

Immigration after Brexit Jonathan Portes King's College London & UKandEU September 2019

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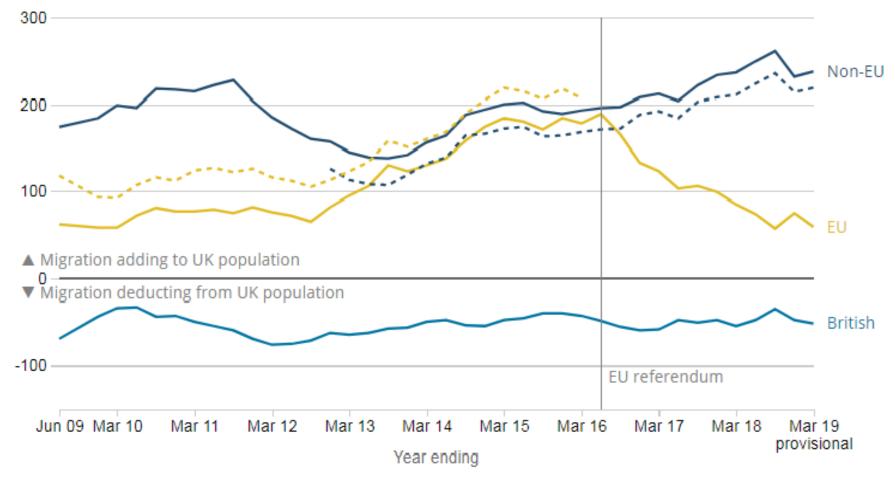


Net migration to UK by citizenship

Estimate

---- Preliminary adjusted estimate

Thousands



Source: Office for National Statistics - Long-Term International Migration

Citizens rights under No Deal

- EU citizens resident here can apply to "settled status" scheme guarantees most (but not all) rights. If No Deal, need to apply by December 2020;
- Government has said "free movement will end" on Brexit Day but no system in place to enforce that for eg employment, public services. How to distinguish between EU citizens here now and those arriving after Brexit?
- UK citizens in EU similar to UK. Most will eventually receive status.
- But policy towards 3rd country nationals matter for MS.
 Divergence will grow over time.
- Sharp fall in migration flows likely

Future policy after Brexit

- Withdrawal Agreement covers transition and status of (approx. 3.5 million) EU citizens currently resident in UK and (approx. 1 million) UK citizens resident in EU
- Political Declaration on "future relationship" covers labour mobility issues in UK-EU relationship post Brexit
- Migration Advisory Committee Report made recommendations for post-Brexit system
- Immigration White Paper December 2018 set out government's proposals

MAC Report: The Impact of EEA migration

New evidence on:

- Productivity (Campo, Forte and Portes; Cortes; Smith)
- Training (CPF, Wadsworth)
- Public Finances (Oxford Economics)
- Subjective well-being "

White Paper: "Future skills-based system"

- End free movement:
- extend current "Tier 2" system for non-EEA nationals to EU citizens: work permits with skills, salary (£30K??), qualification thresholds
- Remove cap.
- Sectoral/seasonal scheme for agricultural work, but no or limited other schemes
- Temporary (one year) low skilled work visas

Modelled impact of White Paper proposals

	2009-17 arrivals currently resident (000s)	Average salary	Impact of policy change	Forecast net migration over 10 years (000s)	Impact of policy change (000s)
EU, earning less than £30,000	598	£18,804	-75%	166	-498
EU, earning more than £30,000	220	£49,237	-50%	122	-122
Non-EU, earning less than £30,000	263	£18,920	0%	292	0
Non-EU, earning more than £30,000	235	£50,157	25%	326	65
Total	1,316	£29,514		907	-555

Source: Labour Force Survey/Annual Population Survey, authors calculations

White Paper: issues and implications

- Impact on skilled EU migration of removing free movement
- Liberalisation/streamlining of Tier 2 route
- Salary threshold
- Medium and low skill immigration: sectoral issues
- Temporary visas: worst of all worlds



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