Rt Hon Rishi Sunak MP
Prime Minister
10 Downing Street
London
SW1A 2AA
Via email

9 May 2024

Dear Prime Minister,

**The value of international students to the UK economy and the Migration Advisory Committee (MAC) rapid review of the Graduate Visa**

We write as a collective of cross-sector businesses to highlight the contribution of international students to the UK ahead of the MAC completing its rapid review of the Graduate Visa.

Recognition of this contribution underpinned the Government's ambitious 2019 International Education Strategy, which contained many welcome measures – including the Graduate Visa – designed to increase educational exports to £35 billion. Latest analysis from Universities UK (UUK) demonstrates that, since the strategy launched, "growth in international student recruitment to the UK has delivered a boost of more than £60 billion to the UK's economy".

That contribution is now at risk. Access to international students is valued by companies across many industries, including high-growth sectors such as technology and science, with the Graduate Visa providing them with the flexibility to evaluate performance over two to three years before making long-term decisions. A cross-sector survey of BusinessLDN membership in February found that half of respondents have hired staff with the Graduate Visa and the same proportion plan to do so over the coming 12 months. Removal of the Graduate route would exacerbate recruitment challenges in an environment where half of London firms are struggling to fill vacancies.

Not only do international students help existing companies to thrive, they also have the potential to launch their own enterprises. Analysis from the Entrepreneurs Network published last summer found that 39% of the UK's 100 fastest-growing companies had overseas-born founders or co-founders, drawn from 28 countries and five continents.

On top of their visa fees, international students who find work and start businesses contribute billions of pounds in income tax, national insurance and VAT annually. They are also usually net contributors to the NHS through the NHS surcharge.

The current review of the Graduate Visa, along with wider measures aimed at restricting access to UK opportunities for international students and workers, is already impacting our reputation as a leading international study destination.

A recent UUK <u>survey</u> indicates that postgraduate international enrolments in January 2024 were down more than 40% following news of the review, changes to skilled worker visa terms and updated criteria for bringing spouses from overseas.

For the higher education sector, a significant drop in international student numbers threatens to push the industry's financing model past breaking point, given overseas students currently cross-subsidise domestic students whose tuition fees have been frozen for the past five years.

With regards to the terms of the Graduate Visa review, we echo the MAC's <u>concern</u> that a deadline so tight as to preclude a Call for Evidence will "substantially limit the quality and quantity of evidence" behind its analysis, throwing the validity of that analysis into question.

As UK growth continues to flatline, we urge you to recommit to the International Education Strategy's vision for bolstering one of our world-leading export industries, including by protecting the Graduate Visa as an important driver of economic activity.

Yours sincerely,

John Dickie, Chief Executive, BusinessLDN

Simon Carter, Chief Executive Officer, British Land

Edel Christie, Chief Growth Officer, Arcadis NV

Dee Corsi, Chief Executive, New West End Company

Caroline Marais, Director of Human Resources, Edwardian Hotels London

Richard Robinson, President UK & Ireland, AtkinsRéalis

Nic Durston, Chief Executive, South Bank Employers' Group and South Bank Business Improvement District

Joe Lister, Chief Executive, Unite Students

Rebecca Tester, Head of Immigration, Gateley


CC: Secretary of State for the Home Department Rt Hon James Cleverly MP