



Migration
a liberal
challenge

Alasdair Murray

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■ **Executive summary and recommendations**

The last few years have seen a political backlash against the relatively liberal approach to immigration of the previous Labour government. All three established parties have adopted a 'tougher' line on migration with the Conservative Liberal Democrat coalition government introducing reforms designed to curb immigrant numbers. Meanwhile, an insurgent fourth party, UKIP, has enjoyed a spectacular rise, in part, based on its anti-immigration stance.

This shift towards a more populist and restrictive debate about immigration poses a challenge to the Conservatives and Labour, but it is arguably the Liberal Democrats who face the sharpest dilemma. The party's liberal instincts on this issue appear at odds with public opinion and aspects of its 2010 election migration policy were deeply unpopular.

In political terms, maintaining a liberal stance on migration is far from straightforward; the proportion of the public wanting to "reduce a lot" the number of immigrants has risen sharply since 1995 and represents the majority view, according to the British Social Attitudes Survey. But further analysis suggests that public attitudes are more nuanced than the current debate seems to allow for. Certain categories of migrant, such as students and skilled workers, are not perceived as negatively as others and educational status and age also have a clear impact on people's views.

Moreover, there is no simple correlation between adopting a tougher line on migration and winning wide public support. While there is broad support for a reduction in the pace of immigration, the means that the government has chosen to

pursue this – a clampdown on students, skilled workers and immediate family – targets groups that the public is least concerned about. In any case, other issues such as access to benefits, contribution to the local economy and willingness to integrate are just as important to people’s attitude towards migration as overall numbers.

There is a temptation among liberals to blame the current state of public opinion on some of the many glaring factual inaccuracies in the current political debate. However, the bare facts alone will not restore public confidence in the migration system – polling shows there is a high level of disbelief in official statistics. Nor can liberals ignore the very real challenges that rapid and large scale migration can pose to communities and groups of workers. While on balance migration is economically and socially beneficial, this does not mean that there are no losers or that people’s concerns are unjustified.

But political pragmatism is not the most compelling reason for liberals to reconsider their approach to the migration issue. No policy can succeed without consent. The risk is that without moves to restore confidence in the system, the drift towards restricting migration could become even more draconian and begin to seriously erode the liberty of existing British citizens as much as tourists and migrants who wish to travel to this country.

The challenge therefore is to devise a distinctive approach which addresses people’s concerns in a proportionate and realistic fashion and begins to restore confidence in the immigration system – while preserving the liberal principles of freedom and tolerance to the greatest extent possible. This paper sketches out the policies that could support such an approach.

Recommendations

Benefits and public services (page 23)

The government should **introduce a £2,000 National Insurance Advance for non-EU economic migrants**. This sum would become payable when a migrant entered the country. It would be repaid once the individual had accrued sufficient tax and National Insurance payments or had departed the country without accessing services or the benefits system.

The policy would provide a clear contributory link without having to introduce root and branch reform of public service and benefits system. The expectation is that most employers would pay or loan this sum.

EU migrants (page 28)

The government should **extend further the period that EU migrants cannot access host country benefits without having first paid tax to 12 months**. This would make transparent that EU migrants receiving benefits are those who have already worked and paid tax in here. While this would require a change in existing EU rules, there is support among other major member states such as Germany for such a reform. The government should therefore press to make this change a priority for the European Commission due to take office in 2014.

Making the Immigration Service fit for purpose (page 29)

The government should **expand the role of the UK Independent Chief Inspector of Borders and Immigration**. It would be better to make the position more akin to that of an independent regulator, with the Inspector having complete freedom to commission and complete reports without Home Office interference and reporting directly to Parliament.

The departments for education, communities and local government and the Treasury are also directly affected by decisions on immigration and asylum made by the Home Office. These **other departments should be properly represented on the new immigration oversight board** to ensure that the wider policy implications of immigration decisions are fully considered.

While budgetary constraints will remain a fact of life, **the Home Office should use the opportunity presented by the reorganisation of the Immigration Service to ensure that resources are reaching the areas that need them the most**. It should review thoroughly whether staff have sufficient training and expertise to carry out their functions. The government should also consider whether it has the balance of spending within the Home Office correct, given the huge salience of immigration as a political issue.

Illegal migrants and overstayers (page 34)

Enforcement resources should be focused on those areas of potential criminal harm, for example organised criminal gangs and sex trafficking. The government should spell out more clearly its priorities in harm reduction and monitor closely the outcome. The rapid completion of the e-Borders project is also essential to improving public confidence in the system.

There are an estimated 120,000 children with irregular status in the UK, more than half of whom were born in the UK. The government should **build on existing rules that permit regularisation in certain circumstances to develop a clear and simplified case by case system focused on dealing with children**. This approach should be supported by an awareness campaign among those most likely to come into contact with undocumented children, such as teachers.

Asylum (page 37)

The government should **remove the case handling and determination for asylum cases from the Home Office and move it to the Ministry of Justice**, where the appeal process already resides and which bears the cost. This would greatly increase the incentives to get the decision right first time. It would also end the strong suspicion that the Home Office's control of both processing and enforcement has led to an institutional bias towards rejecting asylum applications – while leaving the Home Office free to focus on improving enforcement and clamping down on genuine abuses.

There remain asylum cases where a decision within a reasonable timeframe, such as six months, is difficult. But an extended period of worklessness makes it even more difficult for potential refugees to integrate into their communities. The government should **re-open the right to work for asylum seekers that have spent more than six months awaiting a decision**. CentreForum will further explore the challenges of illegal immigration and asylum in a forthcoming research project.

Immigrant numbers (page 41)

As CentreForum has previously argued, the government should move away from its unfulfillable net migration target. It should instead **implement a broad migration and population change target set at the beginning of a parliament**. The government should be then held to account for its performance through an annual report and parliamentary debate. This should not be an attempt to micromanage a precise numerical target. Rather the government should set a long term goal in terms of migration flows or population change. As part of this process, the government should set out clearly how it intends to mitigate the impact of population change on public services and housing as well as addressing any other socioeconomic problems that may arise. This would provide an opportunity for a formal political debate each year to discuss whether migration flows are too fast – or even too slow – and to consider how to adapt policy accordingly.

Students (page 43)

It was right for the government to clampdown on a number of ‘bogus’ higher education institutions, but the main reason to curb numbers has been the need to meet the migration target. The Immigration Service’s clumsy clamp down on student entries has left universities struggling to stay competitive in a global higher education market. **The Immigration Service should work with the universities to spread best practice throughout the sector**. The key is to adopt a consistent approach that allows Britain’s universities to compete effectively for international students while maintaining good border security.

Non-EU economic migration (page 44)

The government’s attempts to provide a limited entry route for the exceptionally skilled or entrepreneurs (Tier 1) have not proven especially successful. There should be a **greater focus on widening the range of trusted sponsoring bodies for Tier 1 visas and less on hard cash measures**. It would also be better to **adapt the graduate entrepreneur route to permit a limited number of talented graduates to stay**

on, particularly if their skills lie in areas such as engineering and sciences where there is a shortage of qualified people.

Family reconciliation (page 46)

The government has tightened the rules around family reconciliation visas with the specific aim of reducing numbers. The income threshold is set at a level above that of nearly half the population (47%) and is the second highest in Europe behind Norway, which has some of the highest living costs in the world. This is harming the freedom of British citizens to marry whom they choose. The government should **revise the income threshold to the level of the 'living wage'**, which currently stands at £8.80 for London and £7.65 for the rest of the UK.

The government should also review its rules to ensure more flexibility about the evidence required for proof of income and savings and consider permitting third party guarantees. It must also **restore the ability for the Immigration Service to apply discretion in cases where children are involved.**

Integration (page 50)

In the UK, the recent emphasis has been on ensuring migrants can speak English by making a certain level a requirement of granting a visa. However, this approach does not guarantee that a new arrival has the level of English required for a job (and is not applicable to EU migrants). One option would be to **use the existing student loans system to introduce a language loan scheme.** Repayments would be income contingent, as is the case with student loans, so that there would be a clear link with improved employment prospects.

High labour market participation rates are vital to successful integration. But there is limited provision made in the Work Programme for the needs of specific groups. The government should seek to involve migrant led groups much more closely in the delivery of services and **explore how the welfare to work programme can be better tailored to deal with the particular needs of immigrants.**

It is important for effective integration that would be citizens have absorbed some basic facts about the culture and history of

their new country. There is also international evidence that most immigrants who take citizenship value this process. It would be good to **encourage more long term migrants to become British citizens in order to foster greater integration.** Unfortunately, the direction of travel appears to be in the opposite direction with the government seeking to reduce the number of routes to citizenship over the last few years. Such an approach does not imply lower rates of migration but increasing the 'churn' of migrant flows will almost certainly lead to worse outcomes in terms of integration.

Finally, government at all levels should **promote mixed environments in schools, housing and workplaces.** In this context, it is necessary to closely monitor admission policies in faith schools, in particular the raft of new free schools, which have the potential to create segregation.

■ 1: Introduction

"In order to remain an open and tolerant Britain...We need an immigration system that is zero-tolerant towards abuse. Tolerant Britain, zero-tolerant of abuse."

Rt Hon Nick Clegg MP
Speech to CentreForum, 22 March 2013

"Under the last government, immigration in this country ... was too high and out of control. Put simply, Britain was a soft touch."

Rt Hon David Cameron MP
Speech to University Campus Suffolk, 25 March 2013

"In our first year in office we will legislate for an immigration bill which has secure control of our borders, cracks down on exploitation of workers coming here undercutting workers already here, and says to big companies that bring in people from outside the EU that they can do that, within a cap... I think that's the right approach."

Rt Hon Ed Miliband MP
Speaking on the Andrew Marr Show, 22 September 2013

It is easy to understand why the UK political debate around migration has hardened in recent times. Immigration between 2000 and 2010 reached record levels with net immigration averaging 193,000 a year and peaking at 252,000 in 2010. Cumulatively, net migration totalled 2.125 million during this period.¹ At the same time, migration has become one of the most salient political issues in terms of public opinion with a substantial majority favouring a reduction in immigrant

¹ Oxford Migration Observatory, 'Net Migration by Gender: 1991-2011', [Online], www.migrationobservatory.ox.ac.uk/data-and-resources/charts/create/migration-to-and-from-uk/netflows/gender

numbers. For example, the 2013 Transatlantic Trends survey found that 64% of the population regard immigration as a problem, higher than any of the other 14 countries surveyed including the US, France and Germany.² Meanwhile, the wide ranging British Social Attitudes Survey has found that three quarters of respondents support a reduction in migration levels.³

The coalition government has sought to tighten the immigration system in an attempt to respond to public concerns. The overall thrust of policy is driven by the promise to reduce net migration to ‘tens of thousands’ by the end of the parliament. Strictly speaking this is a Conservative rather than coalition policy – a fact that business secretary Vince Cable has frequently sought to remind the cabinet (although it should be noted that a pledge to introduce a cap on non-EU workers is contained within the Coalition Agreement).⁴

This pledge has driven the majority of reforms introduced by the Home Office and has de facto become the government’s position as a whole. This has resulted in the government’s immigration policy being based around a series of ‘clampdowns’ on different groups including students, family members and non-EU workers. Most recently, the focus has been on a number of high profile initiatives around access to benefits for migrants and the Home Office’s mobile advertising campaign aimed at encouraging illegal migrants to return home. This has culminated in an Immigration Bill, which at the time of writing (January 2014) is passing through Parliament. The Home Secretary, Theresa May, has described the bill as seeking to create a “hostile environment for illegal immigrants”.⁵

The opposition Labour party, meanwhile, has faced the tricky task of defending its record in government while responding to the concerns of many of its traditional working class supporters. Leading Labour figures have repeatedly apologised

2 Transatlantic Trends, ‘Topline Data 2013’, 2013, p. 71 [Online], trends.gmfus.org/files/2013/09/TT-TOPLINE-DATA.pdf

3 R Ford et al, ‘Views of Immigration: inflows and impacts’, British Social Attitudes 29, 2012.

4 J Jowitt, The Guardian, ‘Cabinet Split on Immigration as Vince Cable Condemns net migration target’, 22 March 2013 [Online], Accessed: 01 October 2013, www.theguardian.com/uk/2013/mar/22/immigration-cabinet-split-vince-cable-net-migration

5 J Kirkup and R Winnett, The Telegraph, ‘Theresa May interview: We’re going to give illegal migrants a really hostile reception’, 25 May 2013 [Online], www.telegraph.co.uk/news/uknews/immigration/9291483/Theresa-May-interview-Were-going-to-give-illegal-migrants-a-really-hostile-reception.html

for misjudging the scale of the influx of workers from the Central and East European member states after 2004. The party has also put forward a number of proposals primarily designed to crackdown on perceived employer abuse of low skilled migrants – for example, advocating greater policing of the National Minimum Wage and naming and shaming firms with a large proportion of low skilled migrant labour. Labour has also announced plans to force large companies to train a new apprentice for each skilled worker they hire from outside of the EU despite opposition from business organisations like the Confederation of British Industry (CBI).⁶

While this shift towards a more populist and restrictive debate about immigration has posed a challenge to all the mainstream parties, it is arguably the Liberal Democrats who face the sharpest dilemma. The party's liberal instincts appear at odds with public opinion on this issue while parts of its 2010 election migration policy were deeply unpopular. In particular, the proposed regularisation route for undocumented workers – more commonly dubbed an 'amnesty' for illegal migrants – was a key fault line. This rational attempt to deal with a seemingly intractable policy offended voters' deep seated sense of fairness by appearing to reward those who have not 'played by the rules'.

At present, the amnesty policy formally remains a Liberal Democrat commitment. However, Nick Clegg, the party's leader, has indicated it will not form part of the Lib Dem manifesto at the next election, as well as floating (and then retracting) a number of new measures to tackle illegal migration (for example, 'security bonds').⁷

However, political pragmatism is not the most compelling reason for the Liberal Democrats to reconsider their approach to the migration issue. No policy can succeed without consent. Indeed, for liberals more broadly, it is clear that the current migration system lacks legitimacy. The risk is that without moves to restore confidence in the system, the drift towards restricting migration could become even more draconian and begin to seriously erode the liberty of existing British citizens as much as tourists and migrants who wish to travel to this country.

6 BBC News, 'Labour for Each Foreign Worker Scheme', 22 September 2013, [Online], Accessed: 02 October 2013, www.bbc.co.uk/news/uk-politics-24190746

7 N Clegg,, 'Speech on Immigration', Speech to CentreForum, 22 March 2013.

There is a temptation among liberals to blame the current state of public opinion on some of the many glaring factual inaccuracies in the current political debate. This leads to a belief that if liberals were better at getting the 'facts' out to a wider audience, the debate would shift in a more favourable direction.

There are certainly many myths and exaggerations, not least around the make-up of Britain's migrant population and their propensity to make use of public services. An Ipsos MORI poll, taken in July 2013, shows that the public think that 31% of the population are immigrants, when the actual figure stands at 13%.⁸

As we shall argue the bare facts alone will not restore public confidence in the migration system. Nor can liberals ignore the very real challenges that rapid and large scale migration can pose to communities and groups of workers. While on balance migration is economically and socially beneficial, this does not mean that there are no losers or that people's concerns are unjustified.

The challenge therefore is to devise a distinctive approach which seeks to address people's concerns in a proportionate and realistic fashion and begins to restore confidence in the migration system – while preserving the liberal principles of freedom and tolerance to the greatest extent possible.

This paper seeks to sketch out the policies that could support such an approach. Chapter 2 explores in more detail the current state of public opinion. Chapter 3 proposes a National Insurance Advance as one means of making transparent that migrants are contributing to public services. Moreover, there is much work still to be done in making the UK Immigration Service, formerly the UK Border Agency, 'fit for purpose'. Chapter 4 seeks to define a humane, child centred, approach to tackling the thorny problem of illegal migration while emphasising that there is no public consent for a more radical 'amnesty'.

The paper (Chapter 5) also argues in support of a broad migration and population change target as an important means of ensuring that government's overall approach to migration

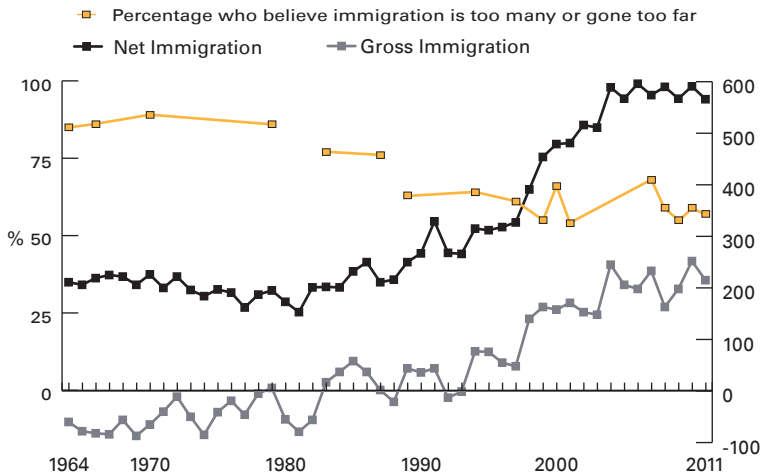
8 Ipsos MORI, 'Perceptions are not Reality', 9 July 2013, [Online], Accessed: 01 October 2013, www.ipsos-mori.com/researchpublications/researcharchive/3188/Perceptions-are-not-reality.aspx

remains transparent. However, the current target is perversely leading the government to clampdown on those migrants – the highly skilled and students – to whom the public is most well-disposed and who provide the clearest economic benefits. The government could then be held to account for its performance through an annual report and parliamentary debate. Finally, in Chapter 6 the paper argues that policymakers need to place a greater focus on integration measures, especially around language skills and labour market access, for immigrants as opposed to the current emphasis on second or third generation citizens.

2. Are you thinking what we are thinking?

Public concern about the scale and pace of immigration is not a new phenomenon. As far back as polling on this issue goes (1964), a majority has believed that there were ‘too many’ immigrants or that immigration has ‘gone too far’ – even when overall numbers of immigrants were low (see Figure 1).

Figure 1: Attitudes to immigration and immigration levels since 1964



Source: Oxford Migration Observatory, ‘UK Public Opinion to Immigration: Overall Attitudes and Level of Concern’, 23rd February 2012, [Online], www.migrationobservatory.ox.ac.uk/briefings/uk-public-opinion-toward-immigration-overall-attitudes-and-level-concern

Figure 2: Views on immigration 1995-2011

The number of immigrants to Britain should	1995	2003	2008	2011	Change 1995-2011	Change 2003-2011
... increase a lot/a little	4	5	4	3	-1	-1
... remain the same	27	16	17	18	-9	+2
... reduce a little	24	23	23	24	0	+1
... reduce a lot	39	49	55	51	+ 12	+2

Source: 29th British Social Attitudes Report, 2012, www.bsa-29.natcen.ac.uk/read-the-report/immigration/views-of-immigration.aspx

However, as Figure 2 shows there has been a sustained increase in the proportion of the population supporting an overall cut in immigration since 1995, even though migration inflows were relatively low at that point. The proportion wanting to “reduce a lot” the number of immigrants increased from 39% in 1995 to 56% in 2008, according to the British Social Attitudes (BSA) Survey.⁹ During the same period, the number of people who were happy with the current immigration flows, or even supported an increase, fell from 31% to 21%.

This negative sentiment has not increased greatly since the mid-2000s – peaking in 2010 at the time of the election – although it is possible it may increase again following the recent removal of labour restrictions on Romanian and Bulgarian workers.

Arguably, the main break from the past over the last decade in attitudes towards migration is in terms of its salience as a political issue. Immigration is now commonly ranked second or third among the most important political issues facing the country, alongside the economy and unemployment but ahead of the traditional staples, health and education.¹⁰

Recent polling work has sought to explore what specific aspects of immigration people are most concerned about. For example, the 2013 Transatlantic Trends survey found that more than half of UK respondents (52%) believe immigrants are a burden on social services and a similar proportion believe they take jobs

9 R Ford et al, ‘Views of Immigration: inflows and impacts’, British Social Attitudes 29, 2012.

10 Economist/Ipsos Mori, ‘October 2013 Issues Index’, available from: <http://www.ipsos-mori.com/researchpublications/researcharchive/3288/EconomistIpsos-MORI-October-2013-Issues-Index.aspx>

from native born workers. Equally, the survey found nearly half (46%) felt immigrants were a threat to national culture.

Voters are also deeply sceptical about the ability of government to manage migration. A Sunday Times/YouGov poll in June 2013 found that a sizeable majority – 59% – believe that immigration has increased under the current government, and just 2% believe it has fallen a lot despite net migration falling sharply between 2010 and 2012 (although it has risen again in the most recent data published after this poll).¹¹

Research conducted by British Future, the non-partisan immigration and identity think tank, found that the phrase ‘out of control’ is one of the most common terms employed to describe migration. This trend also shows up in a high level of disbelief about the official statistics.¹² Because no-one, especially the government, is seen as having a grip on migration, it follows that the facts and figures have little credibility. People’s own anecdotal experience trumps evidence provided by faceless bodies.

Positive arguments – especially those that employ economic terms – about migration also currently hold little sway with a large segment of the population. For example, there is a broad political constituency which has sought over the last decade to point to the economic benefits of migration in terms of GDP, government finances and welfare transfers such as pensions. However, British Future has found that the overwhelming response to such positive messages is rejection and disbelief. There is zero familiarity or trust with official bodies such as the Office for National Statistics and Office for Budget Responsibility (OBR). As a consequence, economic evidence such as the OBR’s forecast around the contribution of migrants to deficit reduction is simply disregarded. This is borne out by polling evidence. For example, a YouGov poll for Migration Matters in May 2013 found that only 30% believed the OBR analysis that migration boosts the economy.¹³ Some 36% of respondents dismissed this evidence as speculation and 13% stated it was simply wrong.

11 P Kellner, ‘Sleaze, Trust and Immigration’, 04 June 2013, yougov.co.uk/news/2013/06/04/sleaze-trust-and-immigration/

12 The Telegraph, ‘On immigration, welfare and crime, cynical Britain just does not believe politicians anymore’ 04 June 2013, [Online], Accessed: 01 October 2013, www.telegraph.co.uk/news/politics/10096817/On-immigration-welfare-and-crime-cynical-Britain-just-does-not-believe-politicians-anymore.html

13 YouGov, ‘Migration Matters Survey Result’, 09-10 May 2013.

However, a more detailed analysis of the public opinion evidence suggests people's views on immigration are much more complex than the core negative headline figures would suggest. In particular, there are four measures of opinion, which indicate that public opinion, if not exactly positive, is not uniformly opposed to all forms of immigration:

First, there remains a wide gap between people's perception of the importance of immigration as a national issue and the extent to which they believe it impacts upon their own family and locality. In January 2013, for example, only 19% felt it was a major local concern compared with 30% who perceived immigration as a national challenge.¹⁴ The poll also showed that concern about immigration is not closely co-related with the distribution of migrants. For example, the level of local concern in North East and Wales, where only about 5% of the population is foreign born, is similar to that in London where a third of the population was born overseas. The reason for this gap in perception is not fully understood. Social attitudes researcher Bobby Duffy has written that this local/national gap exists in other policy areas such as crime and health services but that it is "particularly striking with immigration".¹⁵

It would be easy to conclude this means immigration concerns are therefore largely abstract – a response to a perceived nationwide problem. However, as Duffy notes: "We know from detailed questionnaire testing that people often have a very local frame of reference when asked about their "local area" (the few streets around them)." This means 'national' concern about immigration may relate to their personal experience of the surrounding area, including neighbouring towns or suburbs, rather than the country as a whole. On the other hand, the fact that people are broadly positive about the state of community relations suggests that overall direct experiences of immigration and related issues may not be as negative as the broader numbers depict.¹⁶

14 British Future, 'State of the Nation Report 2013: Where is Bittersweet Britain Heading?', 2013, p. 10 [Online], Accessed on: 03 October 2013, www.britishfuture.org/wp-content/uploads/2013/01/State-of-the-Nation-2013.pdf

15 B Duffy and T Frere-Smith, 'Perceptions and reality: Public attitudes to Immigration,' Ipsos Mori Social Research Institute, January 2013.

16 Department for Communities and Local Government, '2008-09 Citizenship survey: Community cohesion report', p. 10 See webarchive.nationalarchives.gov.uk/20120919132719/www.communities.gov.uk/documents/statistics/pdf/1473353.pdf

Second, the average conceals a range of attitudes towards immigration when broken down by class or by age group. Research carried out by the political scientist Rob Ford found that immigration is regarded as a problem by 82% of people with educational qualifications below A-level compared with 60% who possess this level or above.¹⁷ Similarly 49% of the 18-24 cohort regard immigration as a problem versus 85% of those aged over 65. Ford notes that these factors are overlapping – that the younger cohort includes a much higher proportion with a university education (66% compared with 15%) and that they are also much more likely to have one or more parents born abroad (32% versus 5%). This generational difference can also be clearly seen in attitudes to other issues such as the welfare state.¹⁸

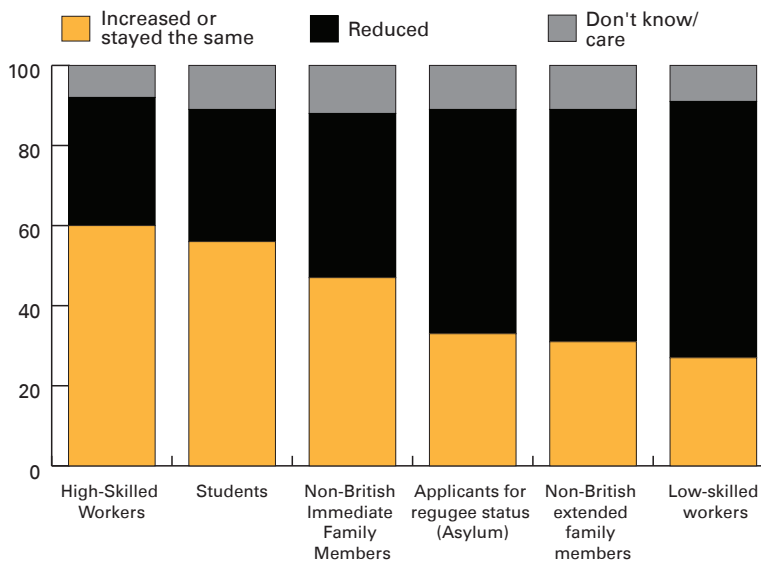
Third, people's responses vary according to the type of migrant under discussion. Oxford University's Migration Observatory, for example, has found that when asked to consider which group of people they regarded as immigrants, respondents were most likely to think of asylum seekers, followed by economic migrants and least likely to think of students. Similarly, 62% thought of immigrants as permanent arrivals and just 30% temporary.¹⁹

Public opinion is overall much more positive about skilled or professional migrants and students. Figure 3 shows that a majority support an increase or maintaining existing numbers of high-skilled workers and students. In contrast, there are strong majorities in favour of curbing the number of asylum seekers, extended family members and low-skilled workers while the Transatlantic Trends survey found that 80% of British public is concerned by illegal immigration, compared to 41% who are worried by legal immigration.

17 R Ford, 'Parochial and cosmopolitan Britain: Examining the divide in reactions to immigration in Britain', Transatlantic Trends working papers, April 2012.

18 The Economist, 'Generation Boris', 01 June 2013 www.economist.com/news/britain/21578666-britains-youth-are-not-just-more-liberal-their-elders-they-are-also-more-liberal-any

19 Oxford Migration Observatory, 'Thinking Behind the Numbers: Understanding public opinion on Immigration in Britain', 16 October 2011, p. 8, [Online], Accessed on: 03 October 2013, www.migrationobservatory.ox.ac.uk/sites/files/migobs/Report%20-%20Public%20Opinion.pdf

Figure 3: Public opinion by type of migrant

Source: Migration Observatory, Oxford University.

Finally, public opinion is generally more positive about the experience of integration. The 2013 Transatlantic Trends survey found nearly half – 48% – believed that first generation immigrations were integrating well but a majority, 55%, expressed a positive view over the ability of second generation immigrants to integrate.

Chapter summary – coming to terms with public opinion

The current state of public opinion confirms the scale of the challenge in seeking to maintain a relatively liberal stance on migration. But further analysis suggest that public attitudes are more nuanced than the political debate seems to allow for in that certain categories of migrant are not perceived negatively and educational status and age also have a clear impact on people's views.

Moreover, there is no simple correlation between adopting a tougher line on migration and winning wide public support. The proportion of the population who believe the Conservatives are best placed to deal with migration has fallen from 47% at the election to 25% now.

While there is broad public support for a reduction in the pace of immigration, the means that the government has chosen to pursue this – restricting students, skilled workers and immediate family – represent areas where the public has fewest concerns. In any case, other issues such as the perceived access to benefits, contribution to the local economy and willingness to integrate are just as important to people's attitudes towards migration as overall numbers.

Liberals must resist the temptation to simply ignore public opinion, or to hope to win it round by a constant assertion of "facts". Rather, liberals need to engage with people's genuine concerns and find ways of dealing with the challenges posed by large-scale migration. The following chapters explore how this objective can be translated into policy.

3. Restoring public confidence

It is likely to prove a long and arduous task restoring public confidence in the migration system such is the depth of mistrust of current policy. Successful reform will need to meet three objectives:

- ⋮ It should seek to respond directly to challenges that reflect people's concerns, such as unfair access to public services
- ⋮ It must offer credible solutions that can be practically delivered. Politicians – from Gordon Brown's famous assertion of 'British jobs for British workers' to the current net migration target – have too often raised expectations for reform that cannot be met
- ⋮ The solutions must remain within broadly liberal principles.

This chapter explores two reforms that directly meet key public concerns and seek to restore confidence in the migration system. The first aims to provide a transparent means of reassuring the public that migrants can only freely access the benefits system and public services once they have made a contribution. The second considers how the government's own migration management system can finally be made 'fit for purpose'.

i. Benefits and public services

Chapter 2 demonstrated the depth of concern about immigrant access to public services and benefits. But it is noteworthy that hostility to immigrants declines greatly if it is perceived that they are making a fiscal and social contribution to the community they reside within. The question then arises whether more can be done to demonstrate that immigrants are contributing to society, as well as clamping down on any genuine examples of abuse.

Crucially, immigrants do not place an unfair burden on public services. The OBR estimates that migrants make a net fiscal contribution to the UK because a greater proportion of them are of working age.²⁰ Similarly, Dustmann and Frattini calculate that recent immigrants (those who have arrived after 1999) made a net £25 billion contribution between 2000 and 2011 during a period where the UK ran a net budget deficit.²¹ This is because immigrants have higher employment participation rates than UK born residents and are 45% less likely to receive benefits or tax credits. The contribution from European migrants is particularly marked – between 2000 and 2011 EU immigrants paid a third more in taxes than they received in transfers. In contrast, UK natives paid 11% less in tax than they received in transfers.

Research carried out by the National Institute of Economic and Social Research (NIESR) shows migrants impose lower costs on health and education services, reflecting the fact that the age profile is most likely to be young and healthy.²² This point was also implicitly recognised in a recent Home Office commissioned report which noted that two large categories of migrants – students and skilled workers are likely to have a small impact on public services, or levels of social cohesion, as they have a lower demand for services than the average UK resident.²³

There is also no evidence of widespread abuse of access to services or benefits by immigrants. Department of Work and Pensions (DWP) figures show that only 7% of working age migrants claim benefits compared with 17% of native born²⁴. Both the House of Lords EU Select Committee and the European Commission have recently criticised the government for failing to provide concrete evidence of abuse.²⁵

20 Office for Budget Responsibility, 'Fiscal Sustainability Report: 2013', July 2013, p. 144.

21 C Dustmann and T Frattini, 'The fiscal effects of immigration to the UK', Centre for Research and Analysis of Migration, UCL, Nov 2011.

22 See niesr.ac.uk/sites/default/files/publications/100112_105822.pdf

23 Home Office, 'Social and Public Service Impacts of International Migration at the Local Level: Research Report 72', July 2013, pp. 5-6, [Online], Accessed on: 03 October 2013, www.gov.uk/government/uploads/system/uploads/attachment_data/file/210324/horr72.pdf

24 Department for Work and Pensions, 'Nationality at Point of National Insurance Number registration of DWP Benefits Claimants: February 2011, Working Age Benefits', January 2012.

25 Lords EU Select Committee, 'Protect rights of EU Workers to move freely to and from the UK, urge Lords', 05 September 2013, [Online] Accessed on: 02 October 2013, www.parliament.uk/business/committees/committees-a-z/lords-select/eu---internal-market-sub-committee-b/news/free-movement-of-eu-workers-letter-040913/; BBC News, 'Benefit tourism claims: European Commission urges UK to provide evidence', www.bbc.co.uk/news/uk-politics-24522653

Substantial reform to the benefits systems to clamp down on a small number of abuses by immigrants cannot be justified. But there is a much wider debate to be held about whether the UK benefits system should revert to a more contributory basis. The perception that EU immigrants have easy access to the UK benefits system in part results from the fact that the UK does not have a contribution based system, whereas many of its continental neighbours do. But this substantial change, which has far reaching fiscal and social effects, can only be considered in the context of the whole population, and is beyond the scope of this paper.

The government's main response has been the publication of an Immigration Bill which seeks to clamp down on some perceived abuses including a crackdown on illegal migrants. But the bill also seeks to introduce a £200 upfront charge for temporary migrants (£150 for foreign students) who access the NHS.

On paper, the NHS is already supposed to screen patients and make charges where necessary, but this is a resource intensive task for already hard pressed doctors. The risk is that if GPs did clamp down on those small numbers of immigrants who are not entitled to access the service, they will instead make greater use of already overstretched A&E departments (although the government is now also proposing to impose a post-use A&E charge and to exempt initial GP appointments). Longer term solutions such as the introduction of an NHS card, or 'NHS Passport', have also been floated by a senior NHS surgeon.²⁶ But such a reform would prove disproportionately costly, if clamping down on 'health tourism' was its main justification. A Department of Health report suggested a "plausible range" for the cost of 'health tourism' (those travelling to Britain with the specific intent of accessing health services and then returning home) was between £100 to £300 million a year, or between 0.1 and 0.3% of the total NHS budget.²⁷ This kind of identity card could well revive memories of the hugely unpopular ID card proposed by the previous Labour government.

The government's attempts to restrict benefit access for migrants have run into particular difficulties in terms of EU migration. EU

26 J Thomas, 'Free Riding Foreigners: The Next NHS Scandal', *The Spectator*, 23 February 2013.

27 Creative research, 'Qualitative Assessment of Visitor and Migrant use of the NHS in England', 07 October 2013.

migrants have the right to access the benefits system in certain circumstances enshrined in European law and the government cannot devise different access rules for native born and EU citizens. But EU nationals do not have unrestricted access to the UK or its benefits system – they must be exercising their treaty rights, which is a right to seek work or study. EU migrants cannot access the benefits system unless they are actively seeking work and only then if they pass a habitual residency test.

The government is seeking to tighten this habitual residency test and has announced that the right of EU migrants to access benefits will automatically cease after six months unless they can prove they are actively seeking and have a realistic chance of getting, a job.²⁸ Moreover, the government has suggested that it will seek to use its proposed renegotiation of EU Treaties to change the rules on benefit access, for example by extending the period of time before a migrant can claim benefits. It also rushed through a three month minimum eligibility period for access to out of work benefits ahead of lifting of labour restrictions on Romanian and Bulgarian workers on 1 January 2014.

National Insurance Advance

The proposals floated by the government are a piecemeal response to the perceived problem. This reflects both the complexity of existing access provision and the tendency to focus proposed measures on clamping down on supposed abuse, such as ‘health tourism’, which does not appear to be widespread.

A better approach would be to reassure people that immigrants are not receiving benefits or accessing public services without having contributed. In this context, the government should introduce a National Insurance Advance. A sum, set in the region of £2000, would become payable when a migrant entered the country. It would be repaid once the individual had accrued sufficient tax and national insurance payments or had departed the country without accessing services or the benefits system.

Such a reform would provide a clear contributory link without having to introduce root and branch reform of public service and

28 Home Office, ‘Immigration bill factsheet’, October 2013, available from: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/249251/Overview_Immigration_Bill_Factsheet.pdf

benefits system. It would not require public service workers to make an instant judgement on entitlement. Just as importantly, it should reassure migrants that they would not be deprived of vital services at the whim of an overly complex bureaucracy. For the majority of migrants, who make a positive contribution to the UK tax and benefits systems, there would be no extra cost in the medium term.

The new scheme could be introduced quickly for non-EU migrants. The payment of the advance should be a condition of acquiring an immigrant visa. It would be paid to HMRC which would then determine when and if the immigrant should have the money refunded. Any benefit payments should be instantly visible to HMRC. It would be harder – but not impossible – to check on the use of other public services, such as health or education. But immigrants would be required to disclose what use they had made of the services. HMRC could set up a team to run spot checks on a proportion of cases as a means of enforcement.

The suggested payment level of £2000 should not prove a major disincentive for skilled non-EU migrants. The expectation would be that many business sponsors would pay or loan the sum for their employees. A lower rate, say £500, could be applied for short term Intra-Company Transfers to cover potential health costs as they are already precluded access to state benefits as a condition of their stay.²⁹

The current rules around family migrant entrants are designed to ensure that they will not have recourse to state funds (see Chapter 5). As such, there is no need to apply the advance in these cases – and there would in any case be the potential to cause difficulty to many families who would have to foot this additional bill. However, the requirement to pay the advance may provide a means of introducing greater flexibility into the issuing of family visas. This could apply, for example, in cases where entrepreneurs have been refused entry because they were unable to meet the income rules or as we suggest in Chapter 5 as part of a reform that reduces the family migrant threshold to the level of the living wage.

29 UKBA, 'Tier 2 (Intra-Company Transfer: Working and Conditions)', [Online], Accessed on: 01 October 2013, www.ukba.homeoffice.gov.uk/visas-immigration/working/tier2/ict/workingandconditions/

Students have no access to the benefits system and are highly unlikely to make use of other public services such as schools. For this reason, a flat one-off fee towards healthcare costs, as the government is currently proposing in the Immigration Bill, appears the simplest, most efficient, and fairest (by pooling the cost across all international students) means of making a contribution to public services.

EU migrants and benefits

Ideally, the scheme would be expanded to include EU migrants whereby the payment of the advance could become a prerequisite of the issue of a National Insurance number. However, the inclusion of EU migrants would present two major obstacles. The first is that the government could not apply rules to EU migrants that did not also apply to UK citizens. This would mean that any reform in this direction would require a complete overhaul of the benefits system, which as previously stated would be a disproportionate response to this problem alone. The second is that EU migrants hold a wider range of work statuses than non-EU migrants and are present in large numbers in the cash service economy or registered as self-employed. Many of their employers would be unwilling or unable to lend the money for the advance. So there would be a strong temptation to avoid making the payment altogether and enforcement would be far more difficult.

As noted previously, EU migrants make a substantial net fiscal contribution to the UK public finances and there are already rules restricting access to benefits. However, there is a good case for extending further the period that EU migrants cannot access benefits in their host country without having first paid tax. The qualifying period should be increased to a year, which should be sufficient to make clear that the overwhelming majority of EU migrants receiving benefits are those who have already worked and paid tax in their host country. While this would require a change in existing EU rules, there is support among other major member states such as Germany for such a reform. The government should therefore press to make this change a priority for the European Commission due to take office in 2014.

ii. Fit for purpose

The second means by which liberals can help restore confidence in the immigration system is by making sure the machinery of government for immigration management functions effectively. For more than a decade, successive home secretaries have failed to resolve serious management weaknesses – both when immigration was overseen by an arms length agency, the UK Borders Authority (UKBA), and prior to that, and now once again, when it is the direct responsibility of the Home Office.

The catalogue of failures, from lost files to slow processing times, is very long indeed. Sarah Rapson, Interim Director General of the UK Visas and Immigration Section, told the Home Affairs Select Committee in June 2013 that the backlog of temporary and permanent migration cases totalled more than half a million, after ‘discovering’ 190,000 new cases.³⁰ The number of asylum cases taking more than six months to process was increasing again while the number of asylum cases dating back more than five years had reached 320,000. UKBA was also not meeting its services standards for issuing visas with only 21% of Tier 1 visas issued within the time limits.

The government responded to the latest problems by rushing through a restructuring of the immigration section which led to UKBA being subsumed back within the Home Office. The process began with the removal of the Border Force, which polices airports and sea ports from UKBA in December 2012. In March 2013, without any warning or consultation, the Home Secretary announced she was bringing the rest of UKBA back within the Home Office.

As part of this move, the former UKBA was split into two main units: UK immigration and visas is responsible for handling visa applications and applications for asylum; immigration enforcement has responsibility for the detention and removal of individuals with no right to be in the UK as well as preventing abuse. The Home Office has also set up a further unit – Operational Systems Transformation – to try and rectify a legacy of poor IT systems.

³⁰ Home Affairs Select Committee, ‘The Work of the UK Border Authority’, October to December 2012’, 13 July 2013.

The Home Secretary explained the decision to abolish UKBA because “it was not good enough” and had “conflicting cultures”. She stated her aim was to create two bodies with their own clear ethos:

“First a high volume service that makes high-quality decisions about who comes here, with a culture of customer satisfaction for businessmen and visitors who want to come here legally. And second, an organisation that has law enforcement at its heart and gets tough on those who break our immigration laws.”³¹

Since the announcement in March, the Home Office has provided little further information about how the re-organisation will lead to an improvement in standards. As the Home Affairs Select Committee pointed out in its report published in July 2013, there is an absence of information about the “strategic aims, objectives and outcomes of the unit, nor timescales for its delivery.”

It is, therefore, difficult to draw firm conclusions about the likely success of the Home Secretary’s reform. The decision to separate visa provision from enforcement appears sensible and should help the former achieve a better service culture. However, it should be remembered that the UKBA was created in the first place because of the problems of Home Office direct control.

The Home Secretary provided a second major reason for the abolition of UKBA which is to deal with a perceived lack of transparency and accountability. The new arrangements include a strategic oversight board chaired by the Home Office Permanent Secretary which will monitor all the various parts of the Immigration Service.

There is little doubt that transparency levels were poor – UKBA has faced repeated criticism from the Home Affairs Select Committee for its inability to provide full information on its performance. However, the secretive manner in which the reform was implemented does not bode well for increased transparency. Similarly, the decision to run aggressive advertising campaigns against illegal migration in the summer

31 Theresa May, Letter to MPs on reform of UKBA, 27 March 2013.

2013 appears to have been taken with only limited wider political oversight and a lack of clarity about its purpose and aims. There is a danger, therefore, that rather than making the Immigration Service properly accountable to the public at large, immigration policy is returning to being the private fiefdom of the Home Secretary.

We would therefore suggest two further changes to the new arrangements to ensure improved political oversight and accountability. First, the government should expand the role of the UK Independent Chief Inspector of Borders and Immigration. The Inspector, currently John Vince, is tasked with assessing the efficiency and effectiveness of the UK borders and immigration functions. But while the position is completely independent of the government, it reports directly to the Home Secretary who is also able to influence the scope of the annual work programme. It would be better to make the position more akin to that of an independent regulator, with the Inspector having complete freedom to commission and complete reports without Home Office interference and to report directly to Parliament.

Second, immigration was not always the sole preserve of the Home Office. For example, the work permit body was only transferred out of the forerunner of Business Innovation and Skills department in 2001 while the FCO also used to have a much larger role in terms of issuing visas. Other departments, including Education, Communities and Local Government and the Treasury are also directly affected by decisions on immigration and asylum made by the Home Office. These departments should therefore be properly represented on the new oversight board to ensure that the wider policy implications of immigration decisions are fully considered.

Improved transparency and political oversight will not be enough alone to improve the quality of the Immigration and Borders service. It is also important to ensure that the service is sufficiently resourced. One of the major reasons for the huge backlog of asylum cases, for example, is an over-reliance on low grade civil servants as case workers and poor IT systems. In 2012, UKBA had a budget of £2.17 billion and 22,000 staff, equivalent to just 0.2% of public spending, despite being responsible for

around 100 million people crossing the border that year.³²

The Home Office has already undertaken substantial budgetary cuts but in the latest Spending Review agreed to implement a further cut of 7.7% in 2015-16. However, the police and counter-terrorism budgets which make up the majority of the Home Office's £8.6 billion resource budget are to be protected. This means the immigration budget faces more large cuts leading to further staff reductions.

Clearly, budgetary constraints are set to remain a fact of life for some time to come and simply calling for more money is not realistic. However, the Home Office should use the opportunity presented by the reorganisation to ensure that resources are reaching areas of the service that need them the most. It should review thoroughly whether staff have sufficient training and expertise to carry out their functions. After all, an effective service is likely to prove cheaper in the medium term. For example, the in-country personal appointment migration office in Croydon has succeeded in improving its performance by raising the average level of its staff while cutting overall costs.³³

The government should also review whether it has the balance of spending within the Home Office correct, given the huge salience of immigration as a political issue. The stalled e-Borders project is a case in point. While the scheme, which has the potential to provide exit as well as entry checks, covers around 65% of all travellers, the government admitted in April 2013 that it would not meet its deadline of complete coverage by the end of the Parliament. The problem remains that there are hundreds of smaller entry points which are proving expensive for the scheme to incorporate as well as an array of technical difficulties in ensuring that the information gathered can be analysed and acted upon.³⁴ But the ability to know who is entering and leaving the country is central to restoring public confidence. Completing this scheme as quickly as possible must remain a priority.

32 National Audit Office, 'The UK Border Agency and Force: Progress in cutting costs and improving performance', 2012.

33 Author's interview.

34 Independent Chief Inspector of Borders and Immigration, 'Exporting the border? An inspection of e-borders', March 2013.

: 4 What is fair for asylum seekers and illegal migrants?

Nowhere is the challenge of devising fair and effective immigration policy more acute than in the treatment of asylum seekers and illegal migrants. As we saw in Chapter 2, asylum seekers and illegal migrants – a catch all term for a very diverse group – are the migrant groups that the public perceives most negatively. Successive governments have sought to make it more difficult to gain asylum in the UK. Yet the desire to offer sanctuary to refugees thankfully remains shared across the political spectrum (even it should be noted by some more broadly ‘anti-migration’ groups). There is however less unanimity around the treatment of illegal migrants, and it is this issue that we shall turn to first.

Who is an illegal migrant?

The term ‘illegal migrant’ is widely employed in the political debate to describe anyone who has no legal right to remain within the UK. But only a relatively small number of this group are in breach of criminal rules, such as those who have illegally entered the country. The term also refers to: a larger group of ‘overstayers’ who have legally entered the UK on tourist or immigrant visas but then not left when the visa expired; asylum seekers whose cases have never been resolved; and the children of illegal migrants, many of whom were born in the UK. Most academic and NGO sources prefer the term ‘undocumented’ to describe these groups.

Tackling illegal migration

At the 2010 election, the Liberal Democrats offered up a policy to regularise the status of some illegal migrants who had been here for at least ten years under certain specific conditions. To categorise this 'earned amnesty' policy as brave would be an understatement. The Lib Dems could not have adopted a policy that sat more completely at odds with the overwhelming majority of public opinion.

The political flaw in the policy was straightforward: it offended people's natural sense of justice. There is a pragmatic case in favour of a carefully constructed amnesty which recognises the reality that most longstanding illegal migrants are here to stay and there should be some means of increasing internal security and bringing people within the tax system.³⁵

But the amnesty policy was perceived as rewarding those who cheat the system and as particularly unfair on potential migrants who played by the rules but were refused entry. Moreover, there was concern that an amnesty would not prove a one-off but the first of many such endeavours, as has been the case in some countries that have taken this course of action such as Spain. Since the election, the Lib Dems have made no effort to press the amnesty policy and have now indicated that they will drop it as formal policy by the time of the next election. This has to be the right course of action. It is not just that it would be politically foolhardy to persevere with a policy that is so diametrically opposed to almost unanimous public opinion but it is also clear that such an approach lacks legitimacy.

The question that remains (one that needs to be answered by all the political parties, not just the Lib Dems) is whether there is an alternative to an amnesty in tackling the residual problem of illegal migration. The London School of Economics has estimated that there are between 417,000 and 863,000 illegal migrants in the UK, two thirds of whom have been present for at least five years.³⁶ No government is prepared to bear the cost (estimated at £15,000 per person) or social disruption of mass deportations.³⁷

35 D Papademetriou and W Somerville, *'Earned amnesty: Bringing illegal workers out of the shadows'*, CentreForum, 2008.

36 J I Gordon et al, 'Economic impact on London and the UK economy of an earned regularisation of irregular migrants in the UK,' LSE 2009.

37 BBC, 'Council horrified over scheme for immigrants to go, 23 July 2013

The current government, for example, has chosen to use high profile but insubstantial programmes, such as the 'Go Home' van campaign launched in the summer of 2013. These appear to be more about showing the wider public that the government is doing something than actually remove illegal migrants. Similarly, it is highly questionable that the measures contained in the Immigration Bill will lead to large numbers of illegal migrants leaving.

Neither the mass removal of illegal migrants nor the introduction of an amnesty offers a politically practical solution to the problem of illegal migration. Government should instead adopt a two-pronged approach to dealing with illegal migration, seeking to improve enforcement and clearing the unacceptable backlog of cases created by its own bureaucratic incompetence.

First, effective enforcement is vital to ensuring the problem does not become more acute and providing wider reassurance to the public. Enforcement resources should be focused on those areas of potential criminal harm, for example organised criminal gangs and sex-trafficking. For example, Canada and the Netherlands operate a tiered approach which focuses enforcement activity on the following groups:

- individuals who pose a threat to national security or are involved in organised crime
- failed asylum seekers
- those in the country illegally such as overstayers³⁸

The UK is supposed to operate a 'harm agenda' which focuses enforcement on those individuals who pose the greatest threat. However, there is little clarity about the objectives and performance in operating this agenda.³⁹ The government should therefore seek to spell out more clearly its priorities in harm reduction and monitor closely the outcome. The rapid completion of the e-Borders project is also essential to improving public confidence in the system (see Chapter 3).

38 E Collet and W Somerville, 'Tradeoffs in immigration enforcement', Transatlantic Council on Migration discussion paper, May 2012.

39 See icinspector.independent.gov.uk/wp-content/uploads/2012/06/ICIBI-Inspection-of-Hants-IOW-LIT.pdf

Second, there need to be renewed efforts to clear the backlog of cases at the root of many irregular migrants in the UK. In particular, there are incremental steps that government can take to deal with specific categories of irregular migrant without resorting to a widespread amnesty.

The UK already has an established principle to grant settlement to overstayers after an extended period of residence. This was formally enshrined in the immigration rules in April 2013. Until July 2012, it was possible to apply for settlement after completing 14 years of unlawful residence on condition that an applicant had not been served with a deportation order. This duration has now been extended to 20 years and the eligibility criteria tightened further.

The government should build on this existing provision to develop a clear and simplified case-by-case system which is focused on dealing with the most vulnerable irregular migrants: children. One estimate suggests there are 120,000 irregular migrant children in the UK with over half of these born here.⁴⁰ These children are accorded some protection in terms of access to public services and education which is enshrined in UK and international law. However, there is no clear pathway to citizenship for them even though they did not acquire their irregular status by choice and most have little or no knowledge of their country of origin.

There is a parallel here with recent moves in the US to focus on the status of children. As part of the system of 'prosecutorial discretion' outlined above, the US government also issued guidance that unauthorised children and those young adults who were brought to the country as minors should be eligible for relief from deportation and granted leave to work if they had arrived in the country at an age under 16 before June 2012 and remained in the country for at least five years. In addition, they must be enrolled or graduated from school (or the military) and have no criminal record.

In the UK, there are currently a number of routes by which children can have their status regularised. For example, if a child

40 N Sigona and V Hughes, 'No Way In, No Way Out: Irregular Migrant Children and their Families in the UK', May 2012, p. 1, ESRC Centre on Migration, Policy and Society, University of Oxford: Oxford.

is born and lives here for the first ten years without extended absence they can register to become a British citizen; or if a child is under 18 and has lived in the UK for at least seven years, they may be entitled to leave to remain under certain circumstances. However, as a recent report noted while there are laws protecting children, in practice there are huge barriers to effective enforcement of these rules, including the complexity of the system, a lack of available information and the fear of being deported.⁴¹

The government should, therefore, adopt a child first approach to the challenge of longstanding illegal migrants. It should work towards creating a simplified, single application system for children who are seeking regularisation, one that covers all the possible eventualities covered by the current law. By increasing the clarity of the rules it should enable fewer individuals to fall through the cracks of the current system. It would also reduce the need for legal advice – the government has substantially restricted access to legal aid for migration cases (now limited to asylum or protection cases with just a small number of exceptions). This approach should be supported by an awareness campaign among those most likely to come into contact with undocumented children, such as teachers. For example, the government should explore granting headteachers the right to initiate an application on a child's behalf with a fee waiver.

Asylum

Public concern over asylum seekers appears almost inversely related to their actual numbers – asylum seekers and refugees made up just 7% of all migrants in 2011.⁴² Yet the memory of the large spike in asylum numbers in the 1990s prompted by the war in the Balkans continues to loom large. More recently, the crisis over the Sangatte refugee camp in Northern France has helped perpetuate the impression that the UK is a 'soft touch' and a magnet for asylum seekers who are often 'bogus'.

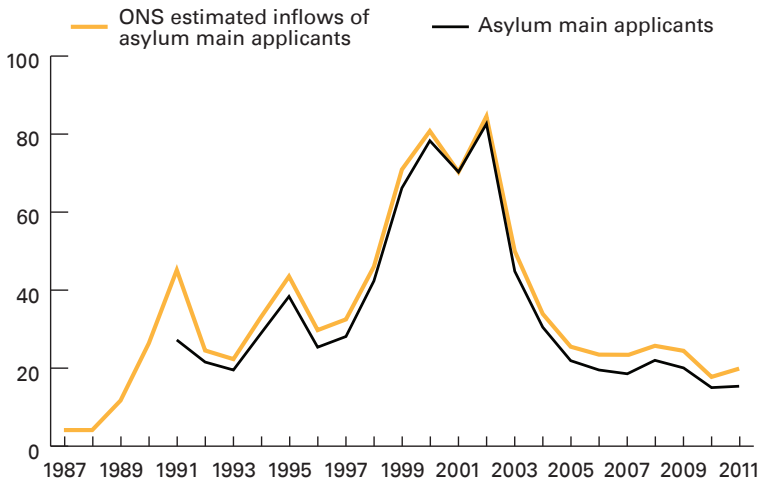
The reality is that numbers have dropped sharply since peaking at 84,000 in 2002 (see Figure 4 below). Equally, there is no

41 Coram Children's legal centre, 'Growing up in a hostile environment: The rights of undocumented migrant children in the UK', November 2013.

42 Oxford Migration Observatory, 'Migration to the UK: Asylum', 13 February 2013, [Online], Accessed on: 01 October 2013, migrationobservatory.ox.ac.uk/briefings/migration-uk-asylum

evidence that the UK is a particular target for asylum seekers – it sits in the middle in terms of the number of applicants per head of population. In fact, the UK government faced widespread criticism in 2013 – including from UKIP leader Nigel Farage – for its failure to admit refugees from the Syrian civil war.⁴³ Asylum claims in the UK per capita are below the European average: in 2011, the UK received 0.41 asylum applications per 1000 inhabitants, compared to 0.65 across Europe.⁴⁴

Figure 4: Asylum applications and estimated inflows – 1987-2011



Source: Oxford Migration Observatory, 'Migration to the UK: Asylum', 13th February 2013, [Online], migrationobservatory.ox.ac.uk/briefings/migration-uk-asylum

- The coalition government has undertaken a number of reforms designed to make the UK's asylum system more humane, most notably seeking to end the practice of keeping children in detention. But the system as a whole remains riddled with inefficiencies. This is not just undermining public confidence in the asylum process but causing unnecessary distress and hardship for many asylum seekers who are forced to wait far

⁴³ www.bbc.co.uk/news/uk-politics-25539843

⁴⁴ Oxford Migration Observatory, 'Migration to the UK: Asylum', 13 February 2013, [Online], Accessed on: 01 October 2013, migrationobservatory.ox.ac.uk/briefings/migration-uk-asylum

longer than necessary for the outcome of their cases.

- ⌚ The government should therefore make two further reforms to the system to increase efficiency and help restore confidence. The first is to remove the case handling and determination for asylum cases from the Home Office and move it to the Ministry of Justice, where the appeal process already resides. This would greatly increase the incentives to get the decision right first time rather than waste time and resources on the appeals system.
- ⌚ In particular, this reform should help reduce the large volume of asylum cases which are taken to Judicial Review (JR), nearly 8750 in 2011. The sharp increase in immigration JRs, including asylum cases, is one of the reasons that the government is currently seeking to tighten up rules on bringing Judicial Review cases. Yet as lawyer Julian Norman has pointed out JR cases in asylum are often the only way to try and force accountability on the asylum authorities and query decisions such as extended detention. While only 607 of the total number of cases in 2011 received permission to proceed to court, as Norman states: “The vast majority did not even get as far as the permission stage because the UKBA crumbles when faced with the sorry evidence of its own disorganisation.”⁴⁵
- ⌚ A decision to move asylum case handling to the Ministry of Justice would also end the strong suspicion that the Home Office’s control of both processing and enforcement has led to an institutional bias towards rejecting as many asylum applications as possible no matter the merits of the case. It would leave the Home Office free to focus on improving enforcement and to clamp down on genuine abuses. In this sense it is only a modest extension from the recent restructuring which split the former UKBA along enforcement and case handling lines.
- ⌚ While the structural reform suggested above should

45 J Norman, ‘Chris Graylings Attack on Judicial reviews is itself Meritless’, 23 April 2013, The Guardian Online, [Online], Accessed on: 03 October 2013, www.theguardian.com/commentisfree/2013/apr/23/chris-grayling-judicial-reviews

improve the speed and accuracy of decisions, there will remain cases where a decision within a reasonable timeframe, such as six months, proves difficult. Not surprisingly, many asylum seekers arrive with little or no documentation and it can be difficult to verify claims of mistreatment. Many asylum seekers end up spending a considerable time in limbo with only 'Cash Support' – currently set at £36.62 a week for single people with no dependents - to live on (although this excludes housing and utility bills).⁴⁶ But refugees and asylum seekers who have been granted leave to remain in the UK have some of the worst labour market outcomes of any immigrant group; one recent survey put the employment rate for refugees at just 29%.⁴⁷ An extended period of worklessness only makes it even more difficult for potential refugees to integrate into their communities.

- The government should therefore consider re-opening the right to work for asylum seekers that have spent more than six months awaiting a decision. The right for asylum seekers to work was removed in 2002.⁴⁸ At the time, the Home Office argued that most asylum applications were being processed within six months and that they wanted to ensure that the system was protected from abuse by those seeking work not refugee status. It is difficult to see how a limited right to work for those asylum seekers which have not had their case settled after six months would act as a pull factor for asylum claims. After all, the expectation would be the vast majority of cases would be settled before then. Such a move would also likely save money, not just in terms of benefit payments but longer term in an increased capacity for those who achieve refugee status to integrate into society. Forthcoming CentreForum research will deal with this and other aspects of the asylum system in more detail.

46 UKBA, 'Current Support Amounts', [Online], Accessed: 01 October 2013, www.ukba.homeoffice.gov.uk/asylum/support/cashsupport/currentsupportamounts/

47 Refugee Council, 'The Refugee Council's evidence to the Work and Pensions Select Committee on the Department for Work and Pension's services to ethnic minorities', [Online], Accessed on: 02 October 2013, www.refugeecouncil.org.uk/assets/0001/6300/dwp_evidence_dec03.pdf

48 Refugee Council, 'Social Exclusion, Refugee Integration, and the Right to Work for Asylum Seekers', September 2006.

: 5 Taking numbers seriously

The driving force behind the coalition's approach to immigration has been its pledge to reduce the numbers of migrants. This has taken two forms – the cap on non-EU migrant workers which formed part of the Coalition Agreement and, second, the pledge by the Conservatives to reduce net migration to the 'tens of thousands'. It is the political requirement to achieve the second target which has dictated almost all the immigration reforms undertaken by the government, even if it has only the formal support of one side of the coalition.

The net migration target approach is superficially very attractive. A majority of the population think that migration is too high and a similar number support the 'tens of thousands' target. However, there are major problems with its implementation. The government is only directly in control of some of the levers that make up the target. It has limited control over EU migrants or the substantial flows of British citizens, in and out of the country each year.

The inability to control some migration flows has forced the government to focus its policy reforms on those it can influence. Thus the non-EU family reconciliation, economic and student migration routes have become entirely viewed through the prism of the need to reduce numbers rather than through any wider cost-benefit calculation. This has had the perverse result that the government is clamping down hardest on those migrants, especially students and high skilled migration, towards whom public opinion is most well-disposed.

As CentreForum has previously argued, the case for dropping the net migration target is strong.⁴⁹ It is leading to warped

49 T Papworth, 'The business case for immigration reform', CentreForum, December 2013

priorities in setting migration policy with no certainty of its longer term success. A failure to hit the target may even prove counter-productive by further undermining public confidence in the immigration system.

But this should not lead to the conclusion that liberals can simply ignore the numbers issue. The scale and pace of migration is clearly central to the public's concerns. It will be impossible to restore confidence in the immigration system without engaging directly on this topic. Policymakers should thus seek to set out a broad direction of travel, rather than attempt to micro-manage hitting a precise target.

The examples of Canada and Australia are useful in this regard. Both countries set aside parliamentary time each year to debate population change including migration flows. In addition, the Canadian parliament sets a broad target for overall population growth – currently 1% each year – rather than seeking to impose a 'hard' cap or quota on entry visas. Australia, meanwhile, sets a processing target rather than a cap. This means that once the allocation is full successful applicants need to wait until the next year to gain entry. Both Australia and Canada are maintaining net migration rates that are substantially higher than that of the UK, approximately 0.6% of the total population each year, compared with 0.25% in the UK.⁵⁰

The UK government should follow these examples and set a broad migration and population change target at the beginning of the parliament. The government should be then held to account for its performance through an annual report and parliamentary debate. This should not be an attempt to micro-manage a precise numerical target rather the government should set a long term goal in terms of migration flows or population change, for example that migration would only add an average of 0.25% to the total population each year over the course of the parliament. As part of this process, the government should also set out clearly how it intends to mitigate the impact of population change on public services and housing as well as addressing any other socioeconomic problems that may arise.

50 Central Intelligence Agency, 'Country Comparison: Net Migration Rate', [Online], Accessed: 02 October 2013, <http://www.cia.gov/library/publications/the-world-factbook/rankorder/2112rank.html>

Each year, the OBR, working with Migration Advisory Committee (MAC), should produce a report detailing migration flows, population change and consider how these are impacting on the economy, labour market and the provision of public services. The expectation is that the overall target should only need changing in extremis, much as the government adheres to its fiscal rule targets unless there is a major economic crisis. The government's response and the original report should then be debated in Parliament.

This would provide an opportunity for a formal political debate each year to discuss whether migration flows are too fast – or even too slow – and to consider how to adapt policy accordingly. Such an approach would permit much greater flexibility in the management of individual immigration routes easing the pressure on those routes which are currently the main focus of government policy in its efforts to achieve the net migration target. It is to these routes – students, skilled non-EU migrants and family reconciliation – that we now turn.

a) Students

International students make a major fiscal contribution both in terms of the fees they pay to the universities and the broader spending they incur while in the UK – close to £15 billion a year according to BIS.⁵¹ It was right for the government to crack down on a number of 'bogus' higher education institutions, but the main reason to curb numbers has been the need to meet the migration target. According to Universities UK, non-EU student numbers fell by 0.4% in 2011-12, the last year for which there are full statistics. This was the first decline for a decade on which comparable data is available and took place even as the international higher education sector continues to expand.

CentreForum has previously made the case for students – who are only resident in the UK for the duration of their course – to be taken out of the net migration figures altogether.⁵² However, the government has rejected this proposal pointing to the international definition of a migrant which includes anyone resident for more than a year. Politically, removing students

⁵¹ Department for Business, Innovation and Skills, 'BIS research Paper No. 46', June 2011.

⁵² T Brooks T and C Nicholson, 'Pathway to Prosperity: Making Student Immigration Work for Universities and the Economy', Centre Forum, February 2011, p. 5.

from the figures would make it even more difficult for the government to hit its net migration target.

More importantly, however, students are not the only temporary migrants within the data. There are many skilled non-EU migrants, particularly Intra-Company Transfers, who are only temporary residents of a year or more. While international students only have a light impact on their communities, in terms of consumption of public services or housing, the same is true of the vast majority of non-skilled EU migrants. In this context, it is not clear why one group should be removed from the data and not the other or, for that matter, EU workers who only remain resident for a temporary period. At root, the problem is with the net migration target itself rather than the definition of a migrant.

In the meantime, the Immigration Service's clumsy clamp down on students has left universities struggling to stay competitive in a global higher education market. Universities complain of inconsistent advice from the Immigration Service and a lack of clarity over issues such as attendance monitoring – whether this requires swipe cards, registrations or thumb prints for example. There is also no feedback about the performance of the university after an immigration audit, just a simple pass or fail system.

The onus should be on the Immigration Service working with universities to spread best practice throughout the sector. The key is to adopt a consistent approach that allows Britain's universities to compete effectively for international students while maintaining good border security.

b) Non-EU Economic Migration

The introduction of a cap on non-EU skilled migration was the main immigration policy commitment within the Coalition Agreement. It is not surprising therefore that it was also the first major reform introduced by the government in 2011.⁵³

The government imposed the cap at 20,700 Tier 2 visas (skilled non-EU work permits) in 2011, and has maintained it at this level ever since. However, intra-company transfers (ICTs), which are

53 APPG on Migration, Supporting Serious Debate on Migration, 'Twelve Months of Government Policy on Immigration', www.appgmigration.org.uk/sites/default/files/APPG_migration-twelve_months_governemnt-briefing.pdf

also issued under Tier 2, are exempt. The table below shows while there has been a sharp decline in general Tier 2 visas, reflecting economic conditions as well as the clamp down, the number of ICTs has continued to grow.

Figure 5: Visas granted to skilled Tier 2 workers between 2009-2011

	General (capped)	Intra-company transfers (not capped)
2009	22,029	14,490
2010	9,915	29,176
2011	7,761	29,677

Source: Channel Four Fact Check, 'Tories May Miss Immigration Target', 28 April 2012, [Online], blogs.channel4.com/factcheck/factcheck-tories-may-miss-immigration-target/9644

It is therefore unclear how much impact the cap has had on business. As the government has pointed out, the number of visas issued had not yet reached the cap. But what is not clear is whether some firms have not applied because the process is too onerous. Moreover, the cap may become an increased obstacle to business growth now that the UK economy has finally returned to growth.

A separate CentreForum paper explores the issues surrounding economic migration in more detail.⁵⁴ As outlined above, an alternative approach to the net migration target would enable greater flexibility around the Tier 2 route of entry.

However, accepting that the 'hard' cap on Tier 2 will remain in place for the time being there are other aspects of the current economic migration system that could be improved. In particular, the government's attempts to provide a limited entry route for the exceptionally skilled or entrepreneurs (Tier 1) has not proven especially successful. For example, it was reported that just 50 of a proposed 1,000 visas for 'exceptional talented' individuals were issued in 2012.⁵⁵ Meanwhile just 27 graduate

⁵⁴ T Papworth, 'The business case for immigration reform', CentreForum, December 2013

⁵⁵ R Mason, 'Visa schemes to attract 1,000 top scientists and artists gets just 50 to settle in Britain', The Telegraph, 27 December 2012.

entrepreneur visas were issued in the same year.⁵⁶ On the other hand, the government is now investigating whether the Tier 1 general entrepreneur route, which requires applicants to have £200,000 or more to invest in a business is being abused by wealthy individuals seeking British residency rather than looking to start a business. The government has since sought to introduce a credibility test for entrepreneurs.⁵⁷

While the government's desire to provide some limited entry route for the talented or entrepreneurial, which would not be covered by Tier 2 work permit is admirable, its execution leaves much to be desired. There should be a greater focus on widening the range of trusted sponsoring bodies for Tier 1 visas and less on hard cash measures. It would also be better to adapt the graduate entrepreneur route to permit a limited number of talented graduates to stay on, particularly if their skills lay in areas such engineering and sciences where there is a shortage of qualified people.

c) Family reconciliation

There is no other area of migration policy where the desire of the government to meet its net migration target cuts as clearly across the freedoms of existing British citizens than family reconciliation.⁵⁸ The coalition government has tightened the rules around family reconciliation visas with the specific aim of reducing numbers. As a result, some 39,000 British citizens sought to bring in their partners and children in 2012 compared with 52,000 in the previous 12 months.⁵⁹

There have always been income restrictions in place around family reconciliation – designed to stop families returning from long stints abroad and become entirely reliant on the state. But in 2012, the government raised the level for sponsorship of a partner without children to £18,600 a year and to £22,400 for the first child, with a further £2,400 a year required for each subsequent child. This replaced the old test that partners would

56 Home Office Statistics, Immigration Statistics October – December 2012, Table wk.01: Out of country visas to the United Kingdom and in country extensions of stay by work categories

57 Home Office, 'Statement of Changes in Immigration Rules', Presented to Parliament pursuant to section 3(2) of the Immigration Act 197, 31 January 2013.

58 V Nichols, The Guardian, 'UK immigration policy is punishing Britons with non-EU spouses', 15 December 2013 [Online], Accessed: 13 January 2014, www.theguardian.com/commentisfree/2013/dec/15/uk-immigration-policy-britons-spouses-trauma

59 . Home Office, 'Immigration Statistics, April – June 2013', 29 August 2013.

only be admitted if there was no recourse to public funds.

The level was officially chosen because it is above the threshold for receiving working tax credits. It is questionable whether a tax credit should be considered as a benefit akin to unemployment or income support or as a tax cut for the lower paid. Even if we accept that it is a benefit, as the All Party Parliamentary Group on Migration has pointed out, the rules may be counter-productive in forcing some separated couples to seek state support they would not otherwise need.⁶⁰

It seems probable that the main driver for the new threshold was the net migration target rather than the potential cost to public finances. The MAC, which suggested the figure to the government, estimated that it would lead to nearly half – 45% – of all applications under the old test being refused.⁶¹ It represents an income level above that of nearly half the population (47%) and is the second highest in Europe behind Norway, which has some of the highest living costs in the world. Moreover, there is no regional weighting so the impact of the threshold is even greater away from London and South East.

Even many of those who in theory meet the income test struggle to secure the right to settlement for their spouses. The self-employed have faced particular difficulties in proving they have sufficient funds. If an applicant has no income stream – and those building businesses are often unable to take money out of the company – the requirement is to have £64,000 in cash savings for a period of at least six months. There is no provision for third parties, even other family members, to provide financial guarantees. Similarly, the current and potential earnings of the non-EEA partner are disregarded unless there is a concrete job offer within the UK.

The rigidity of these rules has led to strange outcomes. For example, a British entrepreneur who wanted to return with his young family to the UK had his application refused despite running a business in China worth tens of millions of pounds.⁶² Likewise, a Dubai-based couple were prevented from returning to the UK because the non-EEA partner – a finance director with a

60 APPG on Migration, 'Report of the Inquiry into New Family Migration Rules', June 2013

61 Migration Advisory Committee, 'Review of the minimum income requirement for sponsorship under the family migration route', November 2011.

62 Author's interview.

major company – was the sole earner and his substantial income was not eligible nor was the fact the couple held property assets in the UK worth more than £3.5 million.⁶³

The government has also removed any discretion in the processing of individual cases – so, for example, the ages of the children are not considered. This has led to a number of cases where babies have been born without any contact with the non-EEA partner since birth.⁶⁴ In the British entrepreneur case mentioned previously, the family was split for nearly a year while the youngest child was a baby (although leave to remain for the spouse has now been acquired on appeal).

As it stands, the government's current approach to family reconciliation is harming the freedom of British citizens to marry whom they choose. It is also forcing this group to take a disproportionate amount of the strain in the effort to cut migration numbers. If hitting the net migration target is no longer the main objective, government could reconsider the threshold level for entry. One option would be to set the level at the minimum wage, as recently advocated by the Conservative MP for Croydon Central, Gavin Barwell.⁶⁵

An alternative would be to set the threshold at the level of the 'living wage', which currently stands at £8.80 for London and £7.65 for the rest of the UK. Given the current reforms to the income tax threshold and the introduction of Universal Credit, a threshold set at this level should strike a fair balance between the freedom to marry and the need to protect the state from incurring extra costs from those who have not previously contributed. The government could combine this reduction in the threshold with protection of the public purse by requiring payment of the National Insurance Advance proposed in Chapter 3 as a condition of issuing the visa in cases where the employment status of the couple looked uncertain.

In addition, the government should review its rules to ensure more flexibility about the evidence required for the proof

63 APPG on Migration, 'Report of the Inquiry into New Family Migration Rules', June 2013, p. 26.

64 Migrant Rights Network, 'What are the consequences for minimum income requirement for family migrants in the UK?', July 2013.

65 G Barwell MP, 'Speaking in the House of Commons', 19 June 2013, Mansard Commons Debates, [Online], Accessed: 03 October 2013, www.publications.parliament.uk/pa/cm201314/cmhansrd/cm130619/halltext/130619h0002.htm

of income and savings and consider permitting third party guarantees. It must also restore the ability for the Immigration Service to apply discretion in cases where children are involved.

■ 6 Integration: the missing policy link?

The previous chapters focus on how immigration policy can be reformed to address better the legitimate concerns of the UK electorate without resorting to ever more draconian curbs. But confidence in the system will not be restored by tweaking immigration policies alone. As others have noted there are a wide array of related economic and social concerns – around labour market rules, housing provision and the care market for example – which go far beyond immigration policy.⁶⁶ While a detailed discussion on these issues is outside the scope of this paper, there is one closely linked policy which should become a vital tool in responding to immigration concerns – integration.

Liberals have often been ambivalent about the value of government led integration policy fearing it amounts to assimilation. But good integration policy does not mean that people need give up all their ethnic or religious identities to embrace a ‘one-size-fits-all’ model of a citizen. Rather it accepts that everyone has overlapping identities – that it is possible to be British and proud of your Polish roots, for example. A British Future/Ipsos Mori Poll has found that people are broadly supportive of the concept of overlapping identities: while 37% of people believe the children of immigrants should make a priority of adopting British culture, 51% said they should combine being British with the culture of their origin as they wish.⁶⁷

There are also positive reasons for liberals to support a well-considered approach to integration – after all individuals and groups will not be able to fulfil their potential if they remain on the margins of society.

66 See for example, S Mulley and M Cavanagh, ‘Fair and Democratic Migration Policy: A principled framework for the UK,’ January 2013, IPPR.

67 British Future, ‘State of the Nation: Where is bittersweet Britain heading?’, Q14, p28, January 2013.

In the last decade, the British government has tentatively started to develop a specific policy approach to integration. However, much of the original driving force came from extremist attacks such as the 7/7 bombings. As a result the approach to integration has too often been defined solely in terms of tackling security related issues such as Islamic extremism. In a speech in March 2011, Nick Clegg made precisely this point: “[it is] crucially important to maintain a clear distinction between initiatives aimed at combatting extremism and those focused on the broader task of community cohesion. The last government’s conflation of social policy and security policy was damaging. It resulted in Muslim communities feeling stigmatised and money being wasted.”⁶⁸ That approach also resulted in much of the focus of policy being upon second or third generation British citizens rather than immigrants.

Overall, there have been few specific policies to advance immigrant integration and little sustained funding. The previous Labour government created a Migration Impacts Fund, which was supposed to provide some money for integration projects. However, this funding was cut in 2010 leaving many NGOs working in the field facing major difficulties in continuing to provide services. Equally refugee integration and employment services delivered by NGOs for the former UKBA have also been scrapped, language support funds cut, subsidies for employment and welfare benefits advice reduced and the Migration Team with Department for Communities and Local Government (DCLG) disbanded. These cuts, which form a small part of the overall budget deficit reduction programme, amount to at least £100 million a year.⁶⁹

The coalition government has done little to provide an alternative approach to encouraging integration. In 2012 DCLG published a paper, ‘Creating the conditions for Integration’, on the subject – the first such paper for three years.⁷⁰ It made clear there is more to integration than simply tackling extremism and security threats including common ground, participation and empowerment, and responsibility. It also placed a welcome emphasis for delivering integration on local action and on broad societal change rather than new rules or regulations.

68 N Clegg, ‘An Open, Confident Society’, Speech in Luton, 03 March 2013.

69 Author’s calculation

70 Department for Communities and Local Government, ‘Creating the Conditions for a More Integrated Society’, 21 February 2012

There is much to commend about the overall thrust of the DCLG paper, but it was a missed opportunity to develop a fleshed out integration agenda. The paper largely captured existing activities rather than suggesting a clear programme of action, citing such diverse programmes as the Big Lunch, Community Migration Day and language reforms as evidence of its work in this area. Nor was there recognition of the importance of tailoring mainstream education and welfare-to-work programmes to the needs of immigrants in order to improve outcomes.

One reason for the lack of action is that there is no clear lead within government for overseeing the integration of immigrants. At present, the immigration section in the Home Office rather than DCLG has responsibility, even though as we have seen its main focus is on processing and enforcement.⁷¹ One option would be to add integration to the list of issues that agencies which deal with new immigrants should consider.

The main aim of government policy should be to help remove barriers to integration. There are four areas which are ripe for particular action: language, employment, citizenship and integration.

Language

Good language skills are a prerequisite for economic and social integration. While most policymakers agree on the need for language lessons for migrants, the question remains as to what extent compulsion is used and who ultimately pays for the lessons. For example, in the Netherlands, most migrants are obliged to pay to attend a 12 month integration course which includes language teaching, citizenship education and labour market preparation.

In New Zealand, potential migrants who have not obtained a sufficient level of English can opt to pay a NZ\$20,000 'language bond' refundable in full if they achieve the required level in three months or 70% if it takes 12 months. A New Zealand government review of the policy found it did act as an incentive to learn English quickly, provided additional resources to achieve this

71 United Kingdom Border Agency, 'Integration', [Online], Accessed on: 02 October 2013, www.ukba.homeoffice.gov.uk/asylum/outcomes/successfulapplications/integration/

and showed the importance of English language proficiency to prospective migrants.⁷²

In the UK, the recent emphasis has been on ensuring migrants can speak English by making a certain level a requirement of granting a visa. However, this approach does not guarantee that a new arrival has the level of English required for a job (and is not applicable to EU migrants). Given the current state of public finances, and public concern over state spending on migrants, it is difficult to justify large subsidies for language teaching. But a useful suggestion made elsewhere is that language lessons could become self-financing by setting up a loan system with classes offered up front and the money recouped once a person enters work.⁷³

One option would be to use the existing student loans system to oversee the language loan scheme. Repayments would be income contingent, as is the case with student loans, so that there would be a clear link with improved employment prospects. There has been some resistance from the Treasury around similar proposals in the past over concerns that repayment rates would be too low. Certainly, it would be difficult to guarantee that repayment rates are as high as for graduates. But interest rates could be adjusted to reflect the greater risk and improved employment outcomes for the most underachieving groups would bring substantial savings for the Treasury as well as better integration outcomes.

Employment.

The second major factor in ensuring migrants successfully integrate is high labour market participation rates.

Figure 5 (below) shows there is considerable variation in labour market outcomes among different groups and genders. In 2011 the employment rates of male workers from Australia (91%), the A8 (8 East European Countries that joined the EU in 2004) countries (89%), and India (82%) were considerably higher than that of UK-born men (75%). In contrast, only one in ten Somalis were in full time employment in 2011.⁷⁴ The female participation

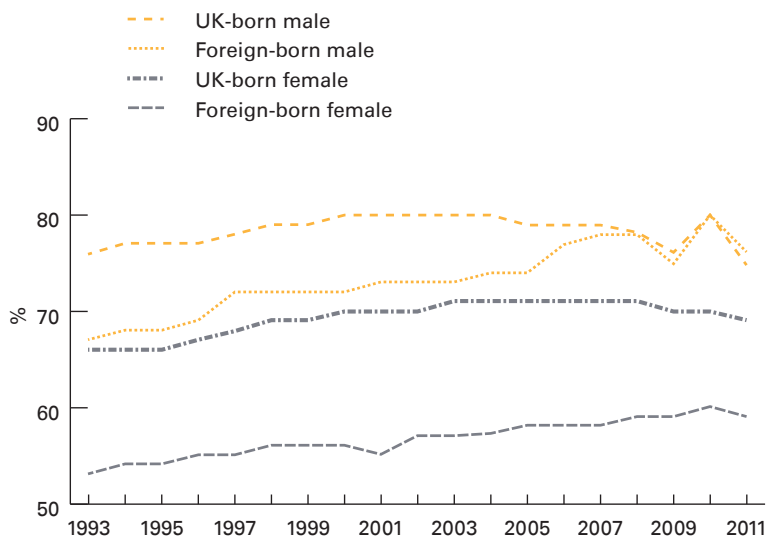
72 New Zealand Immigration Service, 'Migrants' experiences of the English Language Bond', 1998.

73 J Rutter, 'Back to Basics: Towards a Successful and Cost Effective Integration Policy', March 2013, Institute of Public Policy Research 2013.

74 The Economist, 'Britain's Somalis, The Road is Long', 17th August 2013.

rate for some Asian countries, such as Pakistan (19%) and Bangladesh (25%), was also significantly lower than for UK-born females (70%).⁷⁵

Figure 6: Employment rate of foreign-born and UK-born, 1993-2011



Source: Oxford Migration Observatory, 'Characteristics and Outcomes of migrants in the Labour Market', 18 May 2012.

This suggests that some targeted help through the Work Programme at specific groups could help improve labour market outcomes. There is good evidence that while it is important to get language skills up to speed over time, the focus must be on rapid integration into the workplace. A study of Bosnian refugees in Sweden, for example, found that a programme which mixed work orientated language teaching with practical workplace training had a better labour market outcome than a more traditional focus on language ability only.⁷⁶ The UK

⁷⁵ Oxford Migration Observatory, 'Characteristics and Outcomes of migrants in the Labour Market', 18 May 2012, [Online] Accessed on 02 October 2013, migrationobservatory.ox.ac.uk/briefings/characteristics-and-outcomes-migrants-uk-labour-market

⁷⁶ J Ekberg, 'Benefits from immigration: a question of integration into the Swedish labour market', in 'Migration: Europe's Challenge', European Liberal Forum, 2010.

learnt of the need to tailor mainstream work programmes for specific immigrant groups from the poor labour market outcomes following the influx of Vietnamese refugees in the 1980s. However, as one recent study notes the problem of patchy support detached from the mainstream welfare to work programme is again leading to low employment rates for some groups.⁷⁷

Both existing migrants and natives can also play an important role in helping improve labour market outcomes. A leading Canadian academic, for example, cites the strong immigrant run integration groups, which tender to run government services, as one of the reasons for the success of the Canadian model of immigration.⁷⁸ There are some success stories in the UK, for example the Polish British Integration Centre runs a migrant skills register which seeks to match new arrivals with suitable employment via the long established Polish community. The government should seek to involve migrant led groups, such as this, much more closely in the delivery of services and explore how the welfare to work programme can be better tailored to deal with the particular needs of immigrants.

Citizenship

The last Labour government introduced a Citizenship Test and Ceremony in response to the Goldsmith Commission in 2008 – one of the few formal integration policies it adopted. The test, which was designed to ensure that migrants were fully acquainted with British culture and history before taking citizenship, was amended in 2013 to increase the emphasis on traditional cultural and historical references.

Other countries have a more involved process for acquiring residency or citizenship. For example in France, to gain a residency card migrants often sign an integration contract with the local prefecture, pass an oral and written test in French (although language lessons are free). They then attend a one day civic education class and have a skills assessment. However, studies have concluded the impact of the French approach is

77 S Sagar and W Somerville, 'Building a British model of integration in an era of immigration: policy lessons for government', University of Sussex and Migration Policy Institute, May 2012.

78 H Duncan, 'Canada's curious commitment to integration', in 'Migration: Europe's Challenge' ELF, 2010.

largely symbolic and is designed more to temper public opinion than promote enduring integration.⁷⁹

It is important for effective integration that would be citizens have absorbed some basic facts about the culture and history of their new country. There is also international evidence that most immigrants who take citizenship value this process.⁸⁰ So while the exact content should be kept under review, we should persist with the Citizenship test and ceremony. Indeed, it would be good to encourage more long term migrants to become British citizens in order to foster greater integration. Unfortunately, the direction of travel appears to be in the opposite direction with the government seeking to reduce the number of routes to citizenship over the last few years, for example by defining the vast majority of non-EU economic migrants as 'temporary' and giving them no option but to leave after five years. Such an approach does not imply lower rates of migration but increasing the 'churn' of migrant flows will almost certainly lead to worse outcomes in terms of integration.

Segregation

Finally, it is important that government at all levels promotes mixed environments in schools, housing and workplaces. In this context, it is necessary to closely monitor admission policies in faith schools, in particular the raft of new free schools, which have the potential to create segregation. There have also been reports of workplace segregation. Here the onus should be on the businesses themselves to try and ensure that canteen arrangements or rostering do not foster migrant/non-migrant divisions. Local authorities and NGOs also need to make sure that well-meaning, but potentially divisive, policies such as supporting ethnic based sports teams or arts projects do not inadvertently increase segregation.

79 J Rutter, 'Back to Basics: Towards a Successful and Cost Effective Integration Policy', Institute of Public Policy Research, March 2013.

80 See www.migrationpolicy.org/pubs/citizenship-premium.pdf