strategy has goals for growth and diversification of this considerable UK export, with little means to evaluate success or make policy decisions to shape that output. The Graduate visa will inevitably extend the stay of international students and it is important to be able to understand how that impacts the UK, positively and negatively, so as to facilitate informed policy decisions. The current net migration figure is not a reliable estimate of the impact of the Graduate visa.

A separately compiled report should also include a thorough understanding of the impact of international students and international graduates who remain in the UK on the value of education exports. In relation to the Graduate visa this report should include:

1. Evidence of international graduate employment over time

Graduate route early insights evaluation data from the Home Office revealed information on how applicants took up the Graduate visa, what the Graduate visa will be used for, and general perceptions of the process within the first year of the visa being available.¹²¹

115 [Post Study Work as a Driver in Destination Choice](#), IDP, (09 June 2023)

116 [International Higher Education Strategy 2.0: Targeted Growth for Resilience](#), IHEC, (June 2023) p3

117 [What’s happening with international student migration?](#), ONS, (2017)

118 [Ibid](#) S.5

119 [Ibid](#)

120 [Ibid](#) S.9

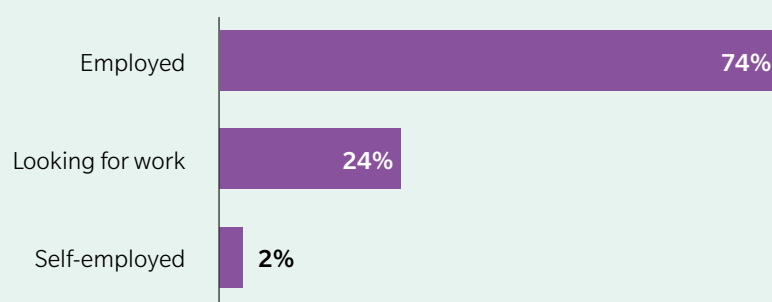
121 [Graduate route: early insights evaluation](#), Home Office, (July 2022)

In terms of employment outcomes:

- All permission holders were using the route for labour market related activity, either through employment (74%), self-employment (2%) or seeking employment (24%). None were studying or doing voluntary work.
- Half (51%) of those in employment were offered their role before applying for the Graduate route.
- The median salary of permission holders was £20k to £30k.
- It was more common for those who held postgraduate or STEM qualifications to report earnings over £30k than those with undergraduate degrees or qualified in non-STEM subjects.
- The most common occupations of permission holder were professional occupations (34%) and associate professional and technical occupations (32%).¹²²

However, the authors acknowledged that because of the early nature of the data collection and the small cohort (50 participants surveyed between December 2021 and January 2022), the aim of the data was to reflect the variety of experiences of graduates at the time, rather than statistically representing all Graduate route permission holders.¹²³

Fig 7: Current employment status of permission holders



Source: Home Office Graduate route: early insights evaluation Fig 3.1

2. Graduate outcomes survey data

UK higher education has a Graduate Outcomes survey which could provide a more comprehensive data source, as it is offered to all graduates of higher education courses from a higher education provider in the UK. The survey in its current form could provide information on the activities of international graduates in the UK and abroad, and with small changes could identify the particular visa route they were on and what activity they were undertaking during the Graduate visa. The current survey is able to produce valuable insight for students and policy makers, which is presented on their website.¹²⁴

In July 2021, a decision was made to cease calling non-EU international graduates as part of Graduate Outcomes data gathering. This decision, according to HESA, was made in consultation with the Graduate Outcomes Steering Group as a cost cutting measure.¹²⁵ International student engagement is now limited to email and SMS contact only and there is no follow up telephone call made to graduates who do not complete the online survey.

¹²² Graduate route: early insights evaluation, Home Office, (July 2022) Fig3.1

¹²³ Ibid S. Methods

¹²⁴ Welcome International Graduates, Graduate Outcomes, (Accessed July 2023)

¹²⁵ Our approach to surveying non-EU international graduates, HESA, (11 Nov 2021)

At the expert roundtable, and within the evidence reviewed, the Inquiry heard numerous expressions of dismay at this measure^{126,127} and therefore urges the government to reinstate resources to enable follow up contacting of international graduates that will inform the sector and help shape policy.

3. Evidence of benefit to local businesses and economies

The evidence reviewed by the Inquiry shows that the Graduate visa is being used for many different pathways, including paid employment (related and unrelated to field of study) preparation for further study, volunteering, self-employment, market research for future plans, and networking.^{128,129}

In particular, SMEs are benefitting from the skills brought into their businesses by international graduates, and entrepreneurs on Graduate visas are starting businesses themselves. Some of the time international graduates spend in the UK while on Graduate visas is being used for market research and networking opportunities that will be taken home when graduates leave the UK. Some of this knowledge will be utilised to create exporting and further business opportunities into the UK from their own country.

Several student case studies and the student roundtable specifically noted how they found it much easier to work locally, and for SMEs, with the Graduate visa. They noted the benefits to the SME and to themselves, in the broad experiences they had within the company that they may not have been able to have in a larger organisation.

“ There’s also a chance to go into an SME who’s not listed as a sponsor in the government’s list, but then, they could sponsor you going through the process. I haven’t been through that process yet, but there’s still that hope.”¹³⁰

Although this international graduate felt hopeful about their employment in an SME, the majority of international graduates suggested that larger employers are more receptive to employing international graduates than smaller employers.¹³¹ However, this graduate told us of how being on the Graduate visa meant she found work with an SME.

“ The Graduate route has allowed me to work at an SME, a company that would not otherwise have had the capacity to sponsor international students. That flexibility was extremely important to me because I had previously worked at a big corporate practice and did not enjoy it at all. Being able to work at a small practice aligned much more with my personal values.”¹³²

Our previous inquiry noted the specific added contribution of programmes which supported local SMEs to export using the unique knowledge and language skills international students had to offer. The impact of these programmes could be collected with a collaborative data model.

The Inquiry also sees an opportunity, through better Graduate Outcomes data collection, for self-employment self-assessment data to be collected that will show the benefit of the Graduate visa in the creation of self-employment business revenue and taxes, and new UK jobs.

Students also noted that they were paying tax and making national insurance contributions during their time on the Graduate visa, as well as encouraging family and friends to visit and explore their local areas.

126 International Graduate Routes: Narratives from the UK job market, AGCAS, (Feb2023) p14

127 Humanising the International student experience: the post-study reality of gaining UK employment, HEPI, (June 2022)

128 Graduate route: early insights evaluation, Home Office, (July 2022) Fig 3.1

129 Paying more for less? Careers and employability support for international students at UK universities, HEPI/Kaplan, (Oct 2021) p43

130 International Graduate Routes: Narratives from the UK job market, AGCAS, (Feb 2023) p53

131 Ibid

132 International Student Roundtable evidence

Evidence of the contribution of international students to the UK and local communities while working was provided to this inquiry.¹³³ The 2019 HEPI report *The UK's tax revenues from international students post-graduation* estimates, using Longitudinal Educational Outcomes (LEO) data¹³⁴ that, per graduate, non-EU international students contributed £34,000 in income tax¹³⁵ and a further £23,000 in National Insurance contribution¹³⁶ over 10 years of post-study employment. They also estimated international graduates added £20,000 in VAT over that period. This study was completed before the Graduate visa was announced and with data from the 2016/17 cohort which did not have access to the previous post-study work visa. No similar study has looked at the contribution of international graduates during the Graduate visa in tax, spending or tourism.

This evidence is critical to understanding the net contribution of international graduates during their post-study period, either through the Graduate visa or other work visas. It must be delivered as part of a broad understanding of the period post study and modelled to understand changes as the Graduate visa develops. Understanding where the students go in the UK (do they stay where they studied or do they seek employment in other regions and countries of the UK?) is imperative to understand and tackle the challenges for students and businesses alike. This data could inform how SMEs across the country should promote jobs and recruit international graduates who have the skills needed and who are ready and able to relocate.

The Inquiry recommends that the Quarterly Education Workshop specifically explores the links to education exports and how improvements in this respect could be made to the Graduate visa.

10. Institutions, and employers should work together to mitigate the costs of the Graduate visa for students from lower and middle income backgrounds.

To support the effectiveness of the Graduate visa, the sector should work together to formulate a strategy that will assist with costs management for students transitioning onto the Graduate visa. Throughout the evidence, students are telling us that the cost of the application (£715) and the Immigration Health Surcharge (£1,248 for two years and £1,872 for three years) is a barrier. It is a significant lump sum to find in addition to covering living costs which often increase for many as their student status ends.

“I'd like to say that the visa fee is really very important. People are paying full-time fees and then you are limiting their work hours to 20 hours, but you suddenly want them to have £2,000 after graduation to be able to just give to you whilst they've been having to pay rent and put up the groceries. I think it's just unfair.”¹³⁷

The case studies gathered by AGCAS illustrated a range of student opinions on cost with one describing them as 'exorbitant' while another considered them as reasonable. In our student roundtable, it was noted that the large outlay at the end of studies is particularly difficult for loan-funded students or those on scholarships.

133 [The UK's tax revenues from international students post-graduation 2019](#), HEPI/Kaplan, (March 2019)

134 [LEO Graduate outcomes provider level data \(Tax year 2019-20\)](#), GOV.UK, (Nov 2022)

135 [The UK's tax revenues from international students post-graduation 2019](#), HEPI/Kaplan, (March 2019) p28

136 [Ibid](#) p29

137 [International Graduate Routes: Narratives from the UK job market](#), AGCAS, (Feb 2023)

Home Office Early Insights data echoes this disparity. Permission holders were split over whether the application fee and health surcharge were fair: 50% said total application fee was fair, 40% said it was unfair and 10% did not know. When asked their opinion on the IHS 48% said it was fair, 48% said it was unfair, and 4% did not know. Those qualified in STEM subjects were less likely to think the health surcharge was fair (28%) than those in non-STEM subjects (59%).¹³⁸

At our student roundtable, the issue of Graduate visa holders in full-time employment who had paid the IHS and were now paying National Insurance Contributions deducted from their pay was also raised and it was questioned whether this is fair.

While the Graduate Route enables graduates to access jobs below the salary thresholds required in the Skilled Worker route, the application costs combined with living costs (which are especially high in large cities) mean graduates often seek high-paying roles. This is an additional reason why some are more attracted to sponsorship and the Skilled Worker visa. As the AGCAS case studies only gathered data from graduates who had taken up the opportunity to remain in the UK, there is a lack of data relating to graduates who were unable to apply for the Graduate visa due to cost.

In their research report, “Why aren’t we Second? Part 2”, UUKI and IDP Connect recommended reducing the financial barriers for international students through the creation of “diverse and innovative funding opportunities”.¹³⁹ The Inquiry recommends that these funding solutions should continue post study and should be considered as part the sector-wide graduate careers strategies discussed in Recommendation 6.

Sector cooperation to mitigate cost could include:

- **Graduate visa employment programmes** – As part of Graduate visa employment programmes run through liaison with local government and SMEs, institutions and employers could share the cost of the visa application for some students when employment is found through the programme.
- **Immigration Health Surcharge Loan schemes** – Institutions could provide loans to cover the IHS charge for students applying to the Graduate route after completing studies with them. Loans provided by the institution would mean that graduates applying for the Graduate visa would be able to cover the up-front costs of the visa and then pay off the IHS loan over the duration of their visa permission. If the schemes could be implemented on a national basis, they could include an agreement from employers that loan instalments could be paid out of their salary.

It should not be that only the wealthiest students are able to take advantage of the Graduate visa. The higher education sector should seek to support lower income international students with the same shared values they apply to social mobility more broadly.

138 [Graduate route: early insights evaluation](#), Home Office, (July 2022)

139 [Why aren't we Second? Part 2](#), UUKI & IDPC, (Sep 2021), p3

Conclusion



Conclusion

As the reputation of the Graduate visa grows and changes it is important to understand not only its effectiveness but its potential to have a positive impact on all aspects of the student journey, from prospective student to skilled employee or entrepreneur. In attempting to evaluate the effectiveness of the Graduate visa route, this Inquiry has found, overwhelmingly, that **there is an urgent need for further research and better collection of data relating to international graduate outcomes**. While we acknowledge that the post-study work route is still in its relative infancy, **there is an imperative to secure the stability of the Graduate visa now** and this will require greater knowledge of the outcomes as they relate to Graduate visa permission holders.

The need to better quantify and analyse the successes of the visa alongside its shortcomings is crucial **to ensure the Graduate visa can support international student post-study ambitions** and remain a strong motivation for international students to choose the UK as their study destination. **A committed strategy should be put in place to facilitate best outcomes for Graduate visa holders, employers and local communities** and this will require the cooperation of Government, higher education providers, and industry stakeholders.

There is also an inherent need to understand the Graduate visa's impact on equality, particularly about how the rules, processes and added cost impact different students with protected characteristics.

Competition for international students is fierce and other study destinations are strengthening their offering, particularly in relation to post-study work rights. While confidence in the UK's quality of education remains high, Government rhetoric relating to international students, immigration, and post-study work is damaging to perceptions of employability. Student perceptions of education quality are inextricably linked with employability outcomes, so **we call upon the Government to fully commit to the Graduate visa and to endorse and promote it** as post-study work rights are key to the UK's continued attractiveness and to harness the economic and cultural benefits that international students bring.

This strategy, and the others we suggest, cannot be developed in isolation. It requires a rounded view in respect of student support, immigration, diversification, skills shortages, and growth of the economy, alongside a better evaluation of the soft power benefits of education exports. We acknowledge that the Graduate visa provides flexibility and choice for students and provides a straightforward method for employers to engage international students and discover their unique skills and talents; however, **there is a need for ongoing review of the Graduate visa as part of the International Education Strategy to ensure its global competitiveness and effectiveness**.

The recommendations made in this report support and augment the proposals and opinions appearing in much of the evidence reviewed as part of this Inquiry. **More data is needed for greater understanding about the success of the processes in place to enable positive student transitions onto the Graduate visa and to record the activity graduates undertake during their permission period**. There is also a necessity for a clearer picture of student transitions to other work visas and from the Graduate visa to other work visas.

Greater emphasis needs to be put on higher education institutions' liaison role with employers, so that employers have better understanding of the benefits of the Graduate visa and more complete knowledge of the route that will assist in their perceptions of the ease and benefits of hiring international graduates. Past examples where higher education institutions designed programmes to link international graduates with local businesses looking for those with knowledge of export countries, language skills and global industries or approaches showed there is more to be done to demonstrate to employers the potential in international graduates.

Collaboration between educators, employers and communities will be key so that effective support strategies and development programmes can be put in place and facilitated. These schemes will provide opportunities to grow and showcase the immense talent recruited to the UK through international education and will be instrumental in supporting our local communities and economies.

Annex A - Evidence Consulted

Oral Evidence

Expert Roundtable

AGCAS
BUILA
Home Office – Managed Migration Team
IDP Education
Institute of Student Employers
International Higher Education Commission
Kaplan
Study Group
UCAS
UKCISA
UUKi

International Student Roundtable

16 students and graduates, from the following universities, were in attendance:

Bangor University
Cardiff University
Glasgow Caledonian University
London School of Economics and Political Science
Staffordshire University
Ulster University, London and Birmingham campuses
University of Cumbria
University of Glasgow
University of Leeds
University of Salford
University of St Andrews
University of Stirling
University of Warwick

Written Evidence

Below is a list of expert reports and data sources used for the purposes of this Inquiry report which were submitted or referred to us by the members of the expert roundtable, APPG Advisory Board and the International Students Employability Group.

[AGCAS: International Graduate Routes: Narratives from the UK job market](#)

[AoC: Global engagement in the UK college sector – academic year 2021/22](#)

[APPG IS: Inquiry Report: A sustainable future for international students in the UK](#)

[Australian Government: Extended post-study work rights for international graduates](#)

[British Council: 2022 UK student visa statistics: Strong overall growth, with India overtaking China as the top student source market](#)

[BUILA/ISEG: Employer's Guide to Recruiting International Graduates](#)

[BUILA/ISEG: Hiring International Graduates – Videos](#)

[BUILA: Are we in danger of letting short-term challenges eclipse long-term international appeal?](#)

[FE Week: New branding isn't enough to drive up demand for HTQs](#)

[GOV.UK: Graduate Visa – How much it costs](#)

[GOV.UK: International Education Strategy: global potential, global growth](#)

[GOV.UK: International Education Strategy: 2022 progress update](#)

[GOV.UK: LEO Graduate outcomes provider level data \(Tax year 2019-20\)](#)

[GOV.UK News: Changes to student visa route will reduce net migration](#)

[GOV.UK News: Major changes to student visa system](#)

[GOV.UK: Skilled Worker visa](#)

[GOV.UK: Skilled Worker visa: shortage occupations](#)

[GOV.UK: Transparency Data – Providers delivering Higher Technical Qualifications](#)

[Graduate Outcomes: Welcome International Graduates](#)

[HEPI: Humanising the International student experience: the post-study reality of gaining UK employment](#)

[HEPI: International students boost UK economy by 41.9 billion](#)

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| HEPI/Kaplan: Paying more for less? Careers and employability support for international students at UK universities | IDP Emerging Futures Webinar | UKCISA: Annual Policy Review 2022-23 |
| HEPI/Kaplan: Not heard of this': Employers' perceptions of the UK's Graduate Route visa | IDP: Post-Study Work as a Driver in Destination Choice | UKCISA: Graduate route – When, where, how to apply |
| HEPI/Kaplan: The UK's tax revenues from international students post-graduation 2019 | IDP: Post-Study Work Insights | UKCISA: Working after studies |
| HEPI/Kaplan: Webinar on international student's careers and employability, 14 October 2021 | IDP: Press Release: Emerging Futures 3 | UUK: Public First Poll for UUK |
| HEPI/Kaplan/UUKI/LE: The benefits and costs of international higher education students to the UK economy | IDP Report April 2023 | UUK: Busting Graduate Job Myths |
| HESA: Our approach to surveying non-EU international graduates | IHEC: International Higher Education Strategy 2.0: Targeted Growth for Resilience | UUKI & IDP: Why aren't we Second? Part 2 |
| HM Government: International Education Strategy | ISEG: Recruiting International Graduates – A Guide for Employers | UUKI, BUILA, & UKCISA: Kickstarting the recovery of international student recruitment: what do we need from government? |
| Home Office: Graduate route: early insights evaluation | Luminate Prospects: Student Recruitment and Development in 2023 | <p>We also considered the following evidence and used it to make conclusions, but do not specifically reference it in the text:</p> |
| Home Office: How many people continue their stay in the UK or apply to stay permanently? | ONS: What's happening with international student migration? | Visa fees transparency data - GOV.UK (www.gov.uk) |
| Home Office: Recent Changes to visa numbers in Home Office Data | RIBA Pathways to qualify as an architect | Impact Assessment template (publishing.service.gov.uk) |
| Home Office: Why do people come to the UK? To work | Skills for Care: Qualifications | AGCAS, UUKI, & UKCISA: Supporting International Graduate Employability: Making Good on the Promise report 2020 report |
| How to become a Chartered Engineer | Times Higher Education: Whitehall opposition to Braverman plan to cut UK graduate visa | UKCISA: Sector positions to inform the implementation of the Graduate Route |
| IDP: Emerging Futures Core Member Webinar March 2022 | The Migration Observatory: Student Migration to the UK Sept 2022 | |
| | UCAS: Where Next? The experience of international students connecting to UK higher education | |
| | UCAS: Where Next? What influences the choices international students make? | |

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