

## International Education: Key Facts

Read our paper [‘Understanding International Students – Common Myths and Questions’](#), which uses facts to address several myths and misconceptions which have appeared in the media and have hindered sensible debate on international students.

### The economic value of education exports to the UK

The UK is a world leader in education and UK institutions are a premier destination for overseas students as well as providing high quality education abroad.

- Total UK education exports were estimated to be £20.2bn in 2013, making education the fifth largest services export sector in the UK, ahead of both insurance services and computer and information services.
- Higher education and further education exports are significant (estimated to be c. £14.4 billion in 2013). Around £4.9 billion is from tuition fee income, with a further £8.3 billion from other student expenditure in the UK [Figures are updates to the International Education Strategy].
- In 2012, Oxford Economics on behalf of Exeter University estimated that the direct benefits of non-UK students to South West England were around £88 million (£17.5k per student) [The Economic Impact of the University of Exeter’s International Students, 2012].
- International students also bring a number of indirect economic benefits, contributing to the UK’s ‘soft power’ by strengthening the quality, diversity and reputation of the HE sector; and improving overseas business, research, social and cultural links [The wider benefits of international higher education in the UK, 2013].

### Benefits to business from international graduates

- Many UK businesses and industries use international graduates to address skill shortages within the UK, particularly if they have specialist skills and experience.
- By internationalising its education provision, the UK is able to attract intellectual capital – enriching the UK’s capacity for research and technological growth [PM12 Overview, British Council, 2010].
- An increase in international students from a specific country can lead to an increase in the value of exports, largely as a result of the international networks that international students bring with them.
- A more diverse workforce can also relate better to a diverse customer base and broaden the outlook of businesses, as well as opening doors to greater trade and investment.

### Importance of international students to Higher Education Institutions (HEIs)

- Students from outside the UK totalled 435,495 in 2013/14 which is just under 19% of all enrolments at UK Higher Education Providers [HESA Student Record 2013/14].
- In 2013-14, almost one-eighth of the UK higher education sector’s income was derived from non-EU students’ tuition fees – a total of £3.8 billion. This is an increase compared to £3.5 billion in 2012-13.

- Many institutions use overseas tuition fee income to cross-subsidise other teaching and research related income as these areas, as well as the sector as a whole, are in deficit. Research income funded only 73.8% of research expenditure in 2013-14. International students fee income generated 37% more income than expenditures. [2013-14 TRAC Data].
- 36% of non-EU students were enrolled on STEM subject courses in 2013/14 - International student recruitment is essential to ensure that strategically important and vulnerable subjects (SIVS) such as many of these remain viable [HEFCE advisory group on Strategically Important and Vulnerable Subjects].
- Total fee income from the 66,000+ international students who were studying colleges in England in 2010 was estimated at over £42m per annum, helping the colleges to survive and flourish without overdue reliance on the UK taxpayer. That number has declined to less than 20,000. [Consortium of British Colleges, 2010].

### **Growing global demand for HE**

- Globally, the number of international students more than doubled from 2.1m in 2000 to 4.5m in 2012 (OECD, 2014), with an increasing number of students from emerging markets such as China, Indian and Brazil.
- The UK is in a strong position to take advantage of such continued growth, as we have a strong reputation for quality, with more universities in the “top 100” league tables than any other country other than the United States.
- However, our competitors are increasingly recognising the vital economic contribution of international students and the UK faces growing competition from destinations such as the US, Canada and Australia, which are gaining market share in Asian and Latin American countries [English UK Student Statistics Report, 2014].