

Annex B

Desirable features of a post-study work visa for Scotland

Universities Scotland is pleased to respond to the Committee's request to set out what elements of a reformed post-study work visa we would like to see.

It is important for us to note that we are very pleased to be a member of the Scottish Government's Post Study Work Steering Group which is shaping a workable policy for Scotland in a way that is inclusive of all parties and stakeholders. We do not wish to pre-empt the work of that group. However, we recognise that the Committee is keen to understand the difference between the current Tier 2 route in place across the UK for international graduates hoping to secure employment after graduation and that of an optimal post-study work visa, as perceived by the higher education sector, to inform your report on this issue. Our views, as expressed here, are consistent with those we have fed into the Steering Group.

We would be pleased to see a change to immigration policy for international graduates at a Scottish level or at a UK level so that all UK higher education institutions could benefit.

<p>Degree holders or an equivalent level of qualification should be eligible for a PSW visa</p>	<p>Scotland's HE institutions would like to see a post-study work scheme implemented that would allow international graduates who have completed a degree or equivalent level of qualification (such as a postgraduate diploma) and above to be eligible for such a scheme.</p> <p>We do not want to see English-language assessments applied to a post-study work visa given the candidate has already obtained higher-level qualifications.</p> <p>Rationale: An undergraduate degree is typically the qualification that Scotland's major English-language speaking competitors, including Australia and the USA, use as the basis for their post-study work schemes.</p> <p>To change this the sector considers it as important to not link any future scheme to a particular subject, occupation or discipline as it would ultimately limit the breadth of employment opportunities both for those seeking employees and for those seeking employment. It would also allow for a swifter response to skills shortages as and when they are identified by Scottish business. This is supported by a survey undertaken by the Scottish Government's PSW Working Group, which found that employers would use a post study work scheme to fill posts across a wide range of occupations.</p> <p>Eligibility to employment at a specified skill level is another aspect where the sector would want little restrictions to not prevent international graduates from initially taking on work to gain increased competencies, which would allow a transition experience to higher skilled employment. It also needs to be noted that graduates (both UK and non-UK) may hold jobs where only a proportion of their work is at a predetermined skill level. This is often the case in SMEs, which make up over 90% of all registered businesses in Scotland</p>
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The visa needs to provide a path to graduate-level jobs

A new or reintroduced post-study work scheme in Scotland needs to give the international graduate the time and opportunity to transition into a graduate-level job which is capable of meeting the minimum salary thresholds required for a Tier 2 visa (currently £20,800 but set to increase to £23,000 based on the Migration Advisory Committee's recommendations from January 2016.) This was a feature of the Fresh Talent initiative. For this reason we consider believe a post-study work visa should be for a minimum of two years.

We accept that failure to obtain a higher level of skilled employment during the term of the post study work scheme, would mean that they do not meet Tier 2 requirements and do not progress their career in Scotland.

To make a post-study work scheme attractive to international students, and competitive with other countries, we would argue that any future post-study work scheme should not restrict eligibility to obtaining employment at a specific skill level; salary level; or subject, discipline or occupation; and should instead be open to all international graduates who obtain the required level of qualification.

Rationale:

- The new entrant route under Tier 2 in the UK allows visa holders just four months to find substantive employment meeting a range of requirements, including a minimum salary threshold. This is insufficient.
- There is evidence, gathered in the Scottish Government's PSW working group's recent survey, that employers consider a one year visa to be too short. Any scheme has to be attractive, and workable, for employers as well as international graduates.
- The competing post-study work options offered by Australia allows graduates from higher education institutions to live and work in Australia for up to four years. This has resulted in an increase in its international student recruitment by 8% in one year alone. Similarly, Canada's 'Post-Graduation Work Permit' allows international students to work for up to three years after their studies. Canada has increased its international student numbers by 83 per cent over the last six years from 2008.
- Scottish graduates have high levels of positive destinations on graduation. They attract the highest starting salaries in the UK and they have the highest levels of employment in graduate-level jobs within six months. However, it is well recognised that it can take up to two years for some graduates to settle into their career paths and graduate level jobs. This is the reason that the graduate destinations survey run by the Higher Education Statistics Agency (HESA) does a follow-up destinations survey at the two-year point after graduation. This survey has the status of national statistics. We believe it is reasonable, therefore, to give international graduates a two-year window of opportunity to settle into a graduate level job.

<p>A new scheme should not specify a maintenance requirement</p>	<p>We would argue that there should be no maintenance requirement for those applying for a post-study work visa.</p> <p>Rationale: At present both Tier 4 and Tier 2 require applicants to demonstrate a minimum level of ‘maintenance’ available to them. We believe this system is flawed and open to abuse as people can simply borrow money and put it in their bank account temporarily.</p>
<p>A new scheme should not require Sponsorship from employers or education providers</p>	<p>International graduates should not be required to obtain sponsorship from either their employer or education provider.</p> <p>Rationale:</p> <ul style="list-style-type: none"> • A post-study work scheme should allow international graduates to gain experience and allow both employer and employee to understand the value of the employment before committing to any form of sponsorship. • Currently, the rules surrounding employment under Tier 2 are often prohibitively restrictive and bureaucratic for employers. To employ a non-EEA student employers have to become a Tier 2 sponsor at a significant expense and with considerable resource implications, especially for smaller businesses. • In Scotland, as per the APPG report from Feb 2015, there were only 672 active Tier 2 sponsors who have used their license to sponsor an international graduate. • The disproportionate impact on smaller businesses may present a real disincentive in employing non-EEA graduates. In an SME-dominated economy, like Scotland, the cumulative effect of companies subsequently failing to recruit to graduate-level roles, especially where there are current skills shortages and where a potentially large talent pool of international students may exist, such as in the STEM-based industries - is likely to have a detrimental impact on our international competitiveness as a whole.
<p>A PSW visa should be framed within the existing terminology and definitions of Tier 4 of the UK Points Based System (PBS)</p>	<p>If a post-study work visa were to be reintroduced at a UK level it would be beneficial to frame it within the existing UK terminology and definitions of the tiered UK Points Based System.</p> <p>Rationale: As the framework is already in place it would be familiar to education providers, employers, the Home Office and potentially international students. Continuous change to the system in recent years is unhelpful therefore working within established frameworks is likely to cause less disruption.</p>

A PSW visa should count towards eligibility for settlement	Given Scotland's particular demographic challenges, with a much older population and slower population growth than England, it would be beneficial to count the time spent on a post study work scheme towards the five years' residence needed by Tier 2 migrants to apply for Indefinite Leave to Remain (ILR).
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This paper sets out desirable features of a post-study work scheme for Scotland. It does so in an evidenced way. However, we would be open to consideration and further discussion of these points with a view to securing a post-study work visa. This issue is a live one at present and we understand that discussions between the Scottish and UK Governments are ongoing.

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