global perspectives on international student employability

Brett Berquist

Rebecca Hall, Simon Morris-Lange
Hayley Shields, Vivienne Stern, Ly Thi Tran
Authors
• Brett Berquist – Director International, The University of Auckland, New Zealand
• Rebecca Hall – Global Education Lead, Austrade
• Simon Morris-Lange – Deputy Head of Research, Expert Council of German Foundations on Integration and Migration (SVR)
• Hayley Shields – Director, Causation Consulting; past Director, Student Experience, Education New Zealand
• Vivienne Stern – Director, Universities UK International (UUKi)
• Ly Thi Tran – Associate Professor, School of Education, Deakin University; Future Fellow, Australian Research Council (ARC)

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A. Introduction

In recent years, employability has become a key driver in international education. In the United States, the wage premium for a four-year degree has doubled over the past 40 years, primarily because of decreases in unskilled wages, while the cost of that degree has tripled (Carlson, 2017). Universities New Zealand calculated a $1.6m lifetime earnings premium for a university graduate (UNZ, 2016). However, as access to education is rising in the developed world, a first degree may no longer be a sufficient distinguisher for some labour markets.

With the ever-accelerating pace of change and futurists predicting further class divides in the automated world of the Industrial Revolution 4.0, students, their families and governments are calling on education providers to deliver employability outcomes. Return on investment (ROI) – sizeable as it has become – dominates the global education marketplace.

The main English-speaking destination (MESD) markets have experienced a general de-funding of public education and have turned to international student markets to subsidise their education systems, with the support of their governments.

It is no surprise then that these markets, which also charge the highest differential tuition fees for international students, have sought to position their brands around employability through policies that allow international students to work during their studies and to stay in the host country and work for a fixed period after graduation. These same countries also recognise the value of retaining the highly qualified graduates in their labour market and periodically revise their immigration policy settings to align with changing market conditions. Policy alignment to facilitate the transition from student status to employment and residency is captured in a new OECD online tool\(^1\) that illustrates a country’s attractiveness for migrants. Attraction and retention are key drivers for national policies.

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Cognisant of market demands, and operating within national policy and collective branding, education providers must determine their employability strategy to guide their learning outcomes towards a skill set that equips their graduates for the rapidly changing world of work. Some institutions focus on ‘job-ready’ outcomes, while others prioritise longer-term learning skills that will equip graduates to adapt to change and re-tool for new steps in their careers. On a continuum of the immediacy of long versus short-term benefit, education providers take a position that reflects their institutional priorities and culture.

For international students wishing to pursue post-study work or long-term employment in their host country of study, multiple studies in different markets have identified common barriers of foreign language challenges, lack of exposure to the work environment of the host market, insufficient professional networks and employer misperceptions or lack of awareness of work policies.

In addition, there is growing awareness of similar challenges when they transition to their home market or a third country.

Despite the importance of ROI market perceptions for the sustainability of enrolment targets, traditional support models for the employability needs of international students have not kept pace with the rapid expansion of enrolments, particularly in the MESD. The sector is developing new approaches through technology platforms and partnerships rather than expanding previous staffing ratios to match enrolment growth. Traditionally seen as a potential market advantage by individual providers, employability support is emerging as a multi-stakeholder approach requiring partnership with local, regional and national governments and across competing institutions. Providing adequate support towards graduate employability is vital to sustaining the long-term enrolment targets set by governments and individual institutions.
B. Policy tensions

In our review of major markets, we identified a high degree of common interests and tensions. We posit these opposing forces or viewpoints as dichotomies to serve as a framework for analysis of market positioning – be it governmental, consortial, institutional or related to public opinion.

**Back door vs. front door, STEM vs. general**

Work rights for international students can be perceived as a back door into the labour market, something to be controlled or even feared. They can also be positioned as government holding the front door wide open as an essential component of a nation’s talent acquisition strategy. The overarching trend across all markets currently is the desire to attract and retain top talent in the competitive knowledge economy. How best to achieve that goal is where political opinions can differ. In the same vein, international students can be seen as ‘designer immigrants’ (Morris-Lange & Brands, 2015), with many governments keen to prioritise STEM graduates over general studies. Several countries provide longer post-study work rights for higher qualifications.

**Brain drain vs. brain circulation**

In some markets, international enrolments began as an aid strategy to help develop partner nations (e.g. the Colombo Plan). Brain drain was something to be avoided, primarily by requiring graduates to return to their home country almost immediately after completion of their studies. This has now shifted to the view that research collaboration and the diaspora contribute to the home country’s development, echoing the OECD’s concept of brain circulation. This is best illustrated in the EU’s shift in position with Council Directive 2016/801/EC, which incorporates this broader vision, in contrast to earlier directives, which explicitly required steps to counter brain drain.
Intent vs. uptake, rhetoric vs. evidence

Comparing data on post-study work and retention in host countries is particularly complicated (Morris-Lange & Brands, 2015). As governments develop new policies in response to increasing competition, some may set stay rate goals, but the metrics used for reporting vary widely across markets and do not often inform general public understanding of what is actually happening. The international education sector focuses on student surveys which commonly declare 60-80 per cent intend to work in the host country after graduation, whereas the long-term stay rate across the OECD is only 1 in 4 (OECD, 2011). The sizeable gap between student intent and graduate uptake is akin to the gap between political rhetoric and hard evidence on student behaviours in some markets. Globally, the public supports highly skilled migration; even among those who would like an overall reduction in immigration, there is support for high skilled immigrants (Connor & Ruiz, 2019).

Revenue vs. investment, host vs. home market

As international tuition revenues have become an increasingly important subsidy for education providers in many of the MESDs, investment in student support has not kept pace. The traditional model of career services is adapting to reconsider its focus, turning to technology to increase reach as well as external partnerships. Noting the OECD average of 25 per cent long-term post-graduation retention in the host country, the field is also increasingly aware of the need to support international graduates’ transition back to their home market or a third country. The largest source country, China, has seen a shift in mobility as its own education system responds to significant investment, with more students now intending to return home soon after graduation. The traditional wage premium that motivates significant family investment in an expensive offshore degree is in question in key markets. In many ways, international graduates face some of the same barriers for accessing the host country labour market ... compared to their peers graduating with a top degree in their home country.

Regional vs. major cities

Several of the MESD (Australia, Canada, New Zealand) are concerned with the concentration of international students in major metropolitan areas and seek to demonstrate the trickle-through indirect economic benefits to the regions (Deloitte Access Economics, 2016). They also aim to incentivise regional settlement through immigration policy. Regional retention strategies have developed in the Canadian provinces (Esses et al., 2018), whereas Australia and New Zealand incentivise through bonus points in skilled migration and/or post-study work rights (PSWR). In the United States, the Pew Research Center has developed an online tool2 showing the regional relocation trends through Optional Practical Training (OPT) that demonstrate robust employment rates in major regions attracting international graduates.

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C. Market trends

The Intergovernmental Consultations on Migration, Asylum and Refugees (IGC) recently asked the author to provide briefings to the Immigration Working Group from the perspective of a higher education provider on international student attraction, retention and employability. The IGC Immigration Working Group meets twice a year and includes 17 member nations primarily from Europe, but also Australia, Canada, New Zealand and the US. Sharing their current work, recent data reports and areas for collaboration, the policy makers present demonstrated high awareness of the attractiveness and necessity to offer work rights (both during and following study) to compete in the global student market. At the same time, they shared concerns with achieving balance to protect the integrity and sustainability of their labour markets and educational systems.

It is clear that the countries pursuing the strongest revenue strategies, primarily the MESD, also tend to lead in the policy innovation area in terms of attraction. In the second part of this paper, we provide a more detailed review of the policy discussions of Australia, New Zealand and the UK, as well as a comparison of support practices in the Netherlands, Sweden and Germany. But there is a range of policy initiatives in other countries as well.

Switzerland

In a recent analysis that observed 59 per cent two-year post-graduation stay rates in Switzerland, Lombard and Zufferey summarised the balancing act that is part of every country’s migration considerations, “[there are] competing national interests: on the one hand, economic efficiency requires highly skilled workers who are partially recruited abroad; on the other hand, the state has to address concerns related to immigration, social cohesion, national identity, and security (Lombard & Zufferey, 2019, p.1).”

Long-term stay rates for international graduates generally range from 15-25 per cent, but it is challenging to compare due to differing data measures and reporting among the OECD members (OECD, 2011).

Reflecting the global trend aiming for increased retention of international university graduates, both chambers of parliament have decided to exclude international graduates from employment visa caps in the future. (Keystone-SDA-ATS-AG, 2019).

Germany

Germany reports 49 per cent of its international students working during studies and 56 per cent staying in Germany during the period immediately following graduation for the 2005–2012 cohort (Hanganu & Hess, 2014, cited in Zlotnik-Hoffmeyer & Grote, J. (2019)). With its policy of free or low tuition fees for international students, Germany is seeking skills acquisition through high retention of qualified graduates. It began to encourage retention through post-study work rights in 2005 and now offers graduates 18 months. Germany met its 2020 national target of 350,000 international students three years ahead of schedule.

The Netherlands

The Netherlands has seen strong growth in international enrolments, in particular due to its broad program offerings taught in English. The government is currently discussing the optimal level of international enrolments and impact on higher education funding (Steehouder & van Donselaar, 2019). The Netherlands offers a one-year PSWR program. Stay rates begin at 49 per cent in the first year following graduation to 25 per cent after five years (cohorts 2006-2013 n=85,880) (Vlek de Coningh & Huberts, 2018).
Sweden
Sweden recently concluded a government inquiry into the internationalisation of its higher education system with an aim to increase its attractiveness as a knowledge economy study destination, particularly important after the sharp decline of postgraduate enrolments following the implementation of international tuition fees in 2011. Stockholm, capturing one quarter of the market, recently forecast that recovery to pre-2012 enrolment levels would occur in 2019 (Staf Analytics, 2019). Sweden offers a six-month PSWR program.

European Union
With 1.6 million international students in 2016, the European Union is the largest receiving market of international students (OECD, 2018). While there have been various challenges in implementing Directive 2016/801, the EU has taken a firm, open door stance to welcome and retain students and researchers from outside the EU because “they play an important role in forming the Union’s key asset, human capital, and in ensuring smart, sustainable and inclusive growth…” (Council Directive 2016/801/EC, 2017, p.1).

The directive has also lifted non-European Economic Area (EEA) students’ access to in-study work from the previous 10 hours to 15 hours per week minimum (article 24) to assist with their living expenses, and set a post-study period of nine months minimum to seek work or start a business (article 25). While Ireland, the UK and Denmark have not joined the directive, it has had widespread impact throughout the EEA, encouraging member countries to review their policies for attraction and retention of international students.

OECD countries
In terms of general trends across global markets, no OECD country has limits on the number of international students and most have declining demographics with fewer domestic students entering university.

While most international students do not work during study, a significant proportion does, and this is a largely unregulated market that is difficult to track and can represent a significant component of the workforce in major destination cities. Post-study, most OECD countries have shifted roles from restriction to facilitation, with waiver to the labour market test and exemptions to national caps, often present in standard migration programs. Long-term stay rates for international graduates generally range from 15-25 per cent but it is challenging to compare due to differing data measures and reporting among the OECD members (OECD, 2011)3. Despite the data limitations, overall, it is clear international students have become a mainstream immigration channel across the OECD.

Canada
Canada currently leads market perceptions for favourable visa settings, including post-study work and transition to residency (IDP, 2018) reflecting the steps taken by government leadership to position Canada as a front door migration destination for the international student market, benefiting from the contrast with the US news cycle. Twenty-seven per cent of Canadian study permit holders also worked in 2015. Over the past four years, uptake of its postgraduate work permit (PGWP), launched in 2005, has more than doubled to 186,044 in 2018. “Over the last decade, the immigration focus has shifted to view international students as more than temporary residents, but also as a source of temporary workers and a pool of potential permanent residents” (Hogan, 2019). Analysis of the transition from international student to permanent residency (PR) in Canada shows rising levels with almost 49 per cent of the early 2000s cohort at the postgraduate level achieving PR within 10 years. The Canadian data set also demonstrates the inversely proportional relationship between source market GDP and the rate of transition to PR (Lu & Hou, 2015), i.e. students from lower GDP markets are generally more motivated to achieve residency in their host country of study.

3 The most recent OECD analysis was published in 2011 with reference years of 2008 and 2009 and is thus a decade old.
United States

In the US, early exhaustion of the H1-B quota for the last five years is driving strong growth in the Optional Practical Training (OPT) program after 2008 and 2016 rulings doubled and then tripled the duration for STEM graduates (Ruiz & Gramlich, 2019). This growth has slowed to 15.8 per cent for 2018 compared to 20+ per cent growth in previous years with 203,462 students reported in OPT in 2018 (N. Andrejko, personal communication, 8 May 2019). Whereas many countries do not include PSW students in their national reporting, the H1-B squeeze – driving OPT growth at 18.6 per cent of total reported enrolments in 2018 – is propping up the US market’s total enrolment in its second consecutive year of decline in new starts (Institute for International Education, 2018). OPT is seen as an extension of the learning experience and requires approval from the student’s education provider, which is why the national statistics include PSWR students in enrolment tallies.

Ireland

Ireland has also asserted its intention to attract and retain top students by extending post-study work to two years through the Third Level Graduate Program (TLGP) and uptake is on the rise (Groarke & Durst, 2019). A survey by the Irish Higher Education Authority (Higher Education Authority Ireland, 2019) found that 45 per cent of international graduates were employed in Ireland nine months after graduation (n=2,862 at 45 per cent response rate).

Progressive policies

Progressive policies are emerging that see countries observing and quantifying the economic benefit of retaining skilled international graduates in their country of study long-term, recognising their contribution to the knowledge economy and innovation. Policy enhancements include extending the period of post-study work rights and simplifying the process (e.g. by giving the student an open visa rather than one associated with a particular employer).
A number of countries have taken steps to encourage entrepreneurship and offer separate start-up visas or incorporate this option into their PSWR system. However, most national policies offer post-study work rights only immediately after the period of study. Several countries have taken steps to make it easier for students to transition to migration status while remaining in their country of study instead of requiring them to return home for a new visa. However, few have extended the PSWR period such that it might begin a year or more after graduation rather than immediately following study.

Australia and the UK

After a period of explosive growth in the VET sector driven primarily by residency goals, Australia shifted gears with the Knight Review in 2011 to “break the nexus between education/migration”, as Rebecca Hall explains in her commentary on the development and intent of Australia’s current policy settings in Section G (p.16). PSWR replaced the Skilled Graduate Visa facilitating a market correction at the same time as the UK went the opposite direction, as Vivienne Stern relates in Section J (p.28), filling the sails of Australia’s sustained growth trajectory for the following years. There is growing interest with UK leadership to return to a greater level of PSWR, as recommended by the Migrant Advisory Committee (MAC) report last September. Explaining the complications to remove international students from net migration calculations and noting that there is no cap on non-EEA students to become residents, the MAC calls for an automatic extension of one year for all PhD graduates and to extend PSWR to Master’s students. Interestingly, compared to conversations in other MESDs, the committee dismissed calls for regional differentiation.

In Section H (p.20), Ly Thi Tran drills down on the significant uptake of the revised PSW system in Australia (53,000 in July 2018) through a mixed methods approach of qualitative interviews and a survey (n=801). This provides valuable perspective on Australia’s students’/graduates’ experience with the revised system.

New Zealand

In Section I (p.25), Hayley Shields reflects on the New Zealand conversation, particularly the increased government focus on the international student experience and 2018 revisions to post-study work rights, offering a three-year open work visa for bachelor graduates and up, after a minimum period of two semesters of onshore study, moving NZ to the forefront of the attraction scale, as demonstrated in table 1 on page 12.

Support systems

Finally, Simon Morris-Lange rounds out this paper with a look at support systems in place to help prepare and realise the transition from study to work (Section K, p.33). He calls on institutions, as well as local, regional and national governments, for more collaboration to enhance the student experience and increase retention rates, situating policy firmly within the talent acquisition approach.
D. Comparison of international work rights

**TABLE 1** International student work rights in markets covered in this report.

<table>
<thead>
<tr>
<th>ATTRACTION RANKING</th>
<th>IN-STUDY WORK</th>
<th>POST-STUDY WORK (Yrs)</th>
<th>MINIMUM STUDY (Yrs)</th>
<th>BACHELOR</th>
<th>MASTERS (Coursework)</th>
<th>PhD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. NEW ZEALAND</td>
<td>Yes</td>
<td>1–3</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>2. CANADA</td>
<td>Yes</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>3. AUSTRALIA</td>
<td>Yes</td>
<td>2–4</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>4. GERMANY</td>
<td>Yes</td>
<td>1.5</td>
<td>n/a</td>
<td>1.5</td>
<td>1.5</td>
<td>1.5</td>
</tr>
<tr>
<td>5. UNITED STATES</td>
<td>Yes</td>
<td>1*</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>6. NETHERLANDS</td>
<td>Yes</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>7. IRELAND</td>
<td>Yes</td>
<td>0.5–2</td>
<td>2</td>
<td>0.5–1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>8. SWEDEN</td>
<td>Yes</td>
<td>0.5</td>
<td>1</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>9. UNITED KINGDOM</td>
<td>Yes</td>
<td>0.3–1</td>
<td>1</td>
<td>0.3</td>
<td>0.3–0.5</td>
<td>1</td>
</tr>
</tbody>
</table>

* +2 years for STEM graduates.

E. Conclusion

We have shown how the expectation of employability as the return on investment – for students, their family, education providers, communities and governments – has become the key driver in international education markets and a shared concern for all stakeholders in international education. As the MESDs have leveraged their historical leadership in education to counter a general trend of public de-funding of education, investment in marketing and recruitment systems has delivered large-scale revenues from other national systems that have traditionally perceived a significant lifetime premium for the value of a prestigious international degree. This success increases access and can also decrease the perceived value of the degree, leading families to reconsider where they can optimise their investment.

At the same time, several traditional source markets have themselves set recruitment goals and are well on their way to become significant hubs of international education. A number of tensions and dynamics are inherent in this space, particularly as it pertains to government policy and public opinion. As the competition for global talent intensifies, the educational systems that are able to work together with their communities, governments and employers will rise to the forefront of the competition. This requires partnership to understand the barriers to employability for international students, mutual investment in strategies and resources to address the same. Attention should also be given to local communities, helping them to better understand how international education can enrich their labour market and add to the global competence of the national workforce as well as enhance their educational experience.
The data on long-term immigration of international students varies by country and is generally unknown to the public. It is not uncommon to encounter members of the community who feel that international students are displacing their own children from education, instead of enriching it through diverse perspectives and a stronger revenue base.

Transition to the employment market can raise similar fears of displacement, particularly in the rapidly changing world of work where unskilled labour is continuing to decline on the value chain. As providers, we need to understand how our governments balance attracting top talent and investment into their educational system while managing their local labour market and social cohesion and to meet future skilled workforce needs.

By design, the institutional leadership most focused on international education goals in the MESDs is often also focused on recruitment targets to support the institution’s larger goals. These can only be sustained if we are also investing effort in public understanding and partnership with government. International recruitment operations are often well versed in the data behind marketing and conversion where return on the marketing and recruitment investment is tracked and benchmarked.

Employability outcomes should become an integral part of our professional discourse akin to how we track the effectiveness of our recruitment efforts.

We need to bring the same evidence-based approach to inform graduate access to the labour market, both in their country of study through a postgraduation period that allows them to apply the skills learned in the market where they studied, as well as their transition back to their home or to a third country.

Success in this direction begins from the start of the degree program, not as an after-thought as graduation approaches. Ideally, long-term employability should be embedded in the curriculum, moving from extra-curricular to co-curricular, to an integral part of the core curriculum. For international education professionals, we need to increase our familiarity with the reporting systems that currently exist and explore opportunities to harmonise metrics across markets to enhance comparability.

Sustainable long-term growth of enrolments requires policies, systems, support – both financial and public – to meet the expectations of the international student market. As talent competition becomes progressively global, international education can play a valuable role in job creation, revitalisation of economies, particularly at the regional level, and brain circulation.
F. Reading focus questions

1. How does your institution define and measure employability?

2. Name three countries that have the leading work rights policy settings for international students, in descending order.

3. What percentage of your international students:
   - Work during study?
   - Find employment within 9 months of graduation?
   - Are still in their host market 1 year after completion? 5 years?
   - Transition to residency?

4. What is your institution’s staffing ratio for international career services support?

5. Name one tech platform that your institution is exploring to lift its reach to support international student employability.

6. How are you working with alumni for international student employability?

7. Explain one key idea you want to explore further on your campus.
Market and practice case studies
In this section, Rebecca Hall reviews the journey to Australia’s current post-study work rights policy settings for international students.

Historical context

Work rights and post-study work options have been features of Australia’s international education sector since the introduction of full paying international students in 1985. A 1991 report noted emerging issues in relation to education as an export, many of which remain salient today. These include:

- Non-genuine students, using student visas to enter Australia illegitimately and access Australia’s labour market
- The displacement of domestic students by international students (although minimum fees were designed to mitigate this), and
- In relation to “work rights”, the balance between creating a competitive market advantage and contributing to non-genuine entrants (Industry Commission, 1991).

Immigration reforms and unintended consequences

In the early 2000s, immigration reforms were introduced in Australia to stimulate growth in international student enrolments, including:

- Graduate work visas (18 months for eligible HE and VET student/graduates);
- Reductions in student visa fees; and
- More occupations added to the Migration Occupations in Demand List (MODL) to stimulate interest in graduate skilled migration (2005).

These reforms had the desired effect of increasing international student numbers. However, there were also unintended consequences. Over the three years from 2007 to 2009, international student enrolments increased by 66 per cent at an annual rate of growth of 18.3 per cent. This was primarily driven by enrolments in the VET sector, where the annual rate of growth exceeded 50 per cent in both 2007 and 2008. Notwithstanding the high quality of Australia’s VET sector, much of this growth was fuelled by visa policy settings that provided extra points towards permanent residence in Australia after completing a qualification. The rapid rise in the number of international students created challenges with regard to quality, regulation, work rights and social infrastructure capacity in Australia.

The Knight Review and the introduction of Post Study Work Rights

The 2011 Strategic Review of the Student Visa Program (the Knight Review) introduced post-study work rights (PSWR) for international students. PSWR replaced the Skilled Graduate Visa and broke the nexus between education/migration. Underpinning the new policy were 10 principles that included references to the importance of sustainable growth, and the inevitable links between international education and migration.
To mitigate migration risks associated with PSWR, a new Genuine Temporary Entrant (GTE) test was implemented. The GTE was predicated on the principle that the best way of reducing migration risk is to refuse the initial applications of people seeking to exploit the system (Knight, 2011).

PSWR were intended to make Australian universities more competitive and improve the overall international student experience. At the time this policy was introduced, Australia’s major international education destination competitors (US, UK, Canada) all had post-study work arrangements in place (J. Smart, personal communication, 1 May 2019). The Knight Review reforms, introduced in early 2013, were followed by renewed growth in international student enrolments – demonstrating that modifying student visa settings (including post-study work options) has a substantial influence on international student enrolments.

Accordingly, Australia benefitted from the UK’s abolition of post-study work rights in 2012. A lesson in the swift and lasting effect of visa policies on student enrolments and the importance of post-study work rights in attracting students, UK enrolments declined thereafter (and remain flat), resulting in a loss of market share over time (Universities UK, 2018). Ilieva (2017) found that changes in student visa settings directly affect enrolments in the host nation, diverting student flows with little effect on the overall globally mobile population. Comparison of student visa and immigration policies across the UK, the US and Australia spanning 20 years demonstrated that “healthy growth in international student numbers in countries with more liberal student visa policies appears to be at the expense of countries with tighter immigration rules” (Ilieva, 2017, p.14).

Recommendation 28 of the Knight Review also resulted in more flexible work arrangements for international students during their studies. Student work visa conditions could now be measured as 40 hours per fortnight during any fortnight in the course of a study session (during semester), rather than 20 hours per week.

The Knight Review also recommended that Higher Degree by Research students be given unlimited access to work once their course had commenced (Recommendation 7).

Recommendation 6 called for clarification in how voluntary work should not count towards employment hours. The Study in Australia website was subsequently updated to include information on international students’ employment rights and responsibilities.

**Temporary graduate visas**

The 485 Skilled Graduate Visa was renamed the Temporary Graduate visa in March 2013, and comprises two streams – Graduate Work (18 months) and Post-Study Work (2, 3, or 4 years depending on highest qualification achieved). The previous skilled graduate visa only allowed 18 months.

The Graduate Work stream is for international students who graduate with skills and qualifications that relate to an occupation considered in demand in the Australian labour market, as indicated in the list of eligible skilled occupations. A visa in this stream is generally granted for 18 months.

The Post-Study Work stream offers extended options for working in Australia to eligible graduates of a higher education degree. Under this stream, successful applicants are granted a visa with a visa period of two, three or four years duration, depending on the highest educational qualification obtained.

The dominant 485 visa stream is the Post-Study Work stream, comprising 84.2 per cent of 485 visa grants in 2017-18, up from 37.5 per cent in 2014-15. Within this stream, the number of visas issued has risen from just over 1,000 in 2013-14 to over 40,000 in 2017-18 (Department of Home Affairs, 2019).

Temporary graduate visa grants grew rapidly in years following the introduction of the new policy settings – 24.8 per cent growth in visa grants in 2017-18, 27.6 per cent in 2016-17 and 24.8 per cent in 2015-16 (Home Affairs, 2019).
Higher education enrolments, especially postgraduate, have also grown significantly for some markets following these changes. In particular, we have seen high growth in masters by coursework programs in accounting, IT and engineering. This is driven by Chinese and Indian enrolments – not coincidentally, the two source markets with the largest take-up of temporary graduate visas. Since 2013-14, over 100,000 temporary visas have been granted to students from 150 countries. However, approximately 70 per cent of these are from just five countries (India, China, Nepal, Pakistan and Vietnam).

Jeffrey Smart puts these numbers into a broader workforce context: “71,157 PSWR visa holders in June 2018 sounds like a lot. But when set in the context of the Australian labour force, these visa holders represented just 0.6 per cent of the 12.5 million Australian employed in our economy in May 2018 (ABS), and just 1.8 per cent of the 4.1 million Australian workers with a bachelor qualification or higher.” (Smart, J. personal communication, 1 May 2019)

RECENT AUSTRALIAN GOVERNMENT INITIATIVES

Migrant Workers’ Taskforce

The report of the Migrant Workers’ Taskforce (Department of Employment, Skills, Small and Family Business, 2019) was released on 7 March 2019 and the Australian Government accepted in principle all 22 recommendations. The Government’s response notes a commitment to ensure all workers, no matter their background, are given the opportunity to make a positive contribution to the Australian economy, without fear of exploitation. The response also notes the work of the Council for International Education in implementing a Package of Actions on Student Workplace Exploitation (Council for International Education, 2018b) to assist education providers to help prevent students from experiencing workplace exploitation and support them to access legal services and report cases of exploitation to the Fair Work Ombudsman.

Regional focus and recent policy announcements

At the Australian International Education Conference in October 2018, the Minister for Education invited the sector to consider and share options for opportunities to grow international education in Australia’s regions. In a consultation paper, the Expert Members of the Council for International Education identified expanded work rights for the regions as a viable policy lever (Council for International Education, 2018).

In March 2019, the Australian Government announced planned changes to the post-study work rights visa – an extra year of PSWR for students who study, and work, in regional areas of Australia. As part of the population strategy, ‘A plan for Australia’s future population’, an extra year of post-study work rights will be made available for international students who study in regional Australia. This initiative provides for an extra year of post-study work rights on a second Temporary Graduate (subclass 485) visa. International students who graduated with a higher education or postgraduate qualification in a regional area, and can demonstrate ongoing residence in a regional area while on their first Temporary Graduate visa, may be eligible. The definition of regional Australia for this purpose will be the same as the definition announced for skilled migration – all of Australia except Sydney, Melbourne, Perth, Brisbane and the Gold Coast.

The Government also announced the ‘Destination Australia’ scholarships will provide financial assistance of up to $15,000 per student, per year, to support study and living expenses associated with studying a Certificate IV to Doctoral level qualification at a regional campus of an eligible registered tertiary education provider. These will be administered by the Department of Education.

Strategic action 9.2 of the National Strategy for International Education states that Australia will “attract more international students to regional communities by promoting internationally the excellence and the advantages of education, training and research in regional Australia”.

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Through the Enabling Growth and Innovation (EGI) fund, research was commissioned from Universities Australia into the barriers and opportunities for international students accessing work integrated learning (WIL), including in regional Australia.

Work to enhance the 2018 International Student Survey to capture information on the cost of studying and living in regional Australia compared to metropolitan areas was also commissioned. These research and survey findings are adding to the evidence base for study destinations looking to build their capacity to host growing numbers of international students.

**Employability is critical for continued success: for students and institutions**

In a fast moving global market, the Australian international education sector must continually adapt to the changing needs of students and nature of work through innovation in products, services and types of delivery. In the past decade, increasing demand for job readiness – from both students and industry – has placed pressure on education providers to build this capability. Around this, a new breed of companies has emerged to fill the gaps. Significant investments in employability, entrepreneurship and enterprise skills have shaped product offerings and services, but student satisfaction data shows there is still a gap between expectations and outcomes. The ability to ‘get a good job’ is consistently cited as a key driver for students when choosing a study destination. Australian graduates are highly sought after – QILT data shows that 87 per cent of undergraduate students find employment within four months of graduating and 85 per cent of supervisors are satisfied with the quality of their graduate employees (Quality Indicators for Learning and Teaching, 2019). However, with competitor countries also actively improving in this space, it is vital that the sector continues to promote and invest in Australia’s strengths and reputation to maintain competitive advantage.

Australia is an employability world leader, with a focus on producing ‘work- and life-ready graduates – graduates with a propensity for action and a capacity for application’.

Rob Lawrence

With changing work patterns, student demands and growth in the system, there is always more work to be done. One of the strengths of the Australian approach is the investment made by state and territory governments in employability and state sponsored migration. In partnership with education institutions and education service and technology providers, all Australian states and territories are implementing strategies and initiatives to enhance the employability skills of international students, with some best practice emerging among these. Equally, peak bodies such as IEAA, UA and TDA also play a critical role, as a source of information, professional development and continued advocacy. Austrade recently released its first ‘Education Insights: Innovation in Employability’ that aimed to shine a light on good practice and show the significant effort being galvanised outside the class room, in business and communities, to support international students (Austrade, 2019).

Australian education providers recognise that building employability skills is essential to providing a quality tertiary education. More broadly, its influence on the overall international student experience cannot be understated. Sustained efforts over the last decade have positioned Australia as an employability world leader, with a focus on producing ‘work- and life-ready graduates – graduates with a propensity for action and a capacity for application’ (Lawrence, 2019). Continued innovation and investment in Australian education initiatives enabling students to develop creative and entrepreneurial mindsets will ensure students and graduates are equipped for global career success, and that Australia remains a top destination of choice.
The previous section provides the context and intent of the development and recent revisions of Australia’s post-study work scheme for international students. In this section, Ly Thi Tran shares preliminary results of a research project designed to evaluate uptake and student experience with the 485 visa for post-study work.

Data released by the Australian Department of Immigration and Border Protection (DIBP) shows an over sevenfold increase in international graduates’ applications for the post-study visa (485 visa) scheme between 2013-2015, from 974 to 7160 (see figure 1). This was followed by a significant growth between 2015 and 2018 reaching approximately 53,000 in June 2018.

Despite the significance of PSWR as explained in this paper, there is little research to explore whether and how the Australian 485 visa has impacted international graduates’ employment and life experience, as well as perceptions and use by key stakeholders. International students’ work experiences post-graduation in the host country are largely unexplored (Tang, Rowe, Corcoran and Sigler, 2014:67).

Our research project addresses this critical gap and examines whether and how the post-study work visa arrangements have affected international alumni’s employment outcomes and experiences in Australia. The project comprises three key components:

1. an analysis of policy texts and government data on temporary graduate visas
2. qualitative inquiry through in-depth interviews, and
3. quantitative research through a survey.

FIGURE 1 Primary holders of graduate visas 2007–mid 2018 (DIBP 2018).
First, critical policy analysis provides insights into national policy scapes with regard to international students and alumni, visa arrangements, access to labour market and skilled migration. An examination of government data maps out the key trends in the uptake of the post-study work visa. Second, 33 in-depth interviews were conducted with international graduates on the temporary graduate visa, university staff and employers. The in-depth interviews provide rich data on individual international graduates’ expectations and experiences with the post-study work arrangements in Australia, their motivations to apply for the visa, their employment outcomes, strategies to navigate the labour market and how their visa is perceived by Australian employers with whom they interact. Third, the questionnaire survey involves 45 questions that aim to explore temporary graduate visa holders’ employment status, levels of income, the impact of the visa on their employment outcomes, their level of satisfaction with their employment experience while on the visa, the level of support from Australian universities for this cohort and their recommendations for improving the efficiency of the post-study work arrangements. There have been 801 respondents to the survey to date.

SUMMARY OF RESEARCH FINDINGS

Qualitative component

The key findings from the qualitative component of the research show that the post-study work visa is not perceived to provide international graduates with a competitive advantage on the Australian labour market. Instead, the visa provides them with a pathway to permanent residency (PR), which they can then draw on to facilitate access to the labour market and enhance their employability. At the same time, this research provides evidence about the broader and multiple benefits international graduates attached to the post-study work visa than merely a pathway to permanent residency.

The study shows that even though international graduates do not see the 485 visa as directly and immediately helping them secure a job, it gives them the benefits associated with ‘more time’ and opportunity to stay in Australia to enhance their English language and professional, social, networking and residency capital. In other words, the challenges international graduates face in their attempts to get access to the Australian labour market while on the post-study work visa help them to realise the importance of English language proficiency, work experience, internships and social and professional networks in enabling them to secure employment. Therefore many of them strategically use the ‘more time’ in the host country afforded through the post-study work visa to invest their resources in enhancing their English language proficiency, gaining work experience and expanding their networks. This, in turn, helps to improve their employability and employment outcomes in Australia.

Based on the temporary graduate visa holders’ experiences, the Australian employers with whom they engaged either prefer the PR visa to the temporary graduate visa or are unclear what the latter entails. For example, one respondent mentioned “most firms don’t hire people on a temporary visa.” An employer interviewed used the ‘why buying the burden’ metaphor to refer to the possible challenges of recruiting temporary graduate visa holders who might not have the same level of local knowledge, understanding of local workplaces and sustaining connectedness with Australia as those who hold PR or are local citizens. Our previous research pointed out that in addition to concerns about international students’ English language proficiency and understandings of the local workplace culture, employers may not be willing to recruit international students because of concerns over complexities and unclarity related to their student visa conditions (Tran & Soejatminah, 2016). The current study also indicates that a lack of understanding and ambiguity about the temporary graduate visa seems to be among the key reasons that hinder employers’ recruitment of the 485 visa holders.
Many international graduates hence aim to or switch to use the temporary post-study work visa as a vehicle to acquire PR, which provides them with better access to the labour market in Australia.

In short, while PR may act as a ‘licence’ for international graduates to gain access to the labour market, the temporary graduate visa does not represent a competitive advantage in job seeking. Rather, the 485 visa provides international students with an extended time period to build a network of contacts, gain some work experience, acquire improved English language skills and invest in their social capital in Australia, while aiming towards securing a stable employment. Within this context, how international graduates exercise strategic agency is critical to their ability to secure employment. As one participant put it: “I had to compensate through other means [in applying for a job]”.

THE SURVEY

The survey is the third component of this research. There have been 801 respondents from 33 universities at this stage, with approximately 49 per cent aged between 25 and 29; 23 per cent aged between 20 and 24 and approximately 28 per cent aged 30 or above. Further, 81 per cent of respondents who have held a post-study work visa remain in Australia, while 19 per cent had left Australia at the time of the survey.

The biggest group of the survey respondents (61.9 per cent) have a masters by coursework degree as their highest qualification, followed by 29.3 per cent with a bachelor or bachelor with honours degree, and almost 9 per cent with a higher degree by research or a Masters (extended) degree.

Employment status

Despite international graduates’ overall perception that the temporary graduate visa does not provide them with a competitive advantage in the Australian labour market, 52 per cent of the survey respondents who have held the 485 visa (past and current visa holders) and remain in Australia are in full time employment (as compared to 53.8 per cent of all respondents), with 37 per cent and 15 per cent working full time in and outside their field of study respectively (see figure 2). Further, 16 per cent of respondents are working part-time and another 16 per cent as casuals, while the same proportion (16 per cent) are still looking for a job. Of those who are engaged in casual work in Australia, the average hourly salary is $27 and the highest hourly rate recorded among the casuals in this survey is $100.

**FIGURE 2** Current employment status of onshore respondents
In terms of the usefulness of the post-study work visa, around 62 per cent indicated that they agree/strongly agree that the visa was useful in providing them with a pathway to permanent residence. Seventy one per cent indicated that they agree/strongly agree that the post-study work visa was useful in providing them with a chance to gain some work experience in Australia (see figure 3). Around 67 per cent indicated their agreement (agree/strongly agree) with the statement that the post-study work visa provided them with the chance to improve their professional knowledge and skills in Australia.

However, when asked how the temporary visa has impacted their employment status, 33 per cent indicated that the visa has somewhat positively or very positively affected their employment outcomes and 24 per cent felt neutral about it. To some extent, this result is consistent with the findings of the in-depth interviews and open-ended questions from the survey where international graduates articulated how the visa provides them with ‘more time’ to gain some work experience and improve their English, and acts as a stepping stone to permanent residency. However, it does not give them a ‘competitive advantage’ in terms of securing a full-time employment, especially in their field of study.

FIGURE 3 Usefulness of the post-study work visa

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Totally disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>A pathway to permanent residency</td>
<td>12%</td>
<td>10%</td>
<td>17%</td>
<td>18%</td>
<td>44%</td>
</tr>
<tr>
<td>A chance to get some income from Australia in...</td>
<td>10%</td>
<td>12%</td>
<td>19%</td>
<td>21%</td>
<td>38%</td>
</tr>
<tr>
<td>A chance to gain some work experience</td>
<td>8%</td>
<td>8%</td>
<td>14%</td>
<td>23%</td>
<td>47%</td>
</tr>
<tr>
<td>The chance to improve professional knowledge and...</td>
<td>8%</td>
<td>7%</td>
<td>19%</td>
<td>30%</td>
<td>37%</td>
</tr>
<tr>
<td>The chance to develop social networks</td>
<td>7%</td>
<td>8%</td>
<td>23%</td>
<td>32%</td>
<td>32%</td>
</tr>
<tr>
<td>The chance to develop professional networks</td>
<td>7%</td>
<td>9%</td>
<td>22%</td>
<td>27%</td>
<td>34%</td>
</tr>
<tr>
<td>The chance to improve networks</td>
<td>12%</td>
<td>10%</td>
<td>24%</td>
<td>21%</td>
<td>33%</td>
</tr>
<tr>
<td>Time to look for a job</td>
<td>12%</td>
<td>12%</td>
<td>19%</td>
<td>18%</td>
<td>38%</td>
</tr>
</tbody>
</table>

Even though international graduates do not see the 485 visa as directly and immediately helping them secure a job, it gives them the benefits associated with ‘more time’ and opportunity to enhance their English language and professional, social, networking and residency capital.

In terms of satisfaction, approximately 47 per cent indicated they are either extremely or moderately satisfied with their employment experience while on the visa. 27 per cent indicated their dissatisfaction (extremely/ slightly dis-satisfied) and 26 per cent feel neither satisfied nor dissatisfied (figure 4). The reported dissatisfaction focused on four main reasons: (1) most participants were on a two-year post-study work visa, and consider this too short to give employers’ confidence in hiring this cohort, to assist graduates to gain membership with a professional body, build up work experience and secure employment; (2) employers’ preference for applicants with PR and lack of understanding of the 485 visa; (3) lack of flexibility for extending or renewing the visa; and (4) lack of support from related stakeholders including continuing access to institutional career support services.
Conclusion

More effective communication and flexible and creative partnerships among universities, employers and related parties (including the international education sector) are key to raising awareness among employers of the 485 visa. We also need to help employers better recognise the potential strengths and contributions of international graduates and encourage them to recruit this cohort (Tran et al., under review). In particular, Tran et al. argued that “a practical guide that assists employers to hire international graduates on the post-study work visa should be introduced with specific steps that organisations can take to employ this group” (pp.13–14).

The findings also support an urgent call for universities to provide international graduates with continuing access to resources and career support to enhance their employability and employment outcomes. Last but not least, the study provides rich evidence about how international students/graduates’ agency is critical to their employment experience and outcomes. It reveals that international graduates’ successful participation in the labour market depends on how strategically they have focused on enhancing employability, including work experience, English language proficiency, networking and understanding of professional communities during their study and post-graduation (Tran, 2018).
The New Zealand international education story in recent years has been one of consistent value growth. The 2017-18 economic valuation of the sector valued it at $5.1b and is currently the country’s fourth largest export. The university sector contribution is valued at $1.410b, representing 25 per cent of the total. In 2017 the total international student population was 125,392 with 60 per cent of students studying in the Auckland region.

The New Zealand Government has an ambitious agenda to continue to grow the value and quality of the international education sector, however the connection between student employability and quality experience as a sustainable growth strategy is still under developed.

There is a perception conundrum which is a challenge in the market. On the one hand, New Zealand has one of the world’s most progressive and enabling post-study work rights policies. On the other, compared with other competitor English speaking destination countries, New Zealand is still perceived by students as lagging behind in employment opportunities.

In August 2018, the current government announced changes to the post-study work rights visa policies which were positively received by the higher education sector. The new settings were designed to reduce the attractiveness of sub-degree diploma programs as a gateway to immigration largely through the private training establishment sector. At the same time they have enabled more favourable settings for degree level studies.

There is an expressed intent for central and regional government agencies to work with international education providers to align their international student recruitment more closely with New Zealand’s regional and national future labour market needs.

A critical change has been the removal of the need for an employer sponsor when applying for a post study work visa, with the intent being to eliminate the context and potential for employer exploitation of international graduates. This policy change formed part of the Government’s response to the reduction of international student and migrant workplace exploitation, currently under Ministerial review.

The New Zealand International Education Strategy 2018-2030 was launched concurrently, with three broad goals of delivering an excellent education and student experience, sustainable growth and development of global citizens. International student employability is implicit in all three strategic goals, opening up the opportunity for increased sector focus in this area.
The strategy also strengthens the agenda to increase the proportion of students studying in regional New Zealand, supported by immigration policy which now allocates additional points for skilled migrants settling in the regions. There is an expressed intent for central and regional government agencies to work with international education providers to align their international student recruitment more closely with New Zealand’s regional and national future labour market needs. This signals that a potentially more attractive proposition could be on offer in the future to study in the regions. Local employment pathways could be a packaged offering of education/work experience/graduate placement in a regional skills shortage industries.

“We will also help industries to attract international students and keep graduates with the skills and qualifications that New Zealand needs. This could include providers working with employers to establish pathways from education to associated employment. We will explore how we can support both providers and industries to establish and deliver innovative, bespoke products that meet New Zealand’s needs.” (Education New Zealand, 2018, p.20)

International graduates already play a significant role in talent acquisition for the economy. In 2015/2016, 45 per cent of skilled principal migrants had been international students (MBIE, 2016 in Berquist & Moore, forthcoming). A recent study found that one third of international tertiary students remained in the country five years post study, either transitioning to residency through skilled migration channels or, as for one third, through a partnership visa (MBIE, 2018).

Despite these employability outcomes, the perception challenge persists among prospective international students of the New Zealand education brand compared with other competitor destination countries. Students perceive New Zealand education quality as lagging behind the more globally recognised destinations of Australia, UK, Canada and the US (IDP, 2018). While acknowledging New Zealand’s favourable study visa requirements, second only to Canada, students consider New Zealand’s opportunities for graduate employment to be behind all other markets with the exception of the UK.

Recent studies examining the international student experience in New Zealand have reinforced the importance of employability to the quality of the overall experience. Education New Zealand commissioned the Kantar TNS report ‘Understanding the International Student Experience in NZ’ (Kantar TNS & ENZ, 2018), which involved both a quantitative and qualitative research approach across all education sectors including to age 14 secondary school students. Results showed that the greatest impact drivers of student experience are ‘education quality’, followed by ‘cost of living’ and ‘work and career’.

Unpacking the components of ‘work and career’, this included the quality and impact of working experiences in-study, part-time work while studying and full-time work post-study. Experiences that may lead to full time work in New Zealand, was the second highest impact driver after teacher quality. Importantly, of students who were dissatisfied with their student experience (11 per cent of the sample), ‘work and career’ was the highest impact driver of overall experience. When working experiences are negative or fail to meet expectations they can have a disproportionate impact on the quality of the overall experience.

The Auckland Tourism and Economic Development Agency partnered with Education New Zealand in 2017 on the International Student Experience Design Project (Grant Thornton et al., 2017). Using a design thinking approach, the project involved international and local students, education providers, employers, career advisers, government and ethnic community voices. From this exercise, key insights were distilled and recommendations made for the sector to consider when designing an optimum international student experience. One of the four key insights identified the critical need to unlock the unseen potential of international students to New Zealand employers and enable work pathways.
The findings have had implications for national and regional approaches to improving and enabling international student employability. In Auckland, ATEED have progressed a public/private partnership with graduate recruitment firm Talent Solutions to develop the Global Talent Showcase competition, and the Global Talent Hub, which connects employers with a database of international students who have been pre-screened. ENZ and ATEED have also partnered with Niesh, an innovative student services business with New Zealand’s largest digital student community. Niesh has developed a jobs platform that offers employers an ‘international student friendly’ identifier when posting jobs. They also offer employability workshops and events for students to complement their digital resources.

In 2015/2016, 45 per cent of skilled principal migrants in New Zealand had been international students.

The studies uncovered the complexities of the employability challenge. Students are frequently underprepared for the local workplace culture and expectations of employers. Employers’ express fears and misperceptions of hiring a diverse workforce, and recruitment practices are out of sync with current visa policy realities. To counter negative perceptions of international students among some employers, there is a trend to reframe using terms like ‘global talent’, or ‘New Zealand educated international talent’.

In response to the employability challenge, Education New Zealand, with insights partner TRA, are exploring the needs and perspectives of employers. The objective is to define a value proposition for New Zealand employers to employ international talent who have been New Zealand educated.

Again, it is about reframing the ‘problem’ of employability from the employer’s perspective to one of opportunity and unpacking the barriers and perceived risks. A key focus is the SME sector, which makes up the major proportion of the New Zealand employment market but is largely disconnected from education providers’ employment outreach efforts and misunderstood by international students.

Education providers can struggle to meet the demand from international students for employability opportunities. Internship or work experience programs can be resource intensive, limiting scalability. An example of a successful regional partnership can be found in Christchurch, where the importance of international graduate employment in helping to support regional development is well understood by local government. Christchurch has a projected labour force shortfall of 75,000 over the next decade. The Christchurch regional economic development agency, Christchurch NZ, has developed the ‘Job Ready’ program for students and local businesses. In partnership with University of Canterbury, Lincoln University and Ara Institute of Canterbury, the student internship program has created over 200 internship opportunities, many of which have led to graduate employment outcomes. These stories serve to amplify the value to employers to the local business community.

The international student employability challenge is complex and requires a collective approach of government policies, programs and communications supporting efforts of education providers to prepare students with the skills and talent sought by global and local employers. Equally however, a focus on employers is essential to build understanding and generate demand for a locally educated workforce that bring an international perspective.
The context from the United Kingdom

Vivienne Stern

The UK is one of the top global destinations for international students. There are over 440,000 international students currently studying in UK universities; and nearly 700,000 studying for UK programs overseas. The UK ranks second as a destination for globally mobile students, after the US.

However, competition is growing and, by some reports, the UK’s attractiveness has declined. An HSBC survey of parents’ favoured destinations for their children’s study saw the UK slip from second in 2016 to third in 2017. According to the International Student Barometer, despite high overall satisfaction, in recent years we have seen declining satisfaction with the UK’s visa requirements and employment opportunities. As a result, since 2008 the number of students enrolled in the UK has risen by just three per cent, compared to 40 per cent growth in the US, 45 per cent in Australia, 47 per cent in New Zealand, and 57 per cent in Canada.

The UK’s visa regime appears to have had a strong role to play in the UK’s relative stagnation as an attractive destination for international students. In 2015, nearly a third of students surveyed by Hobsons decided against studying in the UK: six of the top seven reasons for deciding against the UK were related to the visa regime. While there are likely to be other factors at play, one dimension of the UK’s current visa regime which is relatively unattractive compared to our key competitors is the length of time graduates can stay and work post-graduation.

Meeting the 600,000 target

In the UK’s International Education Strategy, published in March 2019, the Government set a new target to increase the number of international graduates studying in the UK to 600,000 by 2030 (Department for Education, 2019). To meet this target, the UK will need to ensure that it preserves and builds on its reputation as a highly attractive and high-quality study destination. The government strategy states that one of the priorities will be to “continue to provide a welcoming environment for international students and develop an increasingly competitive offer. This includes extending the post-study leave period; considering where the visa process could be improved; supporting employment; and ensuring existing and prospective students continue to feel welcome.”

Two actions to which the Government has committed are particularly relevant to this goal:

• Action 3: “Government will strengthen the UK’s visa offer for international HE students by increasing the post-study leave period and making it easier for students to move into skilled work after graduation.”
• Action 5: “The UK Government will work with Universities UK International 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. We will also 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.”

J. The context from the United Kingdom
Extending post-study work opportunities

The UK Government has committed to extending opportunities for international students on Tier 4 visas to stay and work in the UK from the current 4 months to 6 months for undergraduate and masters students; and 12 months for PhDs. Although this move has been welcomed by the higher education sector, there have been calls from UUK and others to extend the opportunity still further, to at least two years, in line with our major competitors.

An amendment to the Immigration and Social Security Bill, currently making its way through the UK Parliament, would require the government to implement two-year post study work rights. This amendment, tabled by former Universities Minister Jo Johnson and Labour front-bench Brexit spokesman Paul Blomfield, has cross party backing, including from nine former Secretaries of State and 10 Select Committee Chairs.

Benefits to the UK of retaining international graduate talent

A recent analysis from a tax revenue perspective advocates for retaining a greater proportion of international graduates in the UK labour market by identifying post-graduation tax contribution by the 2016/17 cohort of £3.173 million in present value terms (Higher Education Policy Institute, 2019).

The same analysis echoed other countries’ focus on skills shortages finding that “there are acute skills shortages in many sectors of the UK economy (in both the public and private sectors). Rather than displacing domestic graduates from these opportunities, international graduates play a key role in filling the vacancies available and reducing these labour market gaps.” (HEPI, 2019).

Making it easier for international students to move into skilled work post-graduation

Notwithstanding calls for the extension of post-study work opportunities for the UK’s international graduates, there are already routes by which graduates can move into visa categories which allow them to stay and work post-graduation. These include the main employment visa category known as Tier 2; Tier 1 for graduate entrepreneurs; and Tier 5 for temporary workers. Details of each of these schemes, how to apply and other support resources are available to international students via the UK Council for International Student Affairs (UKCISA) website. A toolkit for PhD students is available via the Jobs.ac.uk website.

UK university sector bodies have also developed several resources for prospective employers to help them understand how they can recruit international graduates under one of these visa categories. Notably the Association of Graduate Careers Advisory Services has a range of resources available via its website including ‘Recruiting International Graduates: A guide for employers’ (www.agcas.org.uk/Immigration-and-Visas); as well as resources intended to help career advisory services within universities assist their international students and graduates in making a transition to the UK labour market under one of the relevant visa categories. This information covers the requirements of relevant visa categories (including salary thresholds) and a regularly updated FAQ document which explains, for instance, how international students/graduates should respond when recruiters ask them whether they have the right to work in the UK.

UUK has identified working with employers, sector bodies and the Home Office to help a greater range of UK-based employers take advantage of the opportunity to recruit international graduates as a priority.
Supporting international graduates’ transition to the labour market in the UK and overseas

UK universities have well developed career advisory services and a professional network in AGCAS which supports them collectively by creating shared resources such as those previously described. As part of this work, AGCAS has collected a range of case studies to illustrate the ways in which some UK universities have sought to enhance the advice they give to international graduates in particular. Some examples, all gathered by AGCAS (but not yet published) are provided here:

1. Developing your international career webinars
   MIDLANDS INTERNATIONAL GROUP

   The Midlands International Group are regional collaborators consisting of international careers personnel from 16 HEIs across the Midlands. The group created a series of webinars for international students and graduates to help develop skills, knowledge and awareness of global opportunities, visa law and personal branding.

   This was the group’s second year at running this event. The project ran throughout March 2018 and broadcast 11 webinars including: case studies from Tier 2 and Tier 1 graduates, ‘How to develop your global brand’ and ‘Working in China after graduation’. In practice, the virtual event meant that students and contributors did not have to travel. There were no costs for hiring premises or food and travel expenses.

2. International student talent pool
   THE UNIVERSITY OF PORTSMOUTH

   This project, which began in September 2017, aims to help international students gain work experience in the UK. With help from a UKCISA project grant of £2K, the University of Portsmouth works to get international students into a work experience opportunity with a local business. Placements range from two weeks to part-time over seven months and are designed to be undertaken by undergraduates over the summer and postgraduates after their course ends, although in reality the timings are more fluid than this.

   The university liaises very closely with local businesses to build a placement that will fulfil the business requirements, fit with visa regulations and pull in high-quality international student applications. Typically, placements are around marketing, business development, content creation and web design, but employers are more interested in soft skills than technical skills so this is not generally restrictive.
3. International job search guides

QUEEN MARY UNIVERSITY OF LONDON

The international job search guides cover the five countries that have the highest population of international students at QMUL and are designed to support students with their job search in their home countries. The guides are tailored to QMUL students in particular, making the information more impactful. They also provide careers staff with useful information.

The guides contain quotes and advice from QMUL international graduates, information about where international graduates from that country went on to work, QMUL’s networking groups and alumni chapters in that country and advice around job websites and CVs for that country.

The project was completed by a part-time intern over six months, supervised by a Careers Consultant. The funding for the project was gained via a bid to a student experience fund, and covered the intern’s salary and printing costs. The intern undertook desk-based research, communication with relevant QMSU societies, communication with alumni to gain relevant content for each booklet and, most importantly, they wrote the content.

4. International talent programme

UNIVERSITY OF THE WEST OF ENGLAND

The University of the West of England, in Bristol, recognises the opportunity and obligation to play its part in enabling collaboration between employers and international students and has set up the ‘International Talent Programme’ as part of global employability and enterprise provision.

This program aims to provide international students with employability experience and access to UK businesses while completing their academic studies. Students provide an international business asset to organisations by supporting with project work and export activities. The scheme was set up in response to the university’s recognition of the additional challenge faced by international students seeking high-quality work experience and focus specific activities to support these students.

These activities include employability related events, training, volunteering, internships, placements and work opportunities with our international talent internship scheme as our key element. The university offers full or partial funding to employers eligible to engage with this scheme to recruit international students for 74 or 148 hours over an agreed 2-week, 4-week or 8-week period on a full-time or part-time basis.
Universities UK International has now commissioned ACGAS to produce a good practice guide aimed at senior leaders, illustrating how universities can support international graduate employability, and making recommendations. This will be available in late summer 2019 via the UUKi website.

International graduate outcomes

Finally, UUKi will shortly publish the results of a major survey of 16,000 international graduates from UK universities between 2 and 5 years post-graduation. This survey, undertaken on behalf of UUKi by i-graduate, aimed to understand the medium term destinations and career outcomes of international graduates of UK universities.

The study found:

- high levels of employment among international graduates of UK universities
- unemployment rates were very low
- Graduates report high levels of satisfaction with their careers to date
- High levels of agreement that studying for a UK degree is worth the investment
- International graduates report salaries that are, on average, considerably higher than the average graduate starting salary in a range of focus countries (China, India, Nigeria, Malaysia and the US)
- International graduates are happy with the support they receive from their universities
- A high proportion of graduates report that they are more likely to do business with the UK or develop professional links here as a result of studying here.
- A high proportion intend to return to the UK as tourists.

The full findings of this study will be released in late June / early July 2019.

Conclusion

UK universities remain attractive to international graduates. The UK offers strong support to graduates not only through the content and design of its programs, but through the professional advice and guidance available through university career services that is tailored for international graduates.

However, as the market for international students becomes more competitive, the UK needs to consider how it can counter stagnant growth and deteriorating perceptions among students and their influencers, particularly in relation to its post-study work and employability offer.

Learning from the activities of others, and in response to the actions set out in the UK Government’s International Education Strategy, UUKi has therefore set out a program of work which will lead to better information about:

- international graduate labour market outcomes
- improvements in the provision of tailored career information
- advice and guidance through sharing of good practice and increased focus at senior level within institutions; and
- better support for employers who want to take on international graduates under visa categories which permit post-study work.

This work will run alongside continued efforts to press the government to extend post study work rights, in line with our proposals for a new visa category which allows international graduates to remain and work in the UK for at least two years post-graduation.

Together these actions are intended to contribute to maintaining the UK’s position as a world leader in the provision of higher education to globally mobile students.
International students are increasingly regarded as ‘ideal’, ‘model’ or ‘designer’ immigrants for the labour markets of their host countries. Young, educated and equipped with host country credentials and experiences, international students are presumed to mitigate future talent shortages, especially in more technical occupations with a nexus to science, technology, engineering, and mathematics (STEM). In an effort to retain more international students for their domestic workforce, countries in the European Union have passed national legislation to expand the post-study work and residency rights of international students. In some EU member states such as Germany, students are allowed to stay and look for employment for up to 18 months after graduation. However, legal changes alone are not enough as many international students fail to find adequate employment. In the German context, 30 per cent of international graduates are still searching for a job more than one year after finishing their studies. Among their domestic counterparts it is less than five percent (Morris-Lange & Brands, 2015).

In Europe and beyond, international students have a harder time transitioning from study to work. This is largely due to insufficient host country language skills as well as a lower exposure to the labour market and professional networks in their host country (SER 2013, Lokhande, 2017, Hanganu & Heß, 2014).

Despite the need for more systematic job entry support at the local level, most international students encounter, at best, a poorly coordinated patchwork of occasional career fairs, job application trainings and chance acquaintances with service staff or company representatives who may or may not be able to help them. These are the findings from the first international mapping of local support structures for the post-study retention of international students, which the Research Unit at the Expert Council of German Foundations on Integration and Migration (SVR) has conducted in Germany, the Netherlands, and Sweden. The analysis was based on an international survey which generated responses from 172 public universities in the three countries (response rate: 57 per cent). The survey was administered among leading staff members in international offices and career service departments (Morris-Lange & Brands, 2015).

(Lack of) local support structures

Between 50 and 80 per cent of international students report that they plan to stay and work in Germany, the Netherlands and Sweden (Sykes & Chaoimh, 2012). Whether or not they manage to do so is largely decided at the local level where universities, local businesses, public service providers, and other local actors may or may not assist in students’ transition from study to work.

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6 Here, the term ‘university’ is used generically to encompass research universities, universities of applied sciences (Fachhochschule (GER), hogeschool (NL), högskola (SWE)), and all other educational establishments which issue state-accredited post-secondary degrees.
Germany

In Germany, universities do provide career support to all students, however most services are concentrated on the later stages of study programs. When it comes to tailoring their services to the needs of international students, German universities can be considered quite active: 56 per cent of institutions report to assist international students via English-language career counselling, information sessions on the German labour market and other specifically designed services.

German universities choose to do so despite their unfavourable student-to-staff ratio (on average, 7,283:1 in career service departments) and their high share of temporary and project-based funding of student services. At around half of all German universities, a given support service, such as field trips to local employers, can be offered by multiple student service subdivisions. This can lead to unnecessary confusion among students. When comparing the activity levels of local actors outside the university, Germany’s large and medium-sized businesses are already quite active at recruiting international students. However, for small and family-owned businesses – the backbone of the German economy – international students are still a blind spot in human resource planning. In roughly 4 out of 10 German municipalities, local politicians and employment service agencies have recognised this as a shortcoming and are actively trying to increase local awareness to retain more international students post-graduation (Morris-Lange & Brands, 2015, Morris-Lange forthcoming).

Sweden

In Sweden, international students are subject to a comparatively short post-study visa extension of up to six months (compared to 12 months in the Netherlands and 18 months in Germany) (Swedish Migration Agency, 2019). Overall, the labour market entry of international students appears to be off the radar of many local actors in Sweden. Only 30 per cent of universities tailor their career support services to the needs of international students. Outside of higher education, large businesses serve as the only active facilitator of international students’ entry to the Swedish labour market. Small and medium-sized companies, employment offices and other local actors are only occasionally involved in assisting international students (Morris-Lange & Brands, 2015).

In all three countries, the individual support efforts shown by universities, local businesses, public service providers and other local actors can prove very helpful during the job search of international students. However, as student experience shows, these isolated approaches are not enough to retain more international students in the local and national workforce (SER, 2013; Lokhande, 2017). So far, it is largely up to chance whether international students find the right support service. Many are confused because only a handful of universities offer one-stop shop career support.

The Netherlands

In the Netherlands, most universities develop the career readiness skills of their international students during all phases of their study programs. 80 per cent of career service departments at Dutch universities target newly arrived international students as well as students who are about to graduate. Furthermore, unlike in most other European countries, Dutch career service departments make strategic use of their institution’s international alumni. Around 8 out of 10 departments regularly include their international alumni in guest lectures, career mentoring programs and internship placements. Outside of the university, international students have a good chance of landing an internship or a full-time position with large or medium-sized businesses or at one of the many research institutes. So far, however, just like in Germany, small companies shy away from hiring international students, partly because of the processing fees collected by Dutch immigration authorities. To register as a visa sponsor for an international graduate, a small company is required to pay 1.963 Euros. In municipalities, local politicians and public service providers are not as involved as in Germany. They only serve as active facilitators in a quarter of municipalities across the Netherlands (Morris-Lange & Brands, 2015).
Instead, international students often have to navigate a complex web of job application trainings, counselling sessions and placement services offered by different university subdivisions, student initiatives and local employment offices. In order to help more international students transition to host country employment, local actors need to do a better job coordinating their individual support services. So far, this type of coordinated job entry support can only be found in a few locations in Germany, the Netherlands and Sweden. Only 28 per cent of Dutch and German universities collaborate regularly with local businesses to organise mentoring programs, internships and other forms of professional support to international students. Swedish universities (13 per cent) are even less likely to team up with local businesses. Similarly, universities’ engagement with local politicians, employment agencies and other public services is often infrequent and ad hoc (Morris-Lange & Brands, 2015).

WHAT TO DO?

To move beyond the current state of infrequent and ad hoc collaboration, universities, employers, public service providers and other local actors need to reassess and coordinate their job entry assistance. By doing so, these partners could improve their local support landscape for all students. This step requires local actors to exchange information regularly, develop and pursue shared goals and actively communicate joint achievements to rally support for further coordination. Universities, employers and policy makers alike are required to play their parts.

Universities

Universities should better coordinate their own career services and do more to focus on the major obstacles experienced by international students. Most importantly, this includes the development of host country language skills, early exposure to the labour market and tailored job application training. In order to roll out said support services to all international students, universities should consider supplementing their face-to-face instruction with Massive Open Online Courses (MOOC), educational gaming apps and other digital technologies.

One example for this is the University of Groningen’s Dutch language MOOC, which allows language learners to acquire enough language skills to enrol in a Dutch-taught study program in the Netherlands.7

Employers

Employers, especially small businesses, should include international students in their recruiting pool. Through internships, co-operative learning opportunities, scholarships and other forms of cost-efficient investments, both management and staff can test the added value of an international work environment. By diversifying their workforce, companies can increase their attractiveness for other skilled migrants, which are increasingly needed to offset talent shortages. In Germany, these efforts have been supported by the Federal Employment Agency (Bundesagentur für Arbeit), which has piloted labour market integration programs that bring together local business and international students (Peters, 2014).

Policy makers

Policy makers should assess whether their post-study work and residency rights for international students are in line with projected labour market needs. Procedural barriers such as excessive processing times for providing the proper visa or permits should also be addressed. At the local level, municipal governments should play a more active role in the retention of international students. Even in municipalities where employment agencies and other local service providers have an eye on international students, their efforts usually run side-by-side with other existing support services, thereby increasing the risk of confusion among international students and local stakeholders. Hence, successful retention requires a more proactive coordination of new and existing support services. Given their long-term interest in talent retention, municipalities should play a central role in this kind of local coordination. One way to bring key stakeholders to the table are local events such as the annual career fair ‘Your Future in Stuttgart’, which is organised by the German city of Stuttgart and invites international students from local and nearby universities to network with local employers and partners8.

Author bios

**Brett Berquist**  
**DIRECTOR INTERNATIONAL, UNIVERSITY OF AUCKLAND**

Brett Berquist transitioned from chairing applied languages to international education administration during the early Erasmus years. He has worked in France, UK, USA, South Korea and New Zealand, leading internationalisation strategies at several institutions and overseeing all aspects of IE. He serves on the IEAA research committee and has spoken frequently on the role of internationalisation in employability and has co-chaired the content committee for the Global Internship Conference since 2012. His most recent publication is Berquist, B., Moore, K., & Milano, J. (Eds.). (2018). *International internships: Mission, methods and models*, a collection of papers from the Global Internship Conference. Boston, MA: Academic Internship Council.

**Rebecca Hall**  
**GLOBAL EDUCATION LEAD, AUSTRADE**

Rebecca Hall leads Austrade’s engagement in promoting Australia’s international education sector. She forms part of the Trade and Investment Senior Leadership team, engaging across Austrade’s global network. Rebecca oversees Austrade’s AIE2025 strategy and Austrade services to support international education sector sustainability. Prior to joining the Australian Government, Rebecca led international education strategy for the Queensland and Victorian Governments.

**Simon Morris-Lange**  
**DEPUTY HEAD OF RESEARCH, EXPERT COUNCIL OF GERMAN FOUNDATIONS ON INTEGRATION AND MIGRATION (SVR)**

Simon Morris-Lange is Deputy Head of Research with the Expert Council of German Foundations on Integration and Migration (SVR), a leading non-partisan think tank devoted to migration and the integration of first- and second-generation migrants. Before joining SVR, Simon served as an analyst with the Illuminate Consulting Group in the San Francisco Bay Area and as Chief Operating Officer with iversity, a Berlin-based edutech company. Simon has gained extensive experience in comparative research and evidence-based policy advice through research projects in Canada, Germany, the Netherlands, New Zealand, Sweden and the United States. Simon writes regularly on educational inequality, international student mobility and the study-migration pathway. He was educated in Germany, the United States and Singapore.
**Hayley Shields**  
DIRECTOR, CAUSATION CONSULTING

Hayley Shields is Director of Causation Consulting and past Director of Student Experience at Education New Zealand where she developed NauMai NZ, a new digital platform to support international students as they transition to a new culture and life in New Zealand. She also commissioned research on NZ employers’ perceptions of international students and development of a value proposition. She has had an extensive career in international education in Australia and New Zealand, including with the University of Auckland, University of New South Wales, University of Melbourne and CPA Australia.

**Vivienne Stern**  
DIRECTOR, UNIVERSITIES UK INTERNATIONAL (UUKI)

Vivienne Stern is the Director of Universities UK International (UUKi) which represents UK universities around the world and works to enable them to flourish internationally. Prior to her role in UUKi, Vivienne was Head of Political Affairs at Universities UK. In this role she led the sector’s response to several major pieces of legislation relating to universities, including the Higher Education Act 2004. She previously worked in the UK Parliament for the Chair of the Education and Skills Select Committee, and as a higher education policy specialist working on topics including quality, student experience, innovation and university-business links.

Vivienne is a Director of Universities UK; a member of the Board of the UK India Research and Innovation Initiative and the Strategic Partnerships in Higher Education Fund; she is a member of the British Council’s Education Advisory Group and a number of other Boards and Committees. She is a graduate in English Literature from the University of Cambridge.

**Ly Thi Tran**  
ASSOCIATE PROFESSOR, SCHOOL OF EDUCATION, DEAKIN UNIVERSITY; FUTURE FELLOW, AUSTRALIAN RESEARCH COUNCIL

Ly Thi Tran is an Associate Professor in the School of Education, Deakin University and an Australian Research Council (ARC) Future Fellow. Ly was named as one of Vietnam’s 50 Most Influential Women 2019 by Forbes Vietnam (Research Category). Her research focuses on international students across the schools, VET and HE sectors, graduate employability, student mobility, the New Colombo Plan and staff professional learning in international education. Ly’s research has won a range of national and international awards, including the IEAA Excellence Award for Best Practice/Innovation in International Education in 2014.
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