



WWW.IPPR.ORG

August 2010 Migration Statistics

ippr briefing

26 August 2010

© ippr 2010

Institute for Public Policy Research

Challenging ideas – Changing policy

What do the latest migration statistics say?

Overall migration¹

Net migration is rising, but this is largely explained by decreased net emigration by British citizens, rather than increased net immigration by non-British citizens.

Estimated net immigration to the UK (the surplus of people immigrating over people emigrating) in the year to December 2009 was 196,000. This compares with 163,000 in the year to December 2008, an increase of around 20 per cent (but is significantly lower than the peaks of around 220,000 seen in 2005 and 2007). The increase in net immigration is due to a decrease in emigration (down 13 per cent), rather than an increase in immigration (down 4 per cent).

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.

Declining net emigration by British citizens accounted for most of the increase in net immigration.² Net emigration by British citizens was 36,000 in the year to December 2009, compared with 90,000 in the year to December 2008, a decline of over 60 per cent. Most of this decline in net emigration was driven by reduced emigration by British citizens (down 23 per cent), although the level of British immigration/return also rose slightly. Meanwhile, net immigration by non-British nationals was stable at around 220,000 – slight decreases in immigration were counter-balanced by slight decreases in emigration. Declining non-British immigration is confirmed by data on National Insurance (NINo) registrations by overseas nationals – down 17 per cent in 2009/10 compared to 2008/09, and the lowest figure since 2005.

1. Unless otherwise stated all data in this section are taken from Office of National Statistics, *Migration Statistics Quarterly Report*, August 2010.

2. Data broken down by nationality are provisional International Passenger Survey (IPS) data (which exclude, for example, asylum seekers), whereas total immigration data are provisional Long-Term Immigration (LTIM) data – the two are therefore not directly comparable. But based on provisional IPS data, decreased net emigration by British citizens accounted for almost 90 per cent of the increase in total net immigration.

The net emigration by citizens of A8 countries seen in the year to September 2009 has not continued, but net immigration by A8 nationals was only 5,000 in the year to December 2009, down more than 60 per cent on the year to December 2008 (the peak of net immigration from A8 countries was over 80,000 in 2007). This fall was largely driven by declining immigration by A8 nationals (down 35 per cent), rather than rising emigration. This is confirmed by a reduction in NINo registrations by Accession nationals of almost 30 per cent between 2008/09 and 2009/10,³ and declining applications to the Worker Registration Scheme.⁴

Migration through different routes⁵

Immigration for work continues to decline. In the year to June 2010, 161,050 work-related visas (including dependents) were issued, a decline of 14 per cent compared to the year to June 2009. This decline is confirmed by data from the International Passenger Survey, which shows a decrease of 15 per cent in work-related immigration in the year to December 2009, compared to the year to December 2008.

Grants of employment visas with the possibility of settlement (mainly Tiers 1 and 2 of the Points-Based System (PBS)) rose slightly in the second quarter of 2010, compared with the second quarter of 2009 (up 6 per cent), although numbers remain substantially lower than 2007 and 2008. The increase was largely driven by an increase in visas issued through Tier 2 of the PBS (up 18 per cent). This may reflect a 'closing down sale' phenomenon caused by the Government's announcement of its intention to introduce a cap on immigration through the PBS, as companies attempted to bring in staff ahead of the cap (a temporary cap was introduced at the end of June 2010 to forestall this effect).

The number of Tier 4 Students, pre-PBS equivalent and student visitor visas issued in the second quarter of 2010 was up 23 per cent compared with the second quarter of 2009. Student migration flows continue to be at historically high levels.

The numbers of visas issued for family reunion/formation rose slightly (up 8 per cent) in the second quarter of 2010 compared to the second quarter of 2009. Overall, though, family reunion/formation immigration is fairly stable, and is significantly lower than recent years – the number of family reunion/formation visas issued has fallen by almost 20 per cent between the second quarter of 2007 and the second quarter of 2010.

The dramatic fall in asylum applications continues – applications were down 29 per cent in the second quarter of 2010, compared to the second quarter of 2009. Around two thirds 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 early 2009.⁶ Asylum applications are now at the lowest levels seen in the last decade, and significantly lower than the very high levels of the late 1990s and early 2000s.

3. See Department of Work and Pensions, *National Insurance Number Allocations to Adult Overseas Nationals Entering the UK*, August 2010.

4. Down 12 per cent in the year to June 2010 compared to the year to June 2009, and down 47 per cent compared to the year to June 2008.

5. Unless otherwise stated all data in this section are taken from Home Office, *Control of Immigration: Quarterly Statistical Summary, United Kingdom – Q2 2010*.

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

Countries of origin⁷

The top ten nationalities of migrants registering for National Insurance (NINo) numbers in 2009/10 were (in order): India, Poland, Republic of Lithuania, Republic of Latvia, Pakistan, Bangladesh, Romania, France, Nigeria and Nepal. Seven of these nationalities were in the top ten in 2008/09 and five were in the top ten in 2004/05 (the first year after EU accession). Poland and India have held the top two slots in every year since accession, but Poland has dropped to number two in 2009/10 for the first time since accession. NINo registrations by people from all world regions fell in 2009/10, with the exception of Asia/Middle East.

Settlement and citizenship⁸

Grants of settlement rose significantly in the year to June 2010 (up 37 per cent on the year to June 2009), but fell (17 per cent) compared to the first quarter of 2010. The number of people granted British citizenship rose by 13 per cent in the year to June 2010 compared to the year to June 2009.

Migrants in the UK population⁹

11.3 per cent of the UK population were non-UK born in the year to December 2009, more-or-less unchanged from the previous year. 7.1 per cent of the UK population were non-British nationals in the year to December 2009, up slightly from 6.9 per cent in the year to December 2008. The proportion of non-UK born people in the population varied from less than 5% in the North East of England to almost 34 per cent in London.

The top ten non-UK countries of birth in the UK's population in 2009 were (in order): India, Poland, Pakistan, Republic of Ireland, Germany, South Africa, Bangladesh, United States of America, Nigeria and Jamaica.

The top ten countries of non-British nationality in the UK's population in 2009 were (in order): Poland, Republic of Ireland, India, Pakistan, United States of America, France, Germany, Italy, South Africa and Nigeria.

Migrants in the UK labour force¹⁰

Data on migrants in the UK labour force were released earlier this month. Please see ippr's [briefing](#) on these statistics for more detail.

7. See Department of Work and Pensions, *NINo Allocation Statistical Tables*, August 2010.

8. See Home Office, *Control of Immigration: Quarterly Statistical Summary, United Kingdom – Q2 2010*.

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

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

What explains the trends?

Immigration and emigration

Falls in net migration from the **new EU member states** have helped to significantly reduce net migration since peaks in 2005 and 2007, and net immigration from these countries remains very low despite the most recent increases. 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. The result for the UK was a rapid, substantial, and largely unpredicted wave of migration from countries such as Poland. However, this proved to be a short-lived phenomenon, for two main reasons. Firstly, there was an initial surge because opportunities to migrate had not been available previously and there was a ‘backlog’ of people seeking to move. Now that most of those (largely young adults) who wanted to come to the UK have done so, immigration is settling down at a lower rate. Secondly, most of those who came only planned to stay for a few months or years, so many of the initial ‘wave’ are now returning home. This is a trend made more extreme by the recession.

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 seen the UK experience net emigration. Pre-recession levels of net immigration were substantially higher than those seen before previous recessions, so it seems unlikely that net migration will fall to the same extent 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 migrants who want to work here and send money home.

On the other hand, the weakened pound has made the UK an attractive destination for foreign students. Dramatic increases in student immigration to the UK have been partly driven by this, and partly by active efforts by British further and higher education institutions to attract more overseas students, particularly in the face of uncertain funding levels for UK students.

The UK has seen net **emigration of British citizens** (including migrants who have gained British citizenship) for most of the last three decades, but this net emigration is now declining sharply. More British people are returning to the UK, but the most significant trend is that many fewer British people are emigrating to other countries. This seems likely to be due to the global recession. Some key destination countries for British emigration (e.g. Spain) have been badly hit by the economic crisis, which has reduced employment opportunities for British migrants. A weaker pound has also made it more expensive for British retirees on fixed incomes to move abroad, and for British students to study overseas. ippr has looked at British emigration in more detail in a recent report, which can be found [here](#).

Changes in UK **immigration policy** have also had an impact on numbers. The roll out of the Points-Based System for managing migration to the UK for work and study helped to reduce immigration numbers in 2008–09, as did subsequent changes to the rules in response to worsening economic conditions. Policy changes since the General Election are too recent to be reflected in most of today’s statistics, but as set out above, the new Government’s announcement of its intention to cap economic migration may have led to a short-term increase in immigration through Tier 2 of the PBS in the second quarter of 2010.

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 steady or falling. But there are a number of reasons why this is not as surprising as it may first appear. Firstly, as the Home Office has made clear, in 2008 it transferred officials to work on other parts of the immigration process, so a backlog of citizenship applications built up in 2008–09.

Secondly, increases in settlement and citizenship are both explained by the gap of some years which typically occurs between immigrants arriving in the UK and them applying for settlement and citizenship – so this spike in grants of settlement and citizenship is a lagged effect from the ‘boom years’ of immigration.

Third, 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 future – the last government tightened the rules, and there are good reasons to expect that the new Government will continue this process. It’s also worth noting that the last Government was keen to *encourage* migrants to become citizens as part of its integration strategy.

A final thing worth mentioning in the context of settlement and citizenship is that greater numbers of asylum seekers who’ve been waiting for years in the backlog of cases have been granted settlement as part of the ongoing case resolution process.

What does this mean for immigration policy?

The increase in net immigration shown in today’s statistics is bad news for the Government, given its aim of reducing net immigration to ‘tens of thousands, rather than hundreds of thousands’. With net immigration now rising again, after a period of substantial declines, this objective looks like it is becoming harder to reach.

In seeking to achieve this objective, the Government has already introduced a temporary cap on immigration via Tiers 1 and 2 of the PBS, with a permanent cap to be announced towards the end of this year; is reviewing the student visa system; has brought forward various initiatives planned by the previous government including stricter language requirements for those entering the UK through family formation/reunion visa routes; and has made clear that future EU expansion will be accompanied by transitional controls on migration to the UK from new member states.

But the Government may find itself running to stand still with respect to its total net immigration target if British net emigration continues to decline – all the measures taken so far could be blown out of the water. ippr’s paper *The Limits to Limits* explored the numbers behind the immigration cap in some detail, and concluded that net immigration of less than 100,000 could be achieved without major policy changes, in the current economic circumstances. However, this analysis assumed that British net emigration continued at levels of around 70,000 a year. With today’s figures showing British net emigration of just 36,000 in the year to December 2009, net immigration of less than 100,000 looks harder and harder to achieve.

If British net emigration settles down at anything close to this level, and given that other key migration flows are more-or-less outside government control (including migration from the EU, and asylum) the Government will have to impose drastic limits on non-EU immigration for work and study if it is to have any hope of reducing net immigration to below 100,000.

The proposed cap on skilled migration from outside the EU through Tiers 1 and 2 of the PBS is already raising major concerns from business – if the Government is forced to set the cap at a very low level in order to meet its overall net migration objective, serious economic harm seems likely to result.

Reforms to the student visa regime are needed, and a further clampdown on abuse of the system is welcome – policy changes made by the previous government largely dealt with so-called ‘bogus colleges’, but some abuse no-doubt remains. However, we have to assume that most student migration is legitimate, and it is certainly the case that many UK education institutions are dependent on foreign students’ fees for their financial survival (higher and further education has, in effect, become a highly successful export sector for the UK).

Reduced funding for UK students will only deepen this dependence – Government attempts to drastically reduce student immigration could have serious consequences for the UK's education system.

All this demonstrates the difficult task that the Government has set itself in seeking to significantly reduce total net immigration – a measure over which it has only limited control. The impact of changes in British migration (over which the Government has no control at all) on total net migration demonstrates this very clearly.

Reduced net immigration may also be a more difficult political sell than the Government expects – the measure means very little to ordinary people. While net immigration was less than 200,000 in 2009, emigration was over 370,000, so (gross) immigration was almost 570,000. To translate this into something approximating the experiences of real people, think about 57 new migrants moving to a community and 37 leaving – the net impact on local population is relatively small, but it represents a lot of coming and going and people will likely be aware (and perhaps worried) about the number of newcomers. People don't meet "net immigrants", they just meet immigrants.

More politically challenging for the government is the fact that concerns about immigration are often (rightly or wrongly) bound up with people's worries about housing, inequality and jobs. Unless these issues are resolved – something that looks difficult in the current economic and political times – immigration will continue to be a political hot potato, whatever changes to immigration policy are made.

The fact that today's statistics show rising net immigration, although this is driven by changing British migration patterns rather than foreign immigration, will no doubt be taken by anti-immigration groups as evidence that the Government needs to be even tougher. In fact, the Government should take a careful look at today's statistics, and re-visit its objective of reducing total net immigration to 'tens, rather than hundreds, of thousands' – meeting it looks likely to have serious economic costs for the UK, and may not deliver the political result that the Government seeks.