Student, interrupted: International education and the pandemic

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The Mitchell Institute for Education and Health Policy at Victoria University is one of the Australia's leading health policy think tanks and trusted thought leaders. Our focus is on improving our education and health systems so more Australians can engage with and benefit from these services, supporting a healthier, fairer and more productive society.

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Introduction

The coronavirus pandemic has hit international students and the international education sector hard. Restricted movement across borders, lockdowns and campus closures have caused enormous disruption to international students, and to those who rely on the sector.

Despite the impact, there is a lack of analysis on the pandemic's impact on the international education sector globally. For a sector intertwined with international mobility, the global context is important to understand. International education is an important aspect of how many countries manage investment in their higher education sectors.

To help fill this gap, this report examines the evolving impact of the pandemic on the global international education sector focusing on five major destination countries: Australia, Canada, New Zealand, the United Kingdom (UK), and the United States (US). It uses the most recent available data from the countries, with a focus on student visa data, to explore some of the changes occurring in this important sector.

The report shows that all destination countries have experienced disruption to their international education sectors. The greatest reductions occurred in the middle of 2020, when countries introduced lockdowns and border restrictions in response to the first wave of the pandemic.

Countries where international travel remained possible, such as the United Kingdom and Canada, have recovered fastest, despite subsequent waves of the pandemic. The early indications are that new students are returning to these countries at levels close to, or above, pre-pandemic levels.

There is also evidence of pent up demand. For instance, for the 2021 Fall intake, new student visa approvals in the US were above pre-pandemic levels.

Countries that continue to have restricted border policies, such as Australia and New Zealand, continue to be well below pre-pandemic levels.

What remains uncertain is the long-term impacts of the pandemic on the international education sector. The final section of this report discusses some of these uncertainties. It highlights the complex link between international travel, migration and international education.

This report cannot fully capture the disruption the pandemic has caused international students. International students make big investments in their future by seeking education experiences that enrich their understanding of the world and improve their future prospects. Ensuring that any policy response builds on the needs of international students can help ensure that when the current crisis passes, the sector recovers in a way that protects everyone's investment, especially the investment that international students make.

Key points

- The overall impact of the pandemic on new international students has differed by country. The five major destination countries examined in this report (Australia, Canada, New Zealand, the UK and the US) experienced a fall in new international students in 2020.
- New international students in the Canada, UK and the United States have largely recovered to pre-pandemic levels. The UK has had the strongest recovery with new international students in the twelve months to September 2021 about 38% above pre-pandemic levels.
- Australia and New Zealand have experienced continuing declines in new international students since the start of the pandemic. In the twelve months to September 2021, there has been a reduction of about 70% in new international students to Australia compared to pre-pandemic levels. In New Zealand in the twelve months to September 2021, new international students are down by approximately 90% compared to pre-pandemic levels.
- There is evidence of pent-up demand following border closures. While the most recent data suggests new student visa approvals are above pre-pandemic levels for some countries, it is not clear whether they are at levels sufficient to compensate fully for reductions experienced in 2020.
- The number of new Chinese international students has reduced across all destination countries examined in this report. India has overtaken China as the largest source country for international students.
- The evidence suggests that the decline in new Chinese international students was due to administrative obstacles and travel restrictions, rather than geo-political factors.
- The long-term impact of the pandemic on international education remains unclear. Disruptions to the international education sector have widespread impacts because international students are an increasingly important component of how countries manage investment in their tertiary education systems.

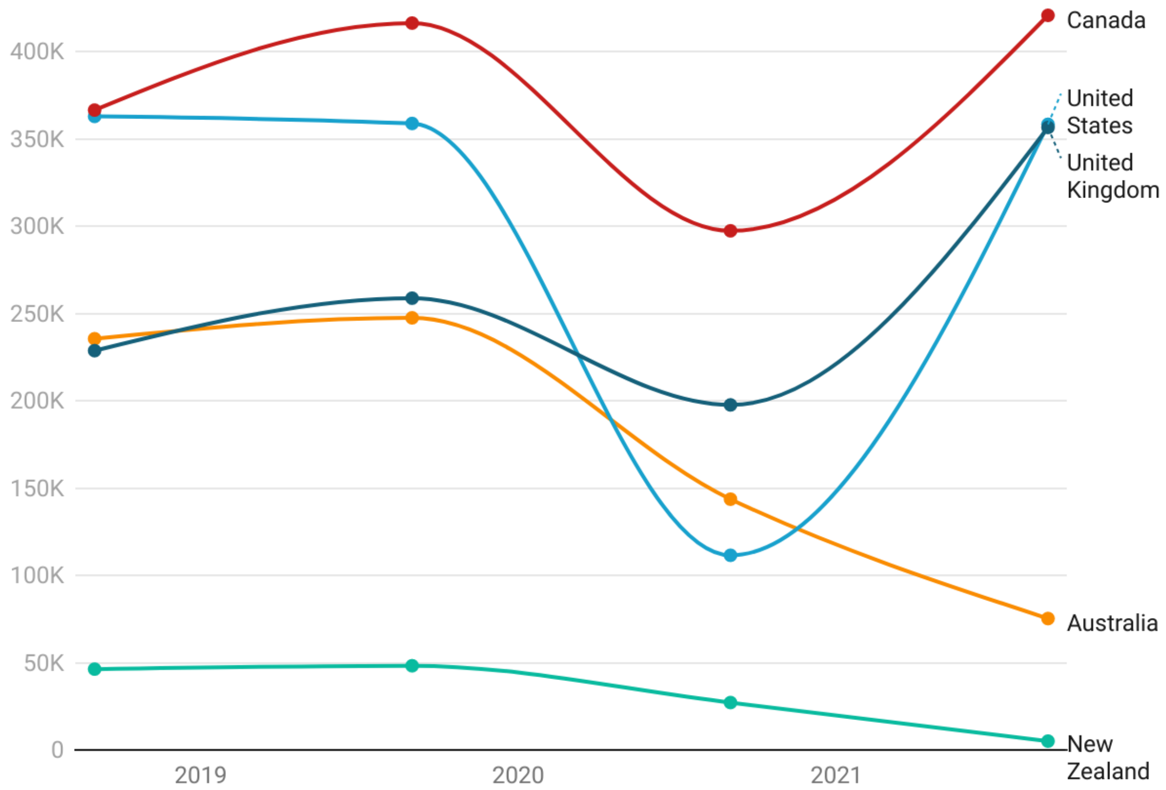
How has the coronavirus pandemic affected global international student numbers?

International student visa data helps understand the impact of the pandemic on global international student numbers. Most international students require a visa in order to travel, and students usually receive a visa before they commence their enrolment. This means that student visas are a leading indicator, as they indicate future trends.

Comparisons of student visas approved before and after the pandemic enables an exploration of the pandemic's impact on the sector.

Figure 1 shows new student visas issued by the five major destination countries examined in this report. This figure uses the most recent available data for each country for the twelve months from October to September in 2018/19, 2019/20 and 2020/21.

Figure 1: Annual (October to September) new international student visas by country



Source: Mitchell Institute analysis of visa data.

This figure shows that the overall impact of the pandemic on international student visas has differed by country.

For Canada, the UK, and the US, there was a reduction in new student visas between October 2019 and September 2020. This period covered the first major wave of the pandemic. In the twelve months from October 2020 to September 2021, new student visas have recovered.

The United Kingdom has had the largest increase. In the twelve months to September 2021, new international student visas in the United Kingdom are 38% above what they were in the twelve months to September 2019.

Australia and New Zealand have experienced continuing declines since the start of the pandemic. Between October 2020 and September 2021, new student visas are down by approximately 70% in Australia compared to the same period in 2018/19. In New Zealand, between October 2020 and September 2021, new student visas are down by approximately 90% compared to the same period in 2018/19.

An 'international student' – what is in a name?

A challenge in making comparisons of international students across countries is that there is no consistent definition and reporting of international student activity. For instance, some data sources report students by headcount and others by the number of full time equivalent students. Other data sources do not collect institutional level data, or only collect data from some institutions, such as public universities. These differences can make it difficult to make meaningful comparisons.

This report uses student visa data, and particularly new student visa data, as the primary source of information. This is because all destination countries used in this report publish reliable and recent data regarding new international student visas. New student visas are also a leading indicator, meaning they can help understand future events and trends, as students normally study a course over several years. The glossary has more information about the data sources used in this report.

Annual data can obscure the disruption caused by the pandemic. This is because the five destination countries applied different levels of restrictions throughout 2020 and 2021.

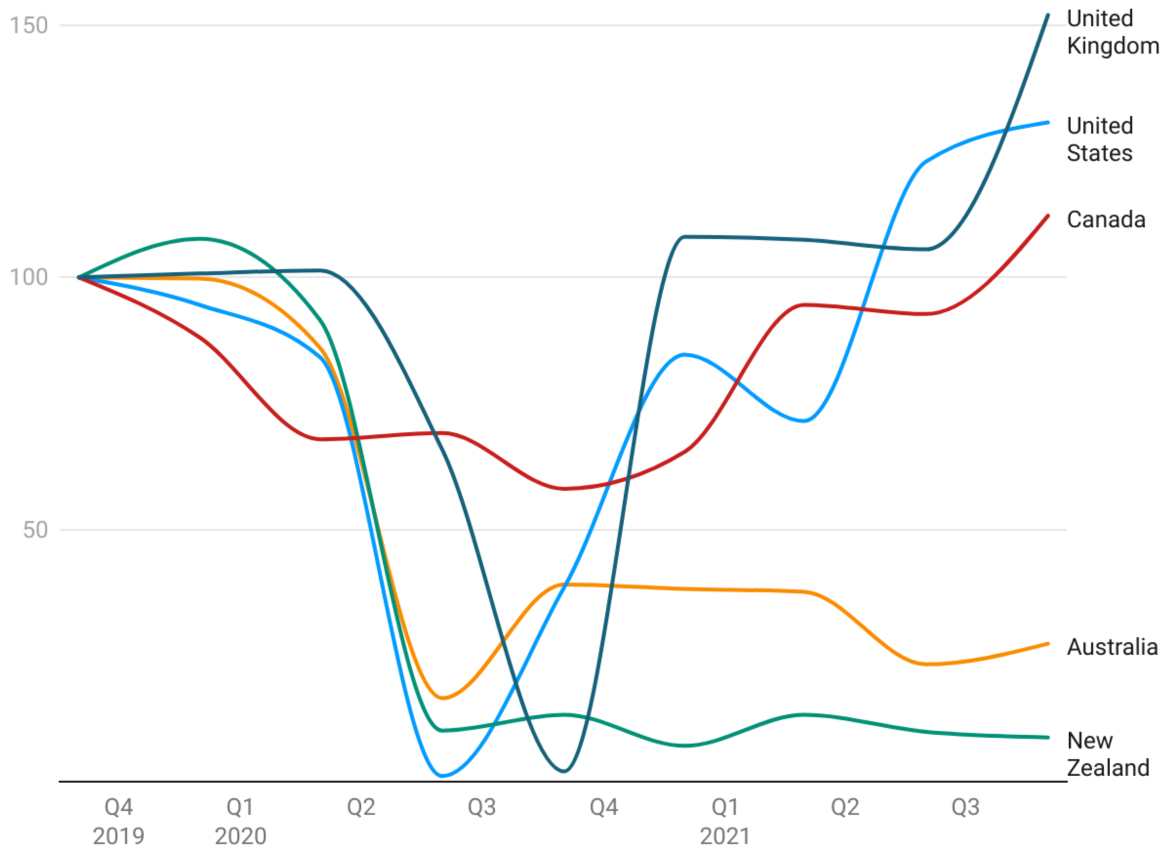
For instance, in the UK, the first wave of the pandemic and the first 'national lockdown' resulted in international air passenger traffic falling to about 2% of pre-pandemic levels in April and May 2020 (ONS, 2021). By September, the period between the first and second waves of the pandemic, international travel had recovered somewhat, to about 37% of February 2020 levels.

By contrast, Australian and New Zealand have largely kept borders shut to international travellers since March 2020.

Another factor that requires consideration is the seasonal aspect of international student commencements. The academic year in the northern hemisphere usually commences around September, which means the months preceding September result in an increase in visa approvals.

Figure 2 uses quarterly level data to explore changes that occurred throughout 2020 and 2021. This figure uses an index where the September 2019 is equal to 100. This figure shows seasonally adjusted data. Using seasonally adjusted data makes it possible to explore changes while controlling for peaks and troughs that usually occur throughout the year.

Figure 2: Quarterly change in new international student visas by country (September quarter 2019 =100)



Source: Mitchell Institute analysis of international student visa data. Data have been seasonally adjusted.

This figure shows there was a significant drop for all countries in new visa approvals in the second and third quarter of 2020 except for Canada, which had a smaller decline throughout 2020. The drop in the middle part of 2020 coincided with the first wave of the pandemic in the northern hemisphere. By the final quarter of 2020, visa approvals had increased in the US and UK.

The figure shows that for Canada, the UK and the US, new student visas are above pre-pandemic levels.

Figure 2 also shows countries whose borders remain largely closed, such as Australia and New Zealand, continue to experience a significantly reduced flow of new international students. This is important to consider because there had been discussions that countries who were successful in controlling the pandemic may be a more attractive study option for international students. The above figure suggests that, while successfully controlling the coronavirus may make a country a more attractive destination, the inability to travel means countries are unable to take advantage of being a more attractive study destination.

This figure also helps explore pent-up demand caused by mixed intakes. In this instance, pent-up demand refers to when there is a backlog of international students waiting to enrol. Where there is pent up demand, international students enrol in larger numbers when international travel becomes possible. This is important to understand because international students study on average for two to four years. Missed intakes can have a long-term effect, reducing the stock of international students for an extended period.

This figure suggests that there has been some pent-up demand for countries such as the UK, Canada and the US. However, while new student visa approvals are above pre-pandemic levels, it is not clear whether they are at levels sufficient to compensate fully for reductions experienced in 2020.

This has implications for countries such as Australia and New Zealand. These countries have had longer disruptions to the flow of new international students. It suggests that Australia and New Zealand can expect the flow of international students to return relatively quickly to pre-pandemic levels once international borders open. However, the international student cohort may continue to be lower than before the pandemic as the flow of new students may not be not sufficient to compensate fully for missed intakes.

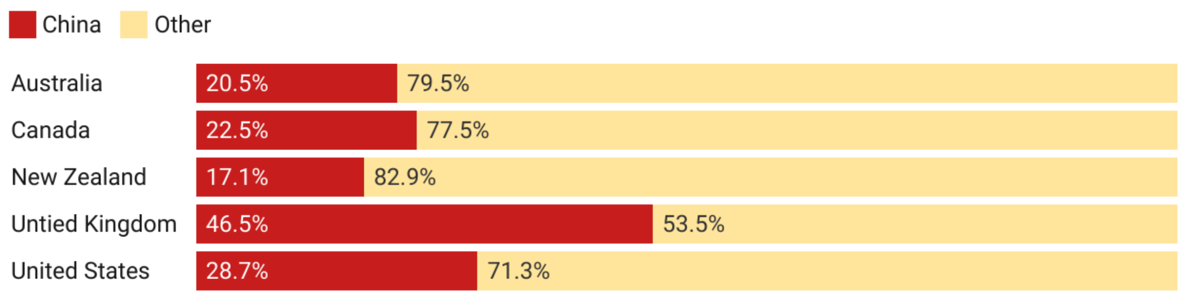
How has the pandemic affected new Chinese international students?

International students from China have been an increasingly important part of the international education sector. Chinese international students are the largest or second largest cohort in all five major destination countries examined in this report.

There has also been considerable discussion regarding the impact of geopolitical factors on Chinese international students. This next sections aims to explore whether these geopolitical factors are identifiable in international student visa trends.

Figure 3 shows the percentage of new students who come from China in each of the five destination countries in the year ending September 2019, a twelve-month period unaffected by the pandemic. This figures helps illustrate the size and importance of Chinese international students in each country.

Figure 3: Percentage of new international students by country (China and other) in five major Angolophone destination countries in twelve months to September 2019



Source: Mitchell Institute analysis of visa data.

This figure shows that pre pandemic, Chinese international students made up a significant proportion of new students from all countries, and especially in the United Kingdom and the United States.

To understand how the pandemic has affected prospective international students from China, Table 1 compares new Chinese international students in the year ending in September from 2019 to 2021.

Table 1: New Chinese international students by destination country in twelve months to September 2019, twelve months to September 2020 and twelve months to September 2021.

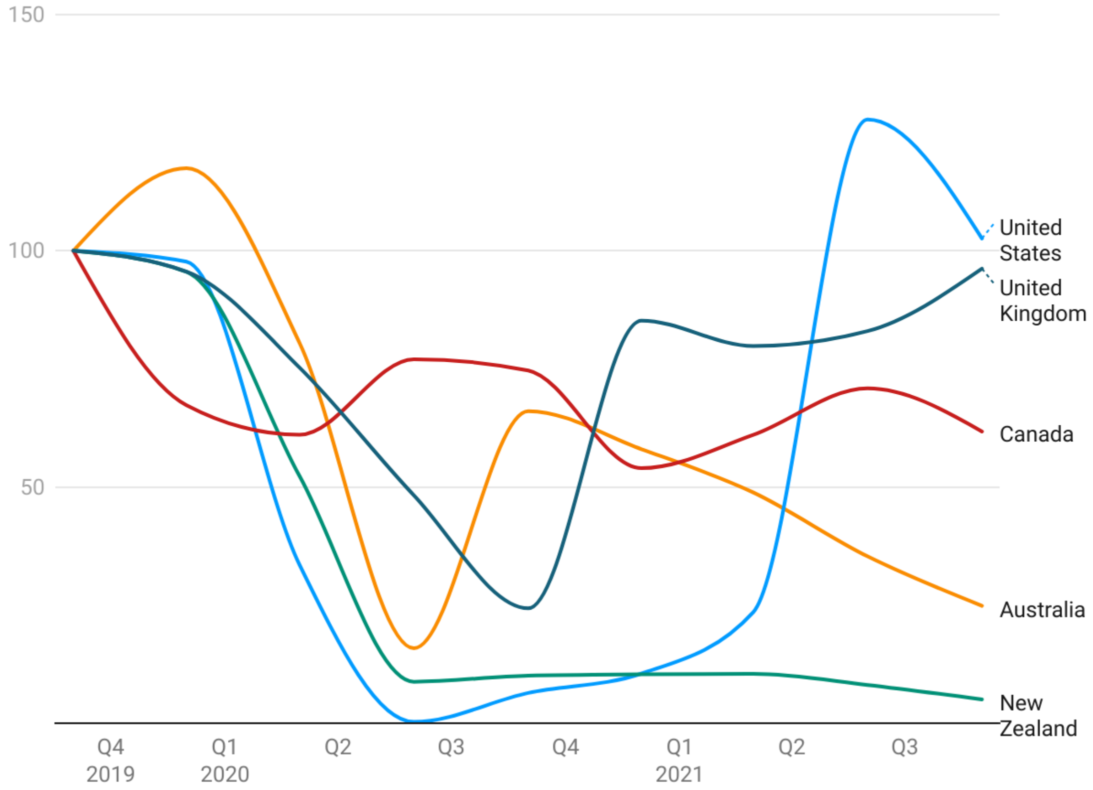
Country	2018/19	2019/20	2020/21	Change (2018/19 to 2020/21)
Australia	50,690	32,532	19,525	−61%
Canada	93,800	64,310	55,720	−41%
New Zealand	8,250	3,150	645	−92%
United Kingdom	120,207	79,353	117,502	−2%
United States	103,162	14,460	90,395	−12%

Source: Mitchell Institute analysis of country level visa data.

This table shows that all countries continue to experience a drop in new Chinese international students in the twelve months to September 2021 compared to pre-pandemic levels in the twelve months to September 2019. Australia and New Zealand have experienced the most significant fall.

To explore further the evolving impact of the pandemic, Figure 4 below uses quarterly data to explore changes in new Chinese international student visas. This figure uses an index where the September quarter of 2019 is equal to 100. Data have also been seasonally adjusted.

Figure 4: Quarterly change in new Chinese international student visas by country (September quarter 2019 =100)



Source: Mitchell Institute analysis of country level visa data. Data have been seasonally adjusted.

This figure shows a similar trend to Figure 2 above.

The United Kingdom experienced are fall in the June and September 2020 quarter that coincided with the first wave of the pandemic and travel restrictions. Since then, Chinese international student numbers have largely returned to pre-pandemic levels in the United Kingdom.

The United States experienced very low levels of visa approvals from China from the June quarter 2020 to the March quarter of 2021. This may be because the United States embassies largely stopped processing student visas in China during this period (Knott, 2021). Student visa processing in China has since recommenced as of May 2021 and new international student visas have returned to pre-pandemic levels. This suggests that rather than geo-political factors, administrative obstacles and travel restrictions have been greater impediments for Chinese international students.

The number of new Chinese international students in Canada is still below pre-pandemic levels. Australia and New Zealand also continue to experience declining levels of new Chinese international students.

How has the pandemic affected international students by major source countries?

The impact of the coronavirus pandemic on international students will vary by international students' country of origin. To explore this further, Table 2 shows the changes in international student visa applicants by country of origin. This table contains the three largest source countries in each of the destination countries examined in this report, along with important international education markets.

Table 2: Change in international student visas by country of origin, 2018/2019 to 2020/21

Country	Total new students			Change
	2018/19	2019/20	2020/21	Change 2019 to 2021
Nigeria	20,399	16,989	38,333	88%
France	23,716	11,228	31,549	33%
India	257,401	192,199	327,963	27%
Germany	13,469	5,363	15,016	12%
China	376,109	193,806	283,795	−25%
United States	31,971	19,770	23,867	−25%
South Korea	52,139	29,932	32,765	−37%
Nepal	19,341	10,061	11,195	−42%
Malaysia	16,091	8,158	8,759	−46%
Japan	32,165	15,919	17,303	−46%
Vietnam	40,018	22,157	19,905	−50%
Brazil	34,261	16,564	16,713	−51%

Source: Mitchell Institute analysis of visa data.

This table shows new international students from Malaysia, Japan, Vietnam and Brazil have been the most greatly affected, falling over 45% in the twelve months to September 2021 compared to the same period in 2019.

Nigeria has rebounded the strongest, driven largely by an increase in Nigerian international students studying in the UK.

New international students from India have also increased by about 27% compared to pre-pandemic levels. Behind this increase lies shifts in student choice.

There has been a reduction in the number of Indian international students going to Australia, down by 62% in the twelve months to September 2021 compared to 2019. In contrast, new Indian international students to the UK has more than doubled, up by 174%.

India has now overtaken China as the largest source country of international students.

Policy implications

This next section highlights some of the policy implications arising from report. It discusses the connection between international travel and international education, as well some of the longer-term impacts of the pandemic.

Little evidence of geo-political tensions… yet

Beyond the impact of the COVID-19 pandemic on international student education, there is a persistent anxiety that increasing geopolitical tensions between China and other countries will be a major stumbling block to the return of Chinese students.

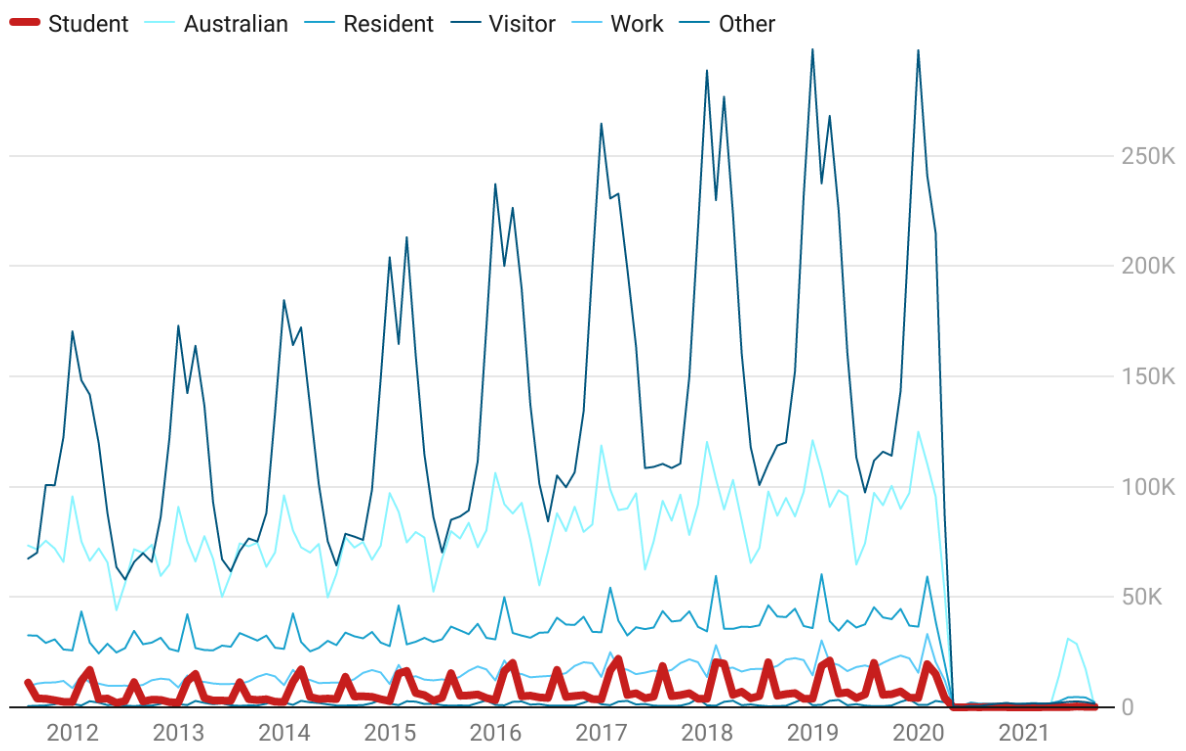
The rift between China and the US, UK, Australia, Japan, and EU member states that intensified in the early days of the COVID-19 pandemic (Miani, 2020; Zhong & Myers, 2021) hangs over the international education sector. Strong diplomatic ties between all affected countries and regions will be crucial to if, when, and how quickly, new Chinese international students return to pre-pandemic levels.

Despite the political situation and how it is damaging strategic partnerships with China (such as in specific areas of trade with Australia), there is no current evidence to connect these geopolitical pressures to the re-stabilisation of international student education across the world. The key barriers still seem to be mobility and administrative issues; COVID-19 is far from over and with the emergence of the Omicron strain it is clear that pandemic-related uncertainty continues to be the central barrier to global recovery of the international education sector (Haydar, 2021).

International travel and international education are strongly linked

There is a strong relationship between international travel and the international education sector. This means events that affect the ability to travel will influence international student mobility. To demonstrate this, Figure 5 below shows the monthly international arrivals in New Zealand from 2011 to July 2021 by type of overseas passenger. International student arrivals are in red.

Figure 5: Monthly New Zealand international passenger arrivals by type



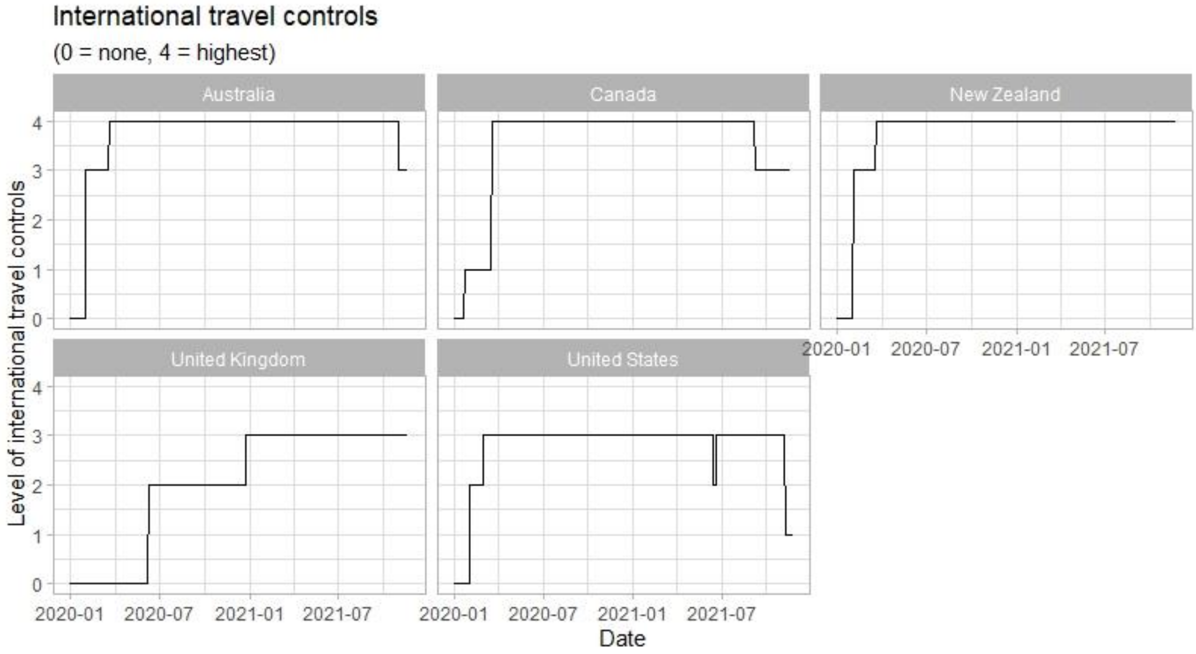
Source: Ministry of Business Innovation & Employment (2021)

This figure shows that there are peaks in any given year depending on the type of arrival. For international students, there are two peaks at the start and middle of the year, which correspond to the start of semesters in New Zealand. These arrivals will be new students, as well as continuing students who may have travelled during the academic break. Like all other types of international passengers, the pandemic has caused the number of new international student arrivals into New Zealand to collapse. In January 2020, 19,548 international students arrived in New Zealand. In January 2021, this figure was 165, a fall of over 99% (Ministry of Business Innovation & Employment, 2021).

It is a similar story in Australia where in January 2020, 91,250 international students arrived in Australia. In July 2021, this figure was 510, a fall of over 99.6% (ABS, 2021).

Figure 6 below shows the level on international travel controls since the start of the pandemic. The Oxford Coronavirus Government Response Tracker (OxCGRT) has collected this data. The figure uses a scale shows 0 means normal travel controls, and 4 indicates the highest level of travel controls.

Figure 6: Level of international travel countries in five major countries since January 2020

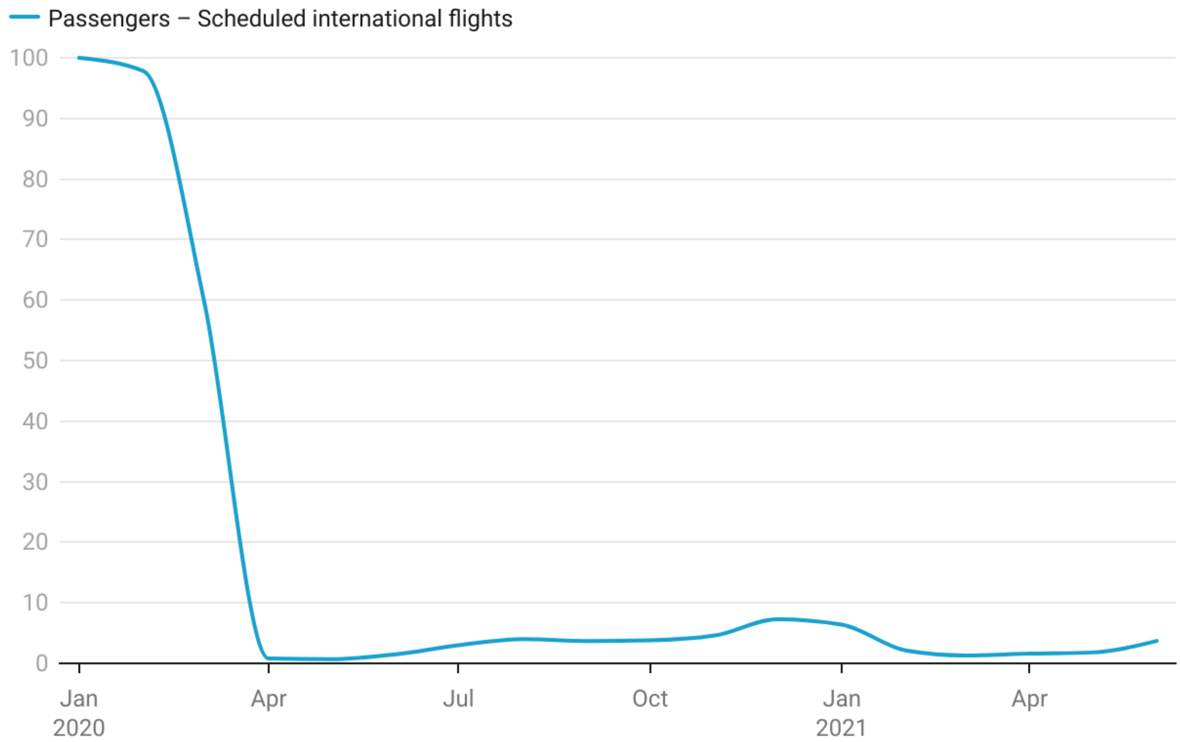


Source: Hale et al. (2021)

This figure shows that countries like Australia, New Zealand and Canada have had the highest levels of international travel controls throughout the pandemic. The UK and the United States have had increased levels of border controls throughout the pandemic, but according to this figure, have not imposed the most stringent level of international travel controls.

Despite high levels of travel controls, travel between countries may not need to return to pre-pandemic levels in order for international students to enrol. Figure 7 shows the volume of international passengers to Canadian airports where January 2020 = 100.

Figure 7: Index of international passengers at Canadian airports (January 2020 = 100)



Source: Statistics Canada (2021)

This figure shows that international passenger traffic at Canadian airports has fallen dramatically since the pandemic. In the first six months of 2021, international passenger traffic at Canadian airports has been between 1.3% and 6.4% of January 2020 levels. Despite this dramatic reduction, international student enrolments have continued. This suggests that while closed borders affect the ability for international students to enrol, as Australia and New Zealand demonstrate, even a reduced ability to cross borders may still be enough to support new international students to commence courses.

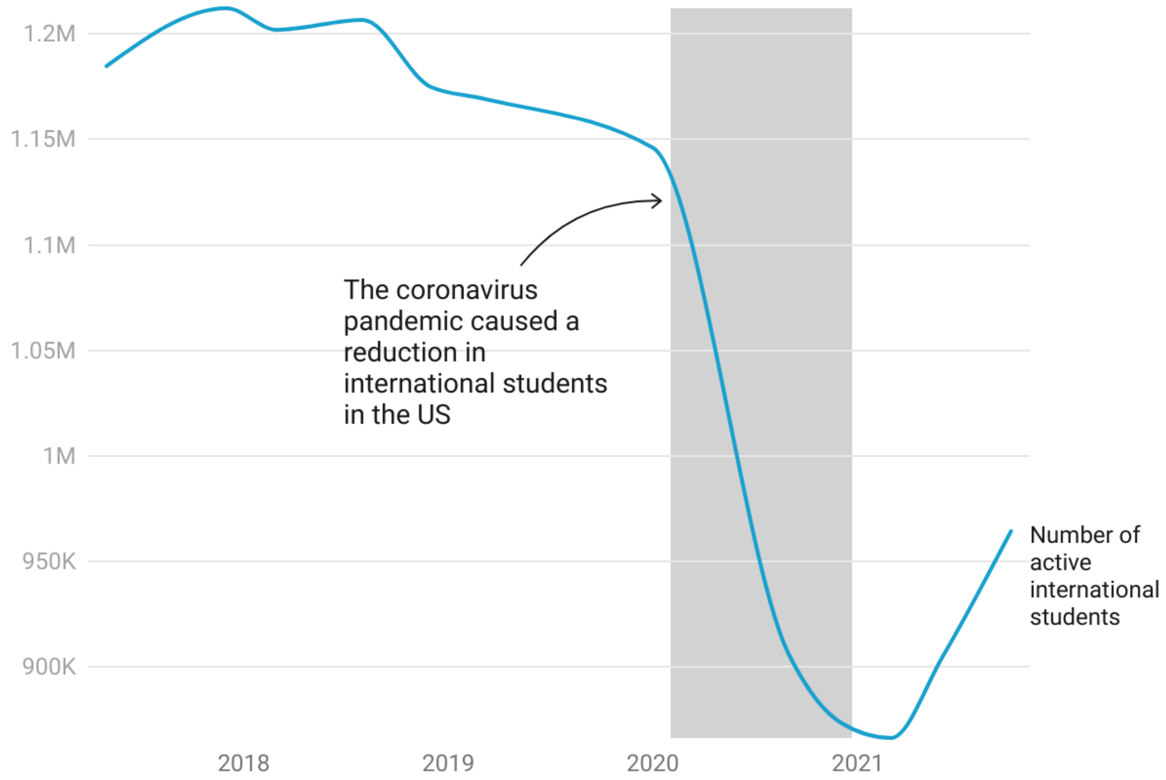
International students is a numbers game but it is vitally important to how countries resource their education sectors

The immediate COVID-19 impact on enrolment numbers has demonstrated the importance of maintaining the pipeline of international students either entering study, or continuing through to a designated pathway.

International students study on average for two to four years. There is constant change in the international student cohort as new students begin their course and replace those who are finishing.

The total number of enrolled student declined in many countries because of the interruption in the flow of new students. Figure 8 below shows the number of active students in the United States.

Figure 8: Number of active international students in the US



Source: US Department of Homeland Security (2021)

This figure shows that since the start of the pandemic, the number of active students in the US has reduced by over 250,000.

Countries such as Australia have had a similar fall in the total number of international students. In March 2020, about 611,000 international students held Australian student visas. By September 2021, this had fallen to about 413,000, a reduction of 32% (Hurley, 2021).

The strong September 2021 quarter for some countries suggests that the decline in the total number of international students may stop, as the flow of new international students is sufficient to replace those students finishing their course.

Beyond pure numbers, perhaps the greatest policy problem is just how reliant tertiary education sectors are on international student fees as a key funding source. The sudden loss of international student enrolments could have been regarded as a shorter-term crisis were it not for the fact that so many countries leverage these fees to resource the bottom line of education institutions.

In Australia, revenue from international education has been an important part of how the sector resources its tertiary education system for the last 30 years. International students generally pay higher fees than local students do. This enables universities to supplement the income they receive from local students (Hurley, 2021).

As the world looks towards recovery from the pandemic, the question remains for the international education sector what a recovery looks like. There is a renewed policy interest in fostering the development of the international education sector. The Biden administration announced a “renewed commitment to international education” in July 2021 (US Department of State & US Department of Education, 2021). The UK government aims to increase by 75% the value of international education by 2030 (HM Government, 2019).

For the broader sector, education policy discourse should address this recovery not only in terms of numbers, but also how countries plan to operate in the future with a reliance on international student fees that the pandemic has shown to be precarious. The response will affect the livelihoods of millions of people employed in the sector, as well as the lives of millions of current and prospective international students.

Glossary

Country	Definition and source of new international student data
Australia	New student data derived from visa grant data published by the Australian Department of Home Affairs (DHA, 2021). Data exclude those whose last visa held was a student visa.
Canada	New student data derived from Immigration, Refugees and Citizenship Canada (IRCC) study permit data (IRCC, 2021). New student visa includes temporary residents who are in Canada on a study permit in the observed calendar year. Datasets include study permit holders by year in which permit(s) became effective or with a valid permit in a calendar year or on December 31st.
New Zealand	New student data derived from New Zealand Ministry of Business Innovation & Employment (2021) and includes data from “S7 Student First Time by Decision Type”.
United Kingdom	New student data derived from UK Home Office (2021) Managed Migration dataset. New student data derived from Confirmation of Acceptance of Study (CAS_D01) used in in applications for visas or extensions of stay to study in the UK. Data for new students excludes those categorised as “extensions of stay”.
United States	New student data derived from US Department of State (2021) Monthly Non Immigrant Visa Issuance Statistics. News students include those issued with a F1 visa.

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