



May 2010 Migration Statistics

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What do the new migration statistics say? How do they fit with longer-term trends?

Overall migration¹

Net immigration is falling. This is largely explained by decreased immigration rather than increased emigration.

Net immigration to the UK (the surplus of people immigrating over people emigrating) in the year to September 2009 was 142,000. This compares with 160,000 in the year to September 2008 – a decline of more than 11 per cent. The decline in net immigration is due to a decrease in immigration (down 9 per cent).² This is in contrast with falls in net immigration in 2007–08, which were largely due to increased emigration.

Declining net emigration by British citizens³ included in the total figure disguises an even more dramatic fall in net non-British immigration, which was just 185,000 in the year to September 2009 – down almost 27 per cent on the year to 2008 and compared with peaks of well over 300,000 in 2004/05. Again, this fall is largely explained by declining immigration (down 13 per cent) rather than increased emigration, in contrast with falls in 2007–08, which were explained by rising emigration.

Most striking is the fact that the UK is now seeing net emigration by citizens of A8 countries⁴, for the first time since they joined the European Union – 12,000 more A8 citizens left than arrived in the year to September 2009 (the peak of net immigration from A8 countries was over 80,000 in 2007). Again, this fall is largely explained by declining immigration (down 55 per cent) rather than increased emigration, and again this is in marked contrast to falls in 2007–08, which were explained by sharp rises in emigration.

¹ See Office for National Statistics, *Migration Statistics Quarterly Report*, May 2010.

² This data is from the International Passenger Survey (IPS), but the decline in immigration is also confirmed by a decrease in the number of National Insurance numbers issued to overseas nationals (down 8 per cent from the year ending December 2008 to the year ending December 2009) and applications to the Worker Registration Scheme (WRS) for A8 nationals (down 49 per cent from the year ending March 2009 to the year ending March 2010).

³ Down almost 55 per cent in the year to September 2009 compared to the year to September 2008.

⁴ The eight countries that joined the EU in May 2004: Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia.

Different measures of migration

Immigration: total number of people moving to the UK (British and non-British), usually defined as those staying for more than one year.

Emigration: total number of people leaving the UK (British and non-British), usually defined as those going for more than one year.

Net migration: the difference between immigration and emigration. If immigration is more than emigration, net migration is positive (*net immigration*); if emigration is more than immigration, net migration is negative (*net emigration*). Small levels of net migration can occur even with high rates of immigration. It is zero if immigration and emigration are the same, however high those rates might be.

Net non-British migration: the difference between immigration and emigration of non-British nationals.

Example: in 2008 85,000 British citizens migrated (back) to the UK and 172,000 left, while 505,000 non-British citizens migrated to the UK and 255,000 left. This meant that **immigration** was 590,000 (85,000+505,000), **emigration** was 427,000 (172,000+255,000), **net (im)migration** was 163,000 (590,000 minus 427,000) and **net non-British (im)migration** was 250,000 (505,000 minus 255,000).

Note that most migration statistics include only those who move to, or leave, the UK for more than 12 months. Note also that British citizens include previous migrants who have subsequently taken British nationality.

Migration through different routes⁵

The number of employment visas with the possibility of settlement (Tiers 1 and 2 of the Points-Based System) granted was down almost 15 per cent in the first quarter of 2010 compared with the first quarter of 2009 (and down around 30 per cent on the first quarter of 2007). This decrease was due to a significant decline in the number of Tier 1 migrants – visas granted under Tier 1 were down 44 per cent in the first quarter of 2010 compared with the first quarter of 2009 (although the number of visas granted under this route is still around 75 per cent higher than the number granted through equivalent routes in the first quarter of 2007). The number of Tier 2 visas granted grew by 6 per cent in the same period, but the number of visas issued through this route was only just over half the level it was (through equivalent schemes) in the first quarter of 2007.

The number of Tier 4 student and other student visas issued in the first quarter of 2010 was up 25 per cent compared with Q1 2009. Student migration flows continue to be at historically high levels.

⁵ See Home Office, *Control of Immigration: Quarterly Statistical Summary, United Kingdom - Q1 2010*

The number of visas issued for family reunion/formation was almost 20 per cent lower in the first quarter of 2010 than in the first quarter of 2009. This continues a trend – the number of family reunion/formation visas issued fell by almost a third between the first quarter of 2007 and the first quarter of 2010.

There has been a dramatic fall in asylum applications, which were 48 per cent lower in the first quarter of 2010 than in the first quarter of 2009. Over half of this decrease was accounted for by a rapid decline in applications from Zimbabwe – which is probably explained by the fact that a court ruling on asylum in late 2008 prompted a surge of in-country applications in Q1 2009.⁶ The number of applications in the first quarter of 2010 was the lowest of the last decade, and very significantly lower than the high levels of the late 1990s and early 2000s.

Countries of origin⁷

The top 10 nationalities of migrants applying for National Insurance numbers in 2008/09 were (in order): Polish, Indian, Slovak, French, Romanian, Pakistani, Australian, Italian, Lithuanian and Nigerian. All of these nationalities except Nigerian were in the top 10 in 2007/08 and seven of the 10 were in the top 10 in 2004/05 (the first year following EU enlargement in 2004). Poland and India have held the top two slots in every year since the EU enlargement.

Settlement and citizenship⁸

Grants of settlement rose significantly in the year to March 2010 (up 40 per cent on the year to March 2009). The number of people granted British citizenship rose by 33 per cent in the year to March 2010. These figures are, by some margin, the highest of the last decade.

Migrants in the UK population⁹

11.3 per cent of the UK population in the year to September 2009 were not born in the UK ('non-UK-born'), a figure almost unchanged from the 11.2 per cent in the year to September 2008. 7.1 per cent of the UK population were non-British nationals in the year to September 2009, up from 6.8 per cent in the year to September 2008 (this change reflects in part the large number of grants of citizenship in this period). The proportion of non-UK-born people in the population varied from less than 5 per cent in the North East of England to almost 33 per cent in London, while the non-British national population varied from just over 3 per cent in Wales to over 21 per cent in London.

⁶ Zimbabwean applications leapt up to 2,925 in Q1 2009 but by Q3 the number was down to 525. For an explanation of the court ruling see: Immigration Advisory Service press release, www.iasuk.org/news-archive/victory-at-last-for-zimbabwean-asylum-seekers-following-ias-case.asp.

⁷ See Department for Work and Pensions, *NiNo Allocation Statistical Tables*, May 2010.

⁸ See Home Office, *Control of Immigration: Quarterly Statistical Summary, United Kingdom - Q1 2010*.

⁹ See Office for National Statistics, *Migration Statistics Quarterly Report*, May 2010 and *Local Area Migration Indicators*, May 2010.

Migrants in the UK labour force¹⁰

The number of UK-born people in employment (not seasonally adjusted) was 25.04 million in the three months to March 2010, down 244,000 (just under 1 per cent) on a year earlier. The number of non-UK-born people in employment was 3.70 million, down 103,000 (almost 3 per cent) from a year earlier. Since the UK has continued to see net non-British immigration in this period (so the non-UK born population has increased), this decline in the number of non-UK-born workers seems likely to be largely a result of declining employment rates among this group. The working age employment rate for UK-born people (not seasonally adjusted) was 72.7 per cent in the three months to March 2010, down 1.4 percentage points on a year earlier. The corresponding employment rate for non-UK-born people was 66.5 per cent, down 1.9 percentage points on a year earlier.

What explains the trends?

Immigration and emigration

The recent falls in net immigration to the UK are in large part accounted for by falls in net migration from the new EU member states (A8). With the expansion of the EU in 2004 only the UK, Sweden and Ireland fully opened their labour markets to workers from the new accession countries, while all other countries imposed transitional restrictions. The result for the UK was a rapid, substantial wave of migration from Poland in particular, on a scale that was far higher than predicted.¹¹ ippr has estimated that over a million A8 migrants came to the UK between 2004 and 2007¹² (and perhaps half as many again have come since) but it was always likely that this inflow would be a relatively short-lived phenomenon for two main reasons.

Firstly, there was an initial surge because of the new opportunity to move easily to Western Europe from countries that had until recently been behind the 'Iron Curtain'. There was therefore considerable pent-up demand to migrate. Now that most of those who wanted to come to the UK have done so (largely young adults), immigration is settling down at a lower rate. (On top of this, the other EU member states, with the exception of Germany and Austria, have now lifted their transitional restrictions.) In time, the patterns of migration from the A8 countries are likely to be much closer to those from the rest of the EU.

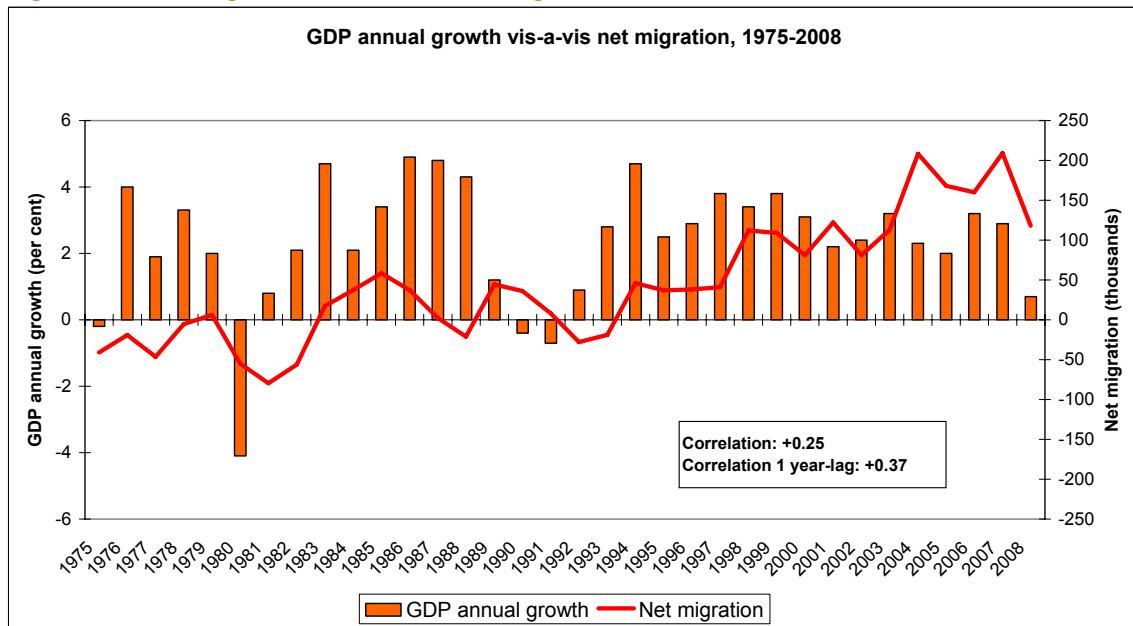
¹⁰ See Office for National Statistics, *Labour Market Statistics*, May 2010.

¹¹ See Dustmann C et al (2003) *Impact of EU Enlargement on Migration Flows*, Online Report 25/03 London: Home Office. www.homeoffice.gov.uk/rds/pdfs2/rdsolr2503.pdf.

¹² Pollard S, Latorre M and Sriskandarajah D (2007) *Floodgates or turnstiles? Post-EU enlargement migration flows to (and from) the UK* London: ippr. www.ippr.org/publicationsandreports/publications.asp?title=floodgates&author=&pubdate=&theme=&search=search

Secondly, most of those who came only planned to stay for a few months or years¹³, so many among the initial wave are now returning home. This is a trend that has been accelerated by the recession and the weakening of the pound against the Polish zloty. This combination of falling immigration and rising emigration by people from EU accession states means that net immigration from these countries has fallen rapidly, and the UK is now, for the first time since EU accession, seeing net emigration of A8 nationals.

Figure 1: Net migration and economic growth



The recession has also had wider impacts on migration to and from the UK. Net migration has historically been correlated with economic growth, and previous recessions have in fact seen the UK experience net emigration (see Figure 1 above).

Levels of net immigration prior to this recession were substantially higher than those seen before previous recessions, so it seems unlikely that net migration will fall as low as a result of the current economic downturn. However, it is certainly the case that changing economic conditions have led to a decline in immigration to the UK for work, and have led more migrants to return home. This is both because there is less work available now in the UK and because the weakened pound has made the UK less attractive to those migrants who want to work here and send money home. On the other side of the balance, more British people are also returning to the UK as the recession bites elsewhere in the world, and the weakened pound has made the UK an attractive destination for foreign students.

¹³ See Finch et al (2009) *Shall We Stay or Shall We Go? Re-migration trends among Britain's immigrants* London: ippr. www.ippr.org/publicationsandreports/publication.asp?id=685

Changes in policy have also had an impact. The move to the Points-Based System for managing migration to the UK for work and study has reduced numbers immigrating, as have changes to immigration rules in response to the changing economic conditions¹⁴. It is also arguable that a significant tightening of border controls and visa regimes, the imposition of carrier liabilities and juxtaposed controls, and greater cooperation with origin and transit countries have all contributed to limiting some flows (particularly asylum flows) into the UK.

Settlement and citizenship

The increase in the number of immigrants being given citizenship in the UK is striking – particularly at a time when levels of immigration are falling quite substantially. But there are a number of reasons why this is not as surprising as it may first appear.

First there is the fact that the Home Office transferred officials to work on other parts of the immigration process in 2008, so a backlog of citizenship decisions built up (applications in the year to March 2010 rose, but only by 16 per cent).

The increases are also explained by the gap of some years which typically occurs between immigrants arriving in the UK and applying for settlement and citizenship, so the current spike in grants of settlement and citizenship is a lagged effect from the boom years of immigration, which now seem to be over. This explains the increase in employment-related and family formation/reunion-related grants of settlement, and is highlighted by the fact that close to 50 per cent of citizenship grants were made on the basis of UK residence.

Another factor is that as the immigration regime in the UK becomes ever tighter, migrants may be choosing to apply for settlement and citizenship now for fear that their ability to do so may be more restricted in the future – the last government tightened the rules (although it was also keen to encourage migrants to become citizens as part of its integration strategy), and there are good reasons to expect that the new government will continue this process.

Finally, greater numbers of asylum seekers who have been waiting for years in the backlog of cases have been granted settlement as part of the ongoing case resolution process.¹⁵

¹⁴ See changes to the Points-Based System (PBS) advised by the Migration Advisory Committee since 2008: www.ukba.homeoffice.gov.uk/aboutus/workingwithus/inbodies/mac/reports-publications/

¹⁵ Since 2006 the UK Border Agency has been running its 'case resolution process' – with a designated directorate – to clear the estimated 450,000 backlog of asylum files. It has recently been suggested by the Chief Inspector of UKBA that the target for completing case resolution by 2011 will not be met. Even so, in a recent parliamentary answer (5 February 2010), the Immigration Minister said 220,000 cases had been concluded to the end of September 2009. Earlier figures showed that around 20 per cent of resolved cases resulted in removal, more than 40 per cent were given some form of leave to remain, while the remainder were deemed to be closed cases (Immigration Law Practitioners' Association 2008, *Update on case resolution*, www.ilpa.org.uk/info/service/Update%20on%20Case%20Resolution.doc).

What does this mean for the UK population?

In October 2009 the Office for National Statistics projected that the population of the UK would exceed 70 million by 2029. These projections were based on the assumption that long-term annual net migration to the UK would be over 180,000 per year and even higher in the shorter term (for example, projections of 187,000 for 2008/09 and 205,000 for 2009/10). Just over two-thirds (68 per cent) of projected population growth between 2008 and 2033 was expected to be due to future net migration, either directly or indirectly.

The latest estimates are showing net immigration of 142,000 for the year to September 2009, suggesting that the ONS projections may be significantly overstating UK population growth in the coming years.

What does this mean for immigration policy under the UK's new coalition government?

On the face of it, these latest migration statistics are good news for the Prime Minister David Cameron and his Immigration Minister Damian Green, who have both reiterated in the last few weeks their aim of reducing net immigration to 'tens of thousands, rather than hundreds of thousands'.

If current trends continue, the Government may be able to reach the upper end of this target without major policy changes, as falling net immigration suggests that the UK may be on course for net immigration of under 100,000 anyway.

The Government's policy of introducing a cap on economic migrants from outside the UK is totemic for those who wish to see drastic reductions in immigration, and will be made easier by the fact that applications to Tiers 1 and 2 of the Points-Based System were down in the first quarter of 2010. However, the Government would be wise to tread with caution as it sets the cap. The kind of restrictions that would be necessary to reduce net immigration to 40–50,000 (as called for by groups such as Migration Watch UK and its parliamentary wing the Cross-Party Balanced Migration Group) would, we argue, damage sections of the UK economy and public services, likely be opposed by the business lobby and the higher education sector, and could run into legal problems.

ippr's paper *The Limits to Limits*¹⁶ further explores the implications and numbers behind the policy of capping immigration.

What does this mean for the political debate on immigration?

The new coalition government may be about to learn a lesson that Labour ministers learnt in recent years – tougher policy and declining numbers do not

¹⁶ www.ippr.org/publicationsandreports/publication.asp?id=740

resolve people's concerns about immigration. Anxiety over immigration is often (rightly or wrongly) bound up with people's worries about employment prospects, job security, flexible labour markets, housing, access to public services, inequality and rapid social change. Unless these issues are resolved, immigration will continue to be a political hot potato.

Immigration looks set to be a key issue for debate during the Labour leadership campaign too. Leadership candidates are right to be addressing the subject – it is an issue many traditional Labour voters felt let down on by the last government. However, an immigration policy which focused solely on 'getting tough' and cutting numbers would be ineffective in solving the party's political problems. Immigration is a problem of politics, not policy, for Labour. In fact, Labour's immigration policy by the time of its final years in government was fairly close to the mainstream consensus on the issue.¹⁷

Policy will not resolve the political tensions around immigration, but neither is the answer for government or opposition to simply communicate policy better. The real issue for all sides is that people feel left out of the debate about immigration – they don't feel that their views are taken seriously. In the medium to long term, being more open and honest is the only thing that will take the heat out of immigration in the UK political debate.

What lessons can be drawn for future immigration policy?

The latest statistics show that migration flows inevitably fluctuate and change over time. They confirm that immigration can fall as well as rise, even with free movement in the EU and an increasingly globalised economy and workforce.

Restrictive immigration policies that are based on the assumption that high net migration is inevitable and never-ending are flawed and misleading. We would suggest that a much better approach would be a predictive rather than a restrictive policy – predicting and managing migration flows to maximise benefits, minimise costs, and reassure the public, rather than struggling (probably unsuccessfully) to meet arbitrarily imposed limits.

¹⁷ ippr's recent Communicating Migration project looked at public attitudes to immigration through a series of public meetings and deliberative workshops in the West Midlands. It found that members of the public were not very well informed about current immigration policy (they tended to view it as much laxer than it was), but when they did have up to date information they regarded the policies that were in place as broadly acceptable. For details of the project please email Sarah Mulley: s.mulley@ippr.org