

The proposed 'cap' on non-EU economic migration to the UK: Home office and Migration Advisory Committee consultations MRN e-briefing

What is the 'cap'?

The Conservative/Liberal Democrat coalition government has pledged to lower the number of people coming to the UK from outside Europe, aiming to reduce immigration by tens of thousands of people per year¹. This is being pursued in a number of different ways by the government, including continuing Labour's efforts to tighten up the asylum system; to restrict students coming to the UK and to toughen border controls.

The government has said that the current Points Based System (for non-EU migrants to come to the UK for work and study) will reduce numbers of migrants down to the level that they want to see. The Conservatives now want to introduce an annual 'cap' (or a limit) on economic migration to the UK, into Tiers 1 (for highly skilled migrants) and 2 (for skilled migrants with a job offer). A cap will be introduced in April 2011, but there are plenty of details still to be decided. These details are now the subject of two official consultations – one run by the UK Border Agency, and one by the Migration Advisory Committee (the MAC).

How might a cap work?

Under a cap, the government would decide every year a limit on how many migrants could come to the UK under the PBS Tiers 1 and 2. They are not yet sure how this would work, or what the limit would be, although they have made some suggestions.

Tier 1 – It is likely that a cap for Tier 1 would have a significant impact on migrants applying to come to the UK under this Tier. Migrants would need to pay to enter a 'pool'. The UKBA would select the most skilled migrants from the pool and ask them to apply for a Tier 1 visa. After 6 months, all those who had not been asked to apply would be removed from the pool.

Tier 2 – It is likely that a cap for Tier 2 would operate by employers having a reduced number of 'certificates of sponsorship' available to offer migrants. The government is also considering more restrictions on Tier 2, including merging together the Resident Labour Market test and the Shortage Occupation Route. They are also considering the impact of having an annual limit on the number of dependents allowed into the UK to join people here under the PBS.

The way that a cap will work is the specific focus of the consultation currently underway by the Home Office. To see that consultation, visit:
www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/consultations/limits-on-non-eu-migration/limits-on-non-eu-migration.pdf?view=Binary. The deadline for responses is 17th September 2010.

What will the level of the cap be?

The government hasn't yet decided what the level of the cap should be. This is the subject of the consultation currently underway by the Migration Advisory Committee (MAC). To see that consultation, visit:
<http://www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/workingwithus/mac/mac-consultation-annual-limit/>. The deadline for responses is 7th September 2010.

¹ This was a Conservative party policy and it is likely that many Liberal Democrats are not in agreement with the introduction of a cap, which they argued against during the pre-election period.

What are the key concerns about the cap?

The cap has been a highly controversial proposal, with concerns coming from the business community, NGOs, lawyers and other sources. Objections have centred around the following key questions:

1. Why reduce economic immigration to the UK?

The cap has the explicit aim of reducing immigration to the UK, but why should economic immigration be reduced? Objections from the business community to the proposal show that migrants make a critical contribution to the British economy and that the UK will continue to need significant numbers of migrants in the short, medium and long term in order to grow our economy and balance out our ageing population in terms of providing goods and services².

2. How far are the motivations for this project purely political?

The cap idea was developed during the Conservatives' time in political opposition, but there was no substantial research carried out there into the need for such a policy. Even presuming that immigration should be reduced, the evidence indicates that this may happen without a cap. Immigration is currently already decreasing, as migrants decide for themselves where they would like to go and work. Net immigration has dropped from 233,000 in 2007 to 142,000 in 2009³. In this context, the policy to introduce an additional limit on immigration seems to be an unnecessary political project, likely to raise fears about levels of immigration to the UK needlessly.

3. What will the effects on economic migrants be?

The current Points Based System (PBS) for work and study is supposed to be flexible in order to respond to our economic needs by directing migrant workers towards labour shortages. The PBS has already come under considerable criticism for excluding 'low-skilled' and low-paid migrants, despite their being a continued demand for their work in the UK⁴. MRN is concerned that, instead of tackling some of the existing problems with the PBS, the cap will make these problems worse. It will operate as an additional barrier to migrants, making it more difficult and expensive to come and work here.

4. What will the wider impact on migrants' rights be?

We are concerned that the cap will negatively affect a wide range of migrants, including those who are not specifically included under the Points Based System. Instead of promoting the rights of migrants and tackling the areas where migrants continue to face problems within the immigration system and the British labour market, the cap threatens to make migrants more vulnerable. The cap sends a negative message about immigration, which undermines public recognition of the social, cultural and economic contribution made by migrants coming to the UK. It could even support the claims of people who want to slow down or stop immigration to the UK altogether.

² Read more about objections concerning the economic impact of the cap here:

- <http://www.dailymail.co.uk/news/article-1290077/Vince-Cable-forces-Home-Office-water-cap-immigration.html>
- http://www.oecd.org/document/26/0,3343,en_2649_37415_45623194_1_1_1_1,00.html
- <http://www.peoplemanagement.co.uk/pm/articles/2010/07/migrant-limits-may-lead-to-skills-shortages-in-the-uk.htm>

³ Office of National Statistics, 2010 <http://www.statistics.gov.uk/pdfdir/mig0510.pdf>

⁴ See Home Affairs Committee - Thirteenth Report Managing Migration: The Points Based System, 2009 <http://www.publications.parliament.uk/pa/cm200809/cmselect/cmhaff/217/21702.htm>

MRN consultation – how to respond

The government needs to hear about the very real contribution of migrants across the UK and of concerns about the impact of this policy on migrants' rights nationally - information held by groups all over the UK. But the consultation questions which are being asked are pretty lengthy and some are quite technical. A number of smaller organisations have been saying that it's hard to see how the consultations relate to their work and that they may not have time to respond. It is important for as many groups as possible to respond to the consultation if they possibly can - even if it is just a very short response.

Alternatively, we'll be writing up the MRN response to the consultations next month and would be glad to include information from migrant and refugee community organisations who otherwise would not respond to the consultation.

We recommend that you look at the attached e-briefing, and then answer some or all of the below questions and send over to us.

MRN consultation questions

The government is considering the impact of migration on the economy, public services and on wider society, in order to set a limit on immigration.

1. What part do migrants (of any background or status) play within your local economy?
Consider where migrants work. Do you know what the financial benefits brought by migrants in your area are? Would reducing economic immigration to the UK be likely to have an impact on the local economy?
2. What part do migrants play in terms of public services in your area?
Think about the economic and voluntary contributions of migrants to public services in your area. Do you think migrants use public services more or less than other people?
3. What contribution do migrants make to wider society in your region?
Think about their historical and cultural contribution to your area
4. Who are the most vulnerable migrants in your region? What impact would a cap be likely to have on these people?
5. Do you think it is fair to make the process of applying to come to the UK for work more difficult and insecure for migrants? Should there be a limit on the number of family members who can join economic migrants in the UK?
6. What do you think is the impact of negative messages about immigration from national politicians, on migrants in your area?

Contact Ruth Grove-White - Policy Officer (r.grove-white@migrantsrights.org.uk) or Don Flynn - Director (d.flynn@migrantsrights.org.uk) for further information.