# UK immigration policy hits international student numbers and university funding



The recent discourse surrounding the UK’s immigration policies, particularly in relation to international students, has sparked widespread concern within the higher education sector. Amidst tightening immigration controls, international student numbers across Scottish universities fell sharply by 12% between the 2022/23 and 2023/24 academic years, highlighting a worrying trend that many believe could destabilise the entire education system. According to the president of NUS Scotland, the ramifications of such a decline might include significant cuts to university funding, as institutions become increasingly reliant on the income generated by overseas students, particularly at universities like St Andrews and Edinburgh, where international fees constitute over 40% of student bodies.

The Labour Party, currently under the leadership of Keir Starmer, has recently faced criticism for its stance on immigration, particularly following Starmer’s comment that without proper regulation, the UK risks becoming “an island of strangers.” This phrase drew parallels to Enoch Powell's notorious "Rivers of Blood" speech from 1968, notorious for its incendiary anti-immigration rhetoric. In response to the backlash, a spokesperson from 10 Downing Street asserted that the Prime Minister supports the contributions migrants make to British society while also advocating for controlled immigration.

Starmer's proposals, including a reduction in the duration of the graduate visa from two years to 18 months, aim to curtail net migration by a target of approximately 100,000 per year. Critics, including student representatives and key university leaders, argue that such measures, including the proposed introduction of a foreign student tariff, may deter international applications, further exacerbating financial strains on universities. The financial impact is already being felt; a report indicated that nearly half of England's higher education providers anticipate reporting a deficit due to a decline in international student recruitment, a situation exacerbated by static tuition fees, inflation, and increasing operational costs.

NUS Scotland’s Viswanathan, the first woman of colour in her role, voiced her dismay over the rhetoric employed by Labour and the implications it has for international students, particularly those from the Global South. She emphasised that the portrayal of migrants as job thieves disregards the diverse contributions they make, and she warned that the current political climate fosters a sense of unwelcomeness for those seeking opportunities in the UK. Viswanathan recounted her own experiences, underscoring the burdensome scrutiny faced by prospective students during the immigration process.

Moreover, the financial contributions of international students to the UK economy are significant; studies indicate they generate approximately £41.9 billion annually. This income is pivotal, not just for universities but also for the wider economy, as the loss of enrollment could lead to substantial consequences for towns and cities reliant on their presence.

As the government pushes for reforms to address public concern over increasing immigration numbers, there’s a growing fear among university leaders that these measures could undermine the UK’s attractiveness as a destination for higher education. The available evidence suggests that immigration policies directly influence student recruitment, with many institutions already struggling under the weight of decreased enrolments, which are predicted to worsen unless the government reconsiders its approach.

In light of these developments, university representatives and student organisations are mobilising to advocate for a more balanced immigration policy that recognises the vital role of international students in the UK’s educational landscape. As they rally support, their message to governments—particularly in Wales and Scotland, where elections loom—is that the voice of the student demographic, which includes diverse backgrounds and experiences, is both powerful and pivotal in shaping the future of higher education in the UK.

While the government insists that reform is necessary to ensure public services remain viable, experts are urging a rethink of policies that could alienate potential students and threaten the sustainability of a sector that has been a cornerstone of the UK’s economic and cultural identity. The forthcoming decisions will undoubtedly shape the trajectory of UK higher education for years to come, making it imperative that all stakeholders are engaged in a dialogue that balances economic needs with a welcoming approach to students from all backgrounds.

### Reference Map

* Paragraph 1: (1), (2)
* Paragraph 2: (1), (3), (4)
* Paragraph 3: (3), (4), (5)
* Paragraph 4: (1), (6)
* Paragraph 5: (1), (2), (6)
* Paragraph 6: (1), (5)
* Paragraph 7: (1), (6)

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.heraldscotland.com/news/25162919.student-union-slams-starmer-racist-white-paper/?ref=rss> - Please view link - unable to able to access data
2. <https://www.ft.com/content/6dbdfc60-9d83-48ff-9b34-db3ddd08d5b1> - A report from the Financial Times highlights that nearly half of England's higher education providers anticipate reporting a financial deficit in 2024-25 due to lower-than-expected international student recruitment. The Office for Students (OfS) calls for significant structural reforms to restore sector sustainability. The government's potential overhaul of the graduate visa route could further destabilize the sector by weakening its global appeal. Universities UK International urges the government to uphold support for international students. The 2023-24 academic year saw a 15.5% drop in overseas student numbers, with a further decline predicted. Despite financial strain, some institutions remain optimistic, projecting a 20% increase in international students by 2027-28. The OfS warns, however, that such projections may be overly ambitious, posing risks to institutional stability. Financial pressures are exacerbated by static tuition fees, inflation, and higher costs, prompting closures, redundancies, and expense reductions. Experts like Neil Smyth emphasize the urgent need for government intervention to provide financial stability. Education Secretary Bridget Phillipson acknowledged the troubling figures, reinforcing the need for further reforms and institutional financial accountability. ([ft.com](https://www.ft.com/content/6dbdfc60-9d83-48ff-9b34-db3ddd08d5b1?utm_source=openai))
3. <https://www.ft.com/content/f9b2cf94-a4f0-4d32-94f2-5fe274f764b2> - Prime Minister Sir Keir Starmer faced criticism after delivering a speech advocating for stricter immigration controls, in which he warned that the UK 'risk[s] becoming an island of strangers' without reform. Critics, including several senior Labour figures, noted that his language echoed Enoch Powell's 1968 'rivers of blood' speech, infamous for its anti-immigration sentiment. However, Downing Street strongly rejected any comparison, emphasizing that Starmer entirely disavows Powell's rhetoric. A spokesperson reaffirmed that Starmer supports immigration and acknowledges its positive contributions, but insists that migration should be regulated fairly as public services face mounting pressure. The government cited record-high immigration levels under previous Conservative leadership and pledged to reduce net migration through measures such as tightening English language requirements for visas, extending citizenship eligibility timelines, and raising skill criteria for foreign workers. While some Labour members, including MP Sarah Owen and London Mayor Sadiq Khan, criticized the phrasing, Home Secretary Yvette Cooper defended Starmer, stressing the distinction between his balanced approach and Powell’s divisive message. ([ft.com](https://www.ft.com/content/f9b2cf94-a4f0-4d32-94f2-5fe274f764b2?utm_source=openai))
4. <https://www.ft.com/content/55bcac8b-6430-4040-b005-6cc24325dc71> - UK Prime Minister Keir Starmer has announced significant curbs on legal migration, prompting backlash from businesses, care providers, and universities. The reforms include requiring migrants to wait ten years before applying for settlement unless they contribute substantially to the economy or society, abolishing the social care visa route, reducing post-study visa durations for international students, and imposing a 6% fee levy on universities’ international tuition income. These changes aim to reduce net migration by 98,000 annually, bringing it down to 240,000 by 2029-30 from its peak of 906,000 in 2023. Critics, including business leaders and Labour MPs, warn the measures will exacerbate labor shortages, particularly in healthcare and education, and damage the UK’s economic growth and global appeal. Despite the criticism, Starmer insists the measures are necessary and fair, distancing the reforms from political motivations. He has not set a migration cap but promises significant reductions. Economists dispute Starmer’s claim that migration has not contributed to growth, highlighting other factors like Brexit and energy costs as impediments to economic performance. The reforms reflect a broader political shift in response to gains by the anti-immigration Reform UK party in local elections. ([ft.com](https://www.ft.com/content/55bcac8b-6430-4040-b005-6cc24325dc71?utm_source=openai))
5. <https://www.reuters.com/world/uk/british-pm-starmers-new-policies-drive-down-net-migration-2025-05-12/> - Prime Minister Keir Starmer of the United Kingdom announced comprehensive immigration policy reforms aimed at significantly reducing net migration, potentially by around 100,000 annually. Notably, while Starmer refrained from setting a specific migration target, his government has outlined several impactful measures. Key among these includes extending the residency requirement for citizenship from five to ten years, though earlier applications may be allowed for individuals contributing significantly to society or the economy. Recruitment of foreign care workers will be phased out by 2028, putting additional pressure on an already understaffed sector. Employers hiring overseas workers will face a 32% increase in immigration skills charges. Moreover, international students will have their post-graduation work period reduced from two years to 18 months, with potential tuition fee levies under consideration. English language requirements for visa applicants and their adult dependents will be tightened. Though focused on legal migration, the government also plans to introduce legislation limiting asylum seekers’ use of Article 8 of the European Convention on Human Rights to streamline deportations. Further asylum reforms are to be introduced later in the year. ([reuters.com](https://www.reuters.com/world/uk/british-pm-starmers-new-policies-drive-down-net-migration-2025-05-12/?utm_source=openai))
6. <https://www.theguardian.com/education/2024/feb/29/student-immigration-restrictions-will-damage-uk-economy-universities-say> - University leaders accuse ministers of wanting to 'diminish our success' as figures show a plunge in visas issued to overseas students. Data from more than 60 UK universities shows that the number of study visas issued has fallen by 33% this year compared with the same time last year. A separate survey of 70 universities by UUK found that enrolments in postgraduate taught courses were down by more than 40% since January’s immigration changes. Vivienne Stern, UUK’s chief executive, said: 'I regret the fact the government appears to want to diminish our success in this area. Our new data shows that if they wanted to see a reduction in numbers, they have already achieved that through policy changes introduced earlier this year.' 'If they go further, they will damage the economies of towns and cities throughout the UK, as well as many universities. Given we should be doing everything we can to promote economic growth, this seems to be getting the priorities wrong.' The rules that came into force in January barred international students on taught courses such as master’s degrees from bringing family members with them. But UUK said students were also being put off by uncertainty over the UK’s post-study work offer, after the government asked the Migration Advisory Committee to review whether international students should be entitled to stay in the UK for at least two years after successfully completing a course. More than 320,000 international students account for nearly half of enrolments on taught courses at UK universities, paying tuition fees averaging about £17,000 a year. A sudden fall in enrolments would make a wide range of courses uneconomic and cause severe financial dislocation at many institutions. A new study commissioned by UUK found that the growth in international students since 2019 has delivered a £60bn boost to the entire UK’s economy. The Department for Education said: 'We are fully focused on striking the right balance between acting decisively to tackle net migration, which we are clear is far too high, and attracting the brightest students to study at our universities.' ([theguardian.com](https://www.theguardian.com/education/2024/feb/29/student-immigration-restrictions-will-damage-uk-economy-universities-say?utm_source=openai))