

BRIEFING

MIGRATION REVIEW 2012/2013

Sarah Mulley

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ABOUT THE AUTHOR

Sarah Mulley is Associate Director for Migration, Integration and Communities at IPPR.

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IPPR
4th Floor
14 Buckingham Street
London WC2N 6DF
T: +44 (0)20 7470 6100
E: info@ippr.org
www.ippr.org
Registered charity no. 800065

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IDEAS to
CHANGE OPINIONS

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Introduction

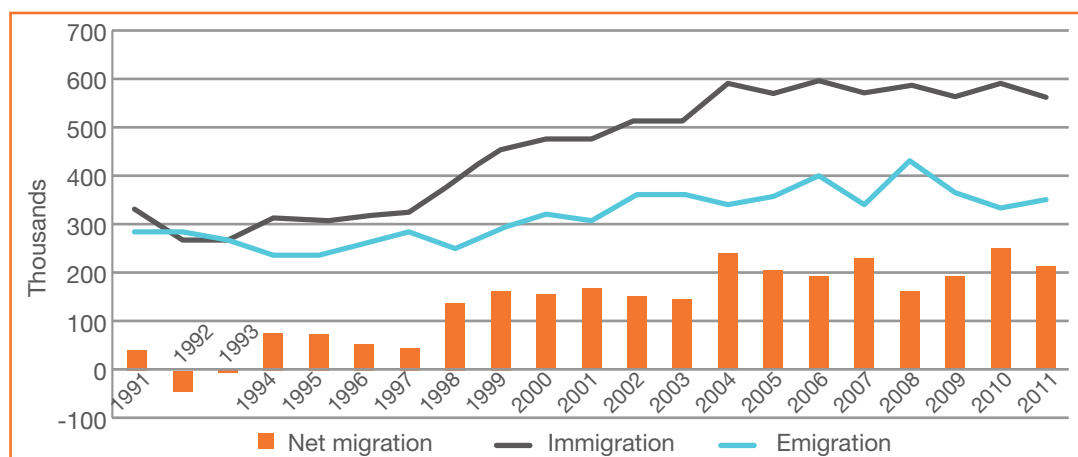
This short briefing reviews migration trends and policy changes in 2012, and looks forward to possible developments in 2013. Next year will be a crucial one for the government's immigration agenda – the long-term migration data covering 2013 will be the most recent available at the time of a general election in May 2015, which means that ministers must act quickly if they are to meet their target to reduce net migration to less than 100,000 by the end of the parliament.

Reducing immigration is a popular policy objective – but the government's choice of target brings two risks, which IPPR has continued to highlight in 2012.¹ The first is that by promising what it cannot deliver, the government, far from achieving its stated aim of taking the heat out of this emotive issue, will instead feed the public's sense of disillusionment. Recent surveys show that the public strongly support the Coalition's overall aim of reducing immigration, but equally strongly doubt they will deliver it,² and do not support their detailed policies.³ The second risk is that the target will distort policy choices – there is already evidence that this is happening, most obviously with respect to student migration.

1. Net Migration and Population: Evidence from the International Passenger Survey

Overall migration levels for the UK are measured by the Office for National Statistics (ONS) using the International Passenger Survey, a questionnaire asked of a sample of people arriving and leaving the UK. The final ONS figures on long-term migration for 2011 (published in November 2012) showed net immigration of 215,000.⁴ This is substantially above the government's target of 'tens of thousands', but is very close to the level predicted by IPPR (220,000) this time last year.⁵

Figure 1
Long-term international migration, all countries of birth, 1991–2011



Source: ONS Long-term international migration, all countries of birth, 1991–2011

1 Mulley S (2012) *The net migration target is bad policy and bad politics* 30 Nov 2012 IPPR <http://www.ippr.org/articles/56/9984/the-net-migration-target-is-bad-policy-and-bad-politics>

2 Kellner P (2012) *The perilous politics of migration* YouGov. <http://yougov.co.uk/news/2012/12/17/perilous-politics-immigration/>

3 Migration Observatory (2012) *Thinking behind the numbers: Understanding Public Opinion on Immigration in Britain*. <http://migrationobservatory.ox.ac.uk/understanding-uk-public-opinion/executive-summary>

4 Office of National Statistics (2012) *Migration Statistics Quarterly Report*. <http://www.ons.gov.uk/ons/rel/migration1/migration-statistics-quarterly-report/november-2012/index.html>

5 Cavanagh M (2011) *Migration review 2011/2012* IPPR. http://www.ippr.org/images/media/files/publication/2012/01/migration-review-2011-12_Jan2012_8431.pdf

More recent provisional data showed net migration of 183,000 in the year ending March 2012, a significant fall compared to the 242,000 recorded the year to March 2011 (and close to the 180,000 predicted by IPPR for 2012).⁶ This fall is due both to a decline in immigration, and an increase in emigration. It is significant that there has been a decline in immigration (down to its lowest levels since the expansion of the EU in 2004) – recent changes to net migration have more often been driven by changing patterns of emigration, which are largely outside government control.

However, it is important to note that a significant proportion of the decline in immigration was due to fewer British nationals returning to the UK from elsewhere in the world (down to 73,000 from 92,000). Immigration by non-UK nationals was not substantially different in the year to March 2012 than in the previous year, although there was a fall in net immigration by non-EU nationals (down from 215,000 in the year to March 2011 to 185,000 in the year to March 2012 – a statistically significant decrease).

Overall levels of migration between the UK and the rest of the EU appear to be remaining steady (with net migration of just over 75,000 a year), including from the newer members of the EU (net migration from A8 countries has been fairly stable since 2010). There are some signs of increased migration to the UK from the so-called ‘PIGS’ countries of Southern Europe (Portugal, Italy, Greece, Spain), and this may yet increase further, but there is no sign yet of significant migration from particular countries as a result of the Eurozone crisis.

Looking back, new data from the 2011 census published in 2012 confirmed the scale of immigration experienced by the UK in the decade after 2001, with around 3 million more foreign-born residents in England and Wales in 2011 compared to 2001.⁷

2. The Impacts of Policy Change: Evidence from visa and admissions data

Management data on visas and admissions to the UK provides us with a more up-to-date and accurate picture of immigration, but can tell us little about emigration, meaning that the relationship to net migration (and thus to the government’s target) is hard to determine.

Work migration from outside the EEA

The steady decline in skilled migration to the UK for work from outside the EU continued in 2012, with a 4 per cent decline in work-related visas issued in the year to September 2012.⁸ This specific decline was largely explained by the closure of the Tier 1 (General) in December 2010, but is part of a longer term trend – work-related migration peaked some time in 2005-07 (depending which measure is used), and has declined substantially since. The government’s much-heralded cap on non-EU skilled migration for work continues to be under-subscribed, and in any case applies to only a minority even of the non-EEA skilled migrant group (because intra-company transfers are excluded), but IPPR remains concerned that it could be a drag on economic performance in the longer term.

6 Cavanagh M (2011) *Migration review 2011/2012* IPPR. http://www.ippr.org/images/media/files/publication/2012/01/migration-review-2011-12_Jan2012_8431.pdf

7 Office of National Statistics (2012) *2011 Census, Key Statistics for Local Authorities in England and Wales*. <http://www.ons.gov.uk/ons/rel/census/2011-census/key-statistics-for-local-authorities-in-england-and-wales/index.html>

8 Home Office (2012) *Immigration Statistics July – September 2012* <http://www.homeoffice.gov.uk/publications/science-research-statistics/research-statistics/immigration-asylum-research/immigration-q3-2012/>

Student migration from outside the EEA

Student migration provides the clearest example of policy impact on migration numbers. Visa data for the year ending September 2012 showed a 26 per cent decrease in the number of visas issued for study in comparison with the year ending September 2011 (down to 210,921 from 284,649).⁹ This is almost certainly a result of changes to the student immigration rules that came into force in April 2012 – representing as it does a substantial reversal of previous trends, which showed significant growth, or at least stability (depending which measure is used), in student migration numbers in the previous decade.¹⁰

These changes included new English language requirements and tougher sponsorship requirements for colleges, and appear to have had more substantial impacts on further education colleges and English language schools than on universities – visa data show a 1 per cent *increase* for the university sector (UK-based Higher Education Institutions) in the year to September 2012, and falls of 67 per cent, 76 per cent and 17 per cent respectively for the further education sector, English language schools and independent schools. Universities remain concerned, however, both that growth in the international student market has been halted, and that their recruitment may yet decline as policy changes work through the system, international applicants are put off, and applicants from UK-based feeder colleges in the FE and English language sectors suffer sharp declines in student numbers.

It seems likely that future data will show further declines in student migration after September 2012 and into 2013. But the impact of declining foreign student numbers on net migration is likely to be short-lived, as IPPR research published earlier this year showed.¹¹ Because most students only stay in the UK for a short time, reduced immigration today means reduced emigration in two or three years' time, which could see net migration rise again in the future.

It is also clear that cuts to student numbers come at a significant economic cost to the UK. Although government rhetoric around student visas is usually focused on abuse of the system, it is clear that the falls in foreign student numbers required for the government to meet its net migration target would mean drastic cuts to the numbers of genuine foreign students.¹² Indeed, it is hard to argue that the most recent statistics show anything other than a reduction in the number of genuine students coming to the UK. All this is costing the economy billions (as the government's own impact assessment acknowledged)¹³ at a time when the UK can ill-afford to reduce export earnings (which is what foreign student fees and spending are), and is leading to jobs being lost in the education sector.

All this has led to growing calls in 2012 for students to be excluded from the government's net migration target (including by IPPR). Although the government has committed to better

9 Home Office (2012) *Immigration Statistics July – September 2012* <http://www.homeoffice.gov.uk/publications/science-research-statistics/research-statistics/immigration-asylum-research/immigration-q3-2012/>

10 Mulley S and Sachrajda A (2011) *Student migration in the UK* IPPR. <http://www.ippr.org/publication/55/1824/student-migration-in-the-uk>

11 Cavanagh M & Glennie A (2012) *International students and net migration in the UK* IPPR <http://www.ippr.org/publication/55/8997/international-students-and-net-migration-in-the-uk>

12 Migration Advisory Committee (2010) *Limits on Migration: Limits on Tier 1 and Tier 2 for 2011/12 and supporting policies*. <http://www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/workingwithus/mac-limits-t1-t2/report.pdf?view=Binary>

13 UK Border Agency (2011) *Reform of the Points Based Student (PBS) Immigration System – Impact Assessment* <http://www.ukba.homeoffice.gov.uk/sitecontent/documents/policyandlaw/ia/reform-students-pbs/ia-students-.pdf?view=Binary>

disaggregation of the migration data, it seems unlikely to exclude students from the target, not least because the short-term impacts of student migration policy changes are the only way in which it can hope to make significant progress towards the target in time for the next election (see below).

Student migration has also provided the clearest examples in 2012 of the challenges of implementing immigration rules in practice. The case of London Metropolitan University hit the headlines (although the exact course of events remains a matter of dispute between the university and UKBA), and a report from the Independent Chief Inspector of Borders and Immigration raised serious concerns about monitoring and enforcement in the student visa regime.¹⁴ However, it may be that the government's single-minded focus on reducing net migration creates new enforcement problems in the future. For example, "student visitors" who come to the UK for less than 12 months do not count as migrants for the purposes of net migration figures, and are subject to less rigorous checks than those coming through the main student visa route. The number of student visitor visas issued is continuing to rise, perhaps because tough action on student visas aimed at meeting the net migration target has led to a displacement effect. The government needs to be sure that it has the systems in place to deal with this.

Family migration

Data for the year ending September 2012 show that the number of visas issued to people coming to the UK for family reasons was 42,213, a decrease of 15 per cent on the year ending September 2011.¹⁵ The same data also showed a 21 per cent fall in the number of visas issued to all other dependants for the year ending September 2012. This is consistent with changes to the family immigration rules, and with restrictions put in place on the abilities of international students and others to bring dependents to the UK.

The government's changes to the family migration rules have not gone unchallenged. In particular, the introduction of a minimum income requirement for UK nationals or settled migrants who wish to bring a non-EEA spouse and/or children to the UK has sparked controversy, and may yet be successfully challenged in the courts. At a time when incomes are stagnating, setting a minimum income requirement substantially above what many people in the UK live on (the threshold is £18,600 for someone seeking to bring a spouse, and can be substantially more for those with multiple dependents) strikes many as unfair.

Asylum

Asylum claims remain at low levels in historical terms – just over 20,000 in the year to September 2012,¹⁶ compared to the peak of 80,000 in 2002 – but there is a gradual upward trend (applications in the year ending September 2012 were up 8 per cent on the previous 12 months). This may be in part a delayed impact of the Arab Spring (applications from Syria are up significantly, for example). At the same time, the number of initial decisions on asylum applications fell by 8 per cent in the year to September 2012 to 16,692, meaning that decisions are not keeping pace with applications. This carries a risk that a backlog of applications could build up again – the difficulty of handling such

14 Independent Chief Inspector of Borders and Immigration (2012) *An inspection of Tier 4 of the Points Based System (Students)* <http://icinspector.independent.gov.uk/wp-content/uploads/2012/11/An-inspection-of-Tier-4-of-the-Points-Based-System-29.11.2012.pdf>

15 Home Office (2012) *Immigration Statistics July - September 2012* <http://www.homeoffice.gov.uk/publications/science-research-statistics/research-statistics/immigration-asylum-research/immigration-q3-2012/>

16 Home Office (2012) *Immigration Statistics July - September 2012* <http://www.homeoffice.gov.uk/publications/science-research-statistics/research-statistics/immigration-asylum-research/immigration-q3-2012/>

backlogs was well illustrated this year by a scathing report from the Chief Inspector of Borders and Immigration on the previous 'legacy' programme.¹⁷

'Illegal' or Irregular Migration: An uncertain picture

The scale of irregular migration (either the flow or the population) remains, almost by definition, hard to measure. Data is always hard to come by, but one new source (data on the migration status of people arrested in London) suggests that the population of irregular migrants in the UK might be lower than previously thought.¹⁸ In opposition, the Conservatives were extremely critical of their Labour predecessors on this issue, implying the problem was one of simple competence. But since taking office, the Coalition has failed to make any significant progress on the issue. Enforced removals remained steady at just under 15,000 in the year ending September 2012, while there was a decrease of 7 per cent in total voluntary departures in the same period. IPPR and others continue to argue for a more honest and joined-up approach to this issue, including more effective international and European cooperation.¹⁹

3. Migration in 2013: Looking at the year ahead

Migration predictions are not an exact science – IPPR's predictions are based on the latest ONS and Home Office statistics, predictions of future policy developments and impacts, expectations of economic trends, and IPPR's own analysis.

Official figures released in 2013 are likely to show that immigration fell further in the second half of 2012, driven by a combination of policy changes (in particular on non-EU students) and continuing tough economic conditions. These trends are likely to continue into 2013.

The most significant impact on the migration numbers will come from the changes that have already been implemented in the student visa regime, although as noted above, this effect is likely to be short-lived. Luckily for the government, the period when this effect is likely to be most obvious in the migration data is 2013-14, which is well-timed for a 2015 general election.

We also expect the steady decline in immigration to the UK for work and family reasons to carry on into 2013. However, the link with policy is weaker here (despite the government's continued strategy of 'bearing down' on all non-EU migration), particularly with respect to migration for work, which is largely driven by economic conditions.

All these declines in non-EU immigration will in large part reflect policy changes that have already been made, as well as external factors. The government is fast running out of options for further restricting non-EU immigration in any significant way, which may leave future progress against the net migration target dependent on patterns of EU migration and emigration, both of which are unpredictable and largely outside government control (notwithstanding unrealistic claims about renegotiating the Treaty of Rome).

EU migration appears relatively stable, although continued economic crisis in key Eurozone countries could see migration to the UK from Southern Europe increase.

17 Independent Chief Inspector of Borders and Immigration (2012) *An inspection of the UK Border Agency's handling of legacy asylum and migration cases* <http://icinspector.independent.gov.uk/wp-content/uploads/2012/11/UK-Border-Agency's-handling-of-legacy-asylum-and-migration-cases-22.11.2012.pdf>

18 Portes J (2012) *Illegal Migrants: Can't Even Get Themselves Arrested?* Huffington Post 13 Nov 2012 http://www.huffingtonpost.co.uk/jonathan-portes/illegal-migrants-immigration_b_2116028.html

19 Finch T with Cherti M (2011) *No easy options; Irregular immigration in the UK* IPPR <http://www.ippr.org/publication/55/1837/no-easy-options-irregular-immigration-in-the-uk>

Emigration is hard to predict, but the trend towards increased net emigration by UK-nationals now appears likely to continue, and government efforts to restrict migrants' rights to settle in the UK may also drive a modest increase in emigration by non-EU nationals.

Putting all this together, in 2013 we expect to see:

- Further significant falls in non-EU student immigration
- Continued steady declines in non-EU immigration for work and family reasons
- A small increase in asylum claims
- A modest increase in immigration from the EU
- Rising net emigration by UK nationals, and modest increases in emigration by non-EU nationals

Overall, IPPR expects **a further decline in net migration in 2013**. Our provisional estimate is that net migration – which was 215,000 in 2011 – will have fallen to around 160,000 in 2012 (figures will not be available until later in 2013) and could then fall to around 140,000 in 2013 (figures will not be available until late 2014). Thereafter, we may well see net migration rise again as the impact of student visa reforms work through the system and emigration declines (fewer student immigrants in 2012-13 will mean fewer student emigrants in 2014-15).

These falls in net migration would be significant, but would leave the government some way from meeting their target, and are likely to be short-lived. That will be a concern for the Conservatives, who appear to be losing the public's confidence²⁰ on immigration. It will also have come at significant economic cost – the international students who will account for most of the fall are paying customers for the UK education sector (the Department for Business, Innovation and Skills estimated the total value of UK education exports to be £14.7 billion in 2010).

Data published in 2012 confirm that the net migration target is effective in driving government policy, and that it is having an impact on numbers, but also show that it is leading to bad policy decisions; and is keeping out migrants who make a significant economic contribution and are not the focus of public concerns. The next two years will show the limits of government action on net migration as the Coalition runs out of options to significantly reduce numbers further and finds its target at the mercy of unpredictable EU migration, and emigration patterns. All in all, it's time we moved the debate away from the net migration target, and onto more productive territory – integration;²¹ the impacts of migration on housing, work, and public services; better cooperation at the European and international levels; and local responses to immigration.

20 Kellner P (2012) *The perilous politics of migration* YouGov. <http://yougov.co.uk/news/2012/12/17/perilous-politics-immigration/>.

21 Cherti M and McNeil C (2012) *Rethinking Integration* IPPR <http://www.ippr.org/publication/55/9761/rethinking-integration>.