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TRANSITION OF INTERNATIONAL STUDENTS FROM HIGHER EDUCATION TO THE LABOUR MARKET -BEST PRACTICES FROM EUROPE

### **OVERVIEW OF SESSION II**

Nordic-Baltic Migration Conference: Education as a Driver for Integration<sup>1</sup>, March 29, 2019

#### Introduction

Cession II of the 'Nordic-Baltic Migra-**J**tion Conference: Education as a Driver for Integration', organised by the European Migration Network National Contact Point for Estonia (EMN Estonia), focused on the best practices from Europe in facilitating the transition of international students from higher education to the labour market.

Student migration is one of the most important legal pathways for Third Country Nationals (TCNs) to migrate to Europe. In 2016, almost 700 000 first residence permits were issued to TCNs for the purpose of studying in the EU. In 2016, there were 2 783 (and, in 2017, 3 200) foreign degree students enrolled in Estonian Higher Education Institutions (HEIs).

In the context of the current economic growth and shortage of skilled labour in Europe, engaging international students as interns and employees is an important task.

Compared to recruiting foreign employees from abroad, making use of international students and graduates is a more time-efficient solution. They are already in the country and thus constitute considerable human capital for Member States (MSs). Not only are their degrees granted by the local HEIs, but significant investments have also been made in their adaptation and integration, both by the HEIs and students themselves. Given these significant investments, foreign students are a group of migrants who are likely to have a particularly high capacity to integrate in the receiving society.

Session II discussed cooperation and division of labour in international student retention on different administrative levels - the EU, MSs, local governments and employers.

<sup>&</sup>lt;sup>1</sup> Please find the programme, speakers' bios as well as presentations from the conference web page: https://www.norden.ee/en/ regional-cooperation/population-development/migration-conference-2019/migration-conference-2019-programme (Visited 18.04.2019).

### Key takeaways

- In order to sustain its global position and to grow, Europe needs a skilled migrant labour force.
- Higher education may be **one of the smartest tracks** for bringing in young, educated internationals.
- Most international graduates leave Europe, thus remaining a largely untapped and unknown pool of talent for European employers.
- HEIs can support retention by bridging the gap between graduation and finding employment. Retention measures should begin already during the period of study (internships, language courses etc).
- Top-down initiatives to establish international student retention as a policy priority work well. These need to be followed by urban development plans, lower-level strategies and action plans.
- Alliances of local stakeholders

   city councils, employers' organisations, chambers of commerce, HEIs, job centers, labour unions, student unions etc. – should be formed in order to conduct an efficient regional student retention policy.
- The competitiveness and growth of international companies depend on an international pool of labour.
   A welcoming attitude of locals towards skilled foreigners is crucial and has to gain more ground.

# Summary of the introductory presentation

Session II started with A presentation by Ms Norma Rose (Consultant at the EMN Service Provider ICF), who gave an overview of the preliminary findings of the 2018 EMN study 'Attracting and Retaining International Students in the EU'<sup>1</sup>, which touches upon the EU-level as well as MSlevel measures for involving students and graduates in the labour market. She began by



Norma Rose

stating that this is a policy priority for the EU, which is why the recast Directive 2016/801 extended the rights to combine studying with working. Moreover, it established a minimum standard that TCN graduates of MSs' HEIs may stay in the MSs to search for a job or set up a business for at least nine months after finishing their studies. EMN's study revealed that MSs gave TCN graduates the right to stay from 9 to 18 months after graduation.

Ms Rose told that more than half of MSs had designed their laws so that they would facilitate the retention of international students by, e.g.:

- exempting them from the labour market test;
- exempting them from having to obtain a work permit;
- exempting them from salary thresholds;
- setting them no restrictions regarding the job field.

<sup>&</sup>lt;sup>1</sup> The synthesis report will be published in May 2019.

#### **GOOD PRACTICE:**

### Flexible 'orientation year' in the Netherlands

All TCNs who have a diploma from an HEI in Netherlands are entitled to a special residence permit known as an 'orientation year'. This permit gives them free access to the Dutch labour market for one year. International graduates can choose whether they would like to start their orientation year immediately or up to 3 years after graduation. It is also possible to apply for a new orientation year if the student is granted another degree from the Dutch HEI.

> HEIs and the private sector are active in implementing initiatives to encourage retention in most MSs by the means of, e.g.:

- career centres for advice and counselling;
- legal advice and counselling;
- job fairs and portals for graduates;
- HEIs' collaboration with private companies to organise scholarships, internships;
- mentorship programmes.

Ms Rose also discussed the main challenges to retention of TCN graduates reported by the MSs. These included insufficient command of the local language to enter the labour market as well as difficulties with finding (affordable) housing. Some national reports also revealed that the processing times for extensions of permits were long.

## Summary of the panel discussion

Session II continued with a panel discussion on 'State-of-the-Art International Student Retention Measures in Europe', chaired by Eero Loonurm (Head of International Marketing, Archimedes Foundation) and featuring Mari Taverne (Head of Talent Attraction and Migration, City of Tampere, Finland), Theda Minthe (Head of Science City Hannover, City of Hannover, Lord Mayor's Office, Germany) and Katri Kuuse (Head of Human Resources, Ericsson Estonia).

The first topic that the representatives of two urban regions and an international company discussed was their motivation to focus systematically on international student retention. The cities of Tampere and Hannover prioritise student migration due to economic reasons. Ms Minthe stressed that Germany needs 260000 migrants per annum in the coming years, which is why foreign students are sought after. Ms Kuuse explained that Ericsson, a global company with more than 2000 employees in Estonia, suffers from a constant shortage of skilled workforce. Thus, every year they take in 100 interns, many of whom are foreign students. The latter group is especially valued, because they bring along different backgrounds and cultures that enable them to see things from different perspectives. This richness of viewpoints boosts innovation. Also, quite pragmatically, it is much cheaper for a company to deal with the work permit and visa situation of international students and graduates from local HEIs than to recruit from abroad, Ms Kuuse explained.

In both Hannover and Tampere, there was a top-down political initiative to attract and retain foreign students. Some years ago, politicians at the MS or municipal and regional level realised that TCN students remain a largely untapped and unknown pool of talent that should



Theda Minthe, Mari Taverne and Katri Kuuse

be harnessed in the labour market. This was reflected in the Urban Development Plans, and subsequent lower-level strategies and concrete action plans that focused directly on foreign students and graduates.

Also, **multi-party alliances** were formed to cooperate in attracting international students and keeping international graduates of the local HEIs in the region. Stakeholders in those alliances included city councils, employers' organisations, large employers, chambers of commerce, HEIs, job centers, labour unions, student unions and relevant civil society organisations. Initial funding came top-down and was later supplemented by some of the local partners.

One intriguing topic discussed was accordance between international students' chosen fields of study and labour needs of the region. All panelists agreed that even though graduates of certain programmes such as IT and engineering are especially sought after, a wide variety of professionals is actually needed and employable. However, a right attitude and motivation to do the work matter a lot. In the view of Ericsson Estonia, as voiced by Ms Kuuse, everyone is a talent and has some unique skills.

The issue of foreign students' language skills was also tackled. European HEIs provide many English-language programmes, and international graduates too often lack the necessary command of the local languages. The latter remain the daily working languages in many companies (with ICT companies being an English-speaking exception to the rule). Given the employers' and organisations' reluctance to switch to English, HEIs should consider ways for improving language training for students enrolled in their English-language programmes.

#### **THE ACTION PLANS** developed in the two urban regions for boosting international graduate retention addressed a variety of policy fields:

- housing;
- scholarship programmes with different companies;
- writing a thesis at a regional company;
- work placements, internships, summer jobs, part-time jobs;
- websites, roadmaps for working in the region;
- workshops and job fairs involving students and companies face-to-face;
- career and migration counselling;
- developing language skills;
- integration, diversity, anti-discrimination;
- university admittance for refugees;
- welcoming culture and acceptance by the local population.

To conclude, the panelists were asked for recommendations to Estonian local governments and companies on what to consider when planning to engage with international graduates. Mari Taverne emphasised the importance of seeing workplace diversity as an asset for the company that helps it to reach new markets as well as boost its innovation. Estonians need to become more open towards foreigners, Ms Kuuse added. A welcoming attitude is crucial – companies tend to go wherever a sufficient labour force can be found. Without foreigners, we cannot grow.

### Appendix 1

Programme of Session II:

Best Practices from Europe in Facilitating the Transition of International Students from Higher Education to the Labour Market

Moderator: Marion Pajumets, Migration Expert at the EMN Estonia

- 14:10 Challenges and Best Practices in Retention from the EMN 2018 study on Attracting and Retaining TCN Students, Norma Rose, Consultant, EMN Service Provider (ICF)
- 14:30 Panel discussion:

State-of-the-Art International Student Retention Measures in Europe

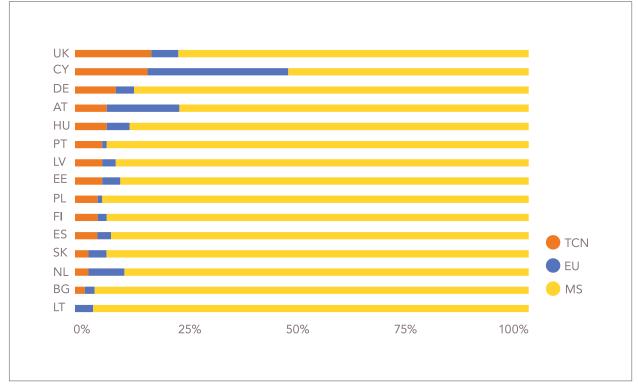
#### Moderator:

Eero Loonurm, Head of Study in Estonia, Archimedes Foundation

 Panelists:
 Mari Taverne, Head of Talent Attraction and Migration, City of Tampere, Finland
 Katri Kuuse, Head of Human Resources, Ericsson Estonia
 Theda Minthe, Head of Science City Hannover, City of Hannover, Lord Mayor's Office, Germany

### Appendix 2

Proportion of TCN and EU students among MSs' student population, 2016



Source: Upcoming EMN study 'Attracting and Retaining International Students in the EU'

