

Rt Hon Charles Clarke PC MP  
Secretary of State  
Home Office  
50 Queen Anne's Gate  
London SW1H 9AT

**From the Trustees**

4 February 2005

**Visa Extension Charges**

We are concerned at your proposed doubling of Visa Extension Charges to overseas students and the effect this will have on the research capability of the UK and on attracting overseas students who bring vital income to our financially stretched universities.

US policies on visas are affecting their research capabilities (as Bill Gates recently noted) and we have an opportunity to capitalise on their problems. But we will have to fight hard to convince students to study in the UK and you will remember that last year a substantial number of universities reported a fall or no increase in the number of international student enrolments. The recent UKCOSA publication *Broadening our Horizons*, based on a survey of international students, reported high levels of sensitivities to costs, and particular hostility to visa extension charges. Our competitors in Australia are using information about UK visa charges in their own recruitment activities. If you were to double the charges, the total UK charges would be over three times higher than those in Australia. Once market share is lost, it will be difficult to regain.

Overseas students contribute £10.4 billion to our economy, and their fees account for 7% of the income of higher education institutions. The majority of universities depend financially on these fees. Of particular concern is the fact that science, technology and engineering subjects would be particularly affected by a fall in international student numbers, especially at postgraduate research level. In engineering about 50% of post-graduate research students are from overseas. Across all SET subjects, 23% of PhD students are international.

We have to grow our research capability in this country and encourage higher education to expand its global perspective and reach. The Prime Minister's initiative and the Chancellor's Science Policy Framework all recognise this and the Research Councils and other organisations offer scholarships for overseas students. We need a consistent policy.

We understand the pressures that the Home Office face. Equally, you will know that only 2.9% of international student applications for 'leave to remain' are refused; so they are a low risk group. While you may not think this is a priority issue, we can assure you that attracting and retaining overseas students and researchers is vital to the performance of the UK economy and the financial health and global perspective of UK higher education.

We are copying this to The Prime Minister, The Chancellor and to Lord Sainsbury.

Yours sincerely,

Richard Greenhalgh Chairman  
Sir Tom McKillop Chief Executive, Astra Zeneca plc  
Rob Margetts CBE Chairman, BOC  
Dr Geoffrey Copland Vice-Chancellor, University of Westminster  
Ruth Silver CBE Principal, Lewisham College  
Sir David Watson Director, University of Brighton