

# Controlling Economic Migration

By David Davis and Damian Green

David Davis is Shadow Home Secretary  
and Damian Green is Shadow Immigration Minister

---

# Introduction

The subject of immigration is one which political leaders find particularly testing. For the past five years it has featured as one of the most important political issues in the minds of the British people, so mainstream politicians must give it serious attention. At the same time they need to do so in a calm and rational way. The need for such a tone is obvious; ill-judged language can cause genuine hurt and damage community relations. Yet one common political response in these circumstances, to avoid any risks by downplaying the issue, is inadequate. Taking such a course gives rise to a disconnection between the politicians and the electorate, which in turn leaves the field open to the misinformed and the conspiracy theorists.

The importance of addressing immigration seriously and calmly has been reinforced by the events of 2006 at the Home Office. The public collapse of some of the Immigration and Nationality Directorate's policies, leading to the sacking of Charles Clarke as Home Secretary and the unprecedented admission by his successor John Reid that the Department was "not fit for purpose", has reduced public confidence further than ever. This was accompanied by the extraordinary failure

of the Government to predict how many people would come to work in Britain from the new countries which entered the European Union in 2004. The Government estimated a maximum of 15,000. The figure so far has been around 600,000.

All of this has occurred in the context of greater strain on community relations than we have seen for decades. Given these strains, it is more important than ever that immigration policy does not serve to exacerbate tension between communities.

The immediate response of the Government has been to toughen its rhetoric again while promising to bring in a new system which will attempt to simplify the various routes by which people arrive legally in this country. The idea behind this is to make it easier for those with useful skills and qualifications to come here to work. At the time of writing the application of the new system has not started, and many of the details are still to be decided. In principle it has some virtues but it will not deal with many of the underlying problems which afflict the immigration system.

It will be a long time before public confidence is fully restored, but the first step is to establish the proper principles to follow. This paper explores the context in which a modern system of immigration control for Britain should be set. It looks at the economic, cultural, and practical issues which arise. It explores the way other countries have dealt with the similar problems they face.

The central argument of the paper is that Britain does benefit from some immigration, but not from any or all immigration. It suggests a way of distinguishing beneficial immigration, both in terms of the economic effects and the wider social and environmental effects. It recommends that a better distinction must be made between those allowed to settle here, and those only allowed temporary residence. It also recommends that immigration policy should not be seen as a discrete issue, to be addressed in its own terms. Instead the approach adopted to immigration should form part of a wider policy, which addresses the growth in the number of people in this country, the demographic changes we are experiencing, the distribution of the population, and the balance between the need for a flexible workforce and increasing pressures on public services.

The immigration debate needs to be conducted calmly and rationally, and those conducting it need to remember who suffers most from an out-of-control immigration system. The immigrants themselves, who are more likely to find themselves in a hostile environment if public confidence in the system is low, are the obvious victims. In addition, those living in the poorer areas of our big cities often experience the immediate dislocation of badly-planned migration. A compassionate approach to politics entails a rigorous approach to immigration policy.

This paper explicitly does not cover asylum seekers. The debate over economic migration is often confused with that over asylum, and it is important to keep the two as separate as possible. We will be publishing our thoughts on asylum at a future date.

---

# Executive Summary

Immigration is an important issue, which deserves calm and serious treatment. We believe that Britain would benefit if a consensus could develop about the best way to make sure we benefit from migration. We also believe that a socially responsible immigration policy needs proper controls to build public confidence in the system. This is an attempt to help build that consensus.

Our main conclusions are:

- Asylum policy should be separated from policy on economic migration. (This paper deals only with economic migration.)
- Britain benefits economically from immigration, but not all or any immigration.

We propose a two-stage process for deciding whose application should be successful. The first stage will be to make eligible for admission those who will benefit the economy.

The second stage will be to control the numbers with regard to the wider effects on society. These effects include the ability of the public services and infrastructure to cope with new arrivals at both national and local levels, the environmental impact of a rapidly rising population, and the potential effects on community cohesion.

Most years, we would expect the result of our approach to be a positive level of net immigration, but the exact figure would only be calculated after an annual consultation exercise with a number of bodies, including local authorities and housing and public service providers. While the precise number for any year cannot be predicted at this point, we would expect it to be significantly less than current levels from the rest of the world outside the EU.

To make this work we need better enforcement methods. This means a border force which is also trained and empowered to concentrate on those who over-stay, and the backlog of those working here illegally. All of this should be put in the context of a proper national debate about demographics, population levels and the distribution of population.

---

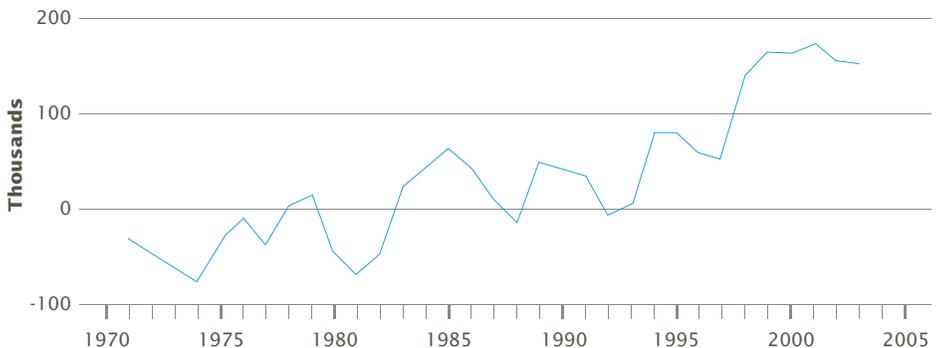
# The Current Position

The importance of immigration in the public mind has ebbed and flowed over the past 50 years. The origin of modern policy is the 1962 Commonwealth Immigrants Act, which was explicitly restrictive of non-white immigration. Throughout the 1960s and 1970s immigration and, more generally, race relations, were hot political topics. They had faded as issues by the late 1980s, but returned in the late 1990s as the numbers of those seeking asylum in Britain rose rapidly. Public concern has risen measurably during the current Government's time in office. According to MORI, in the first two years after 1997 the numbers saying that race relations/immigration were among the most important issues facing Britain never rose above 10%. By 2004 the figure was 36%. In a poll conducted in March 2006 by YouGov for the pressure group Migrationwatch, which campaigns for zero net immigration, 76% agreed that "There must be an annual limit to the number of immigrants allowed to come to Britain."

It may be that the level of concern is related to the amount of immigration, although those who live in London, which has the highest number of immigrants, are the most relaxed about it.

## Chart 1 Net migration flow into the UK over the last 30 years

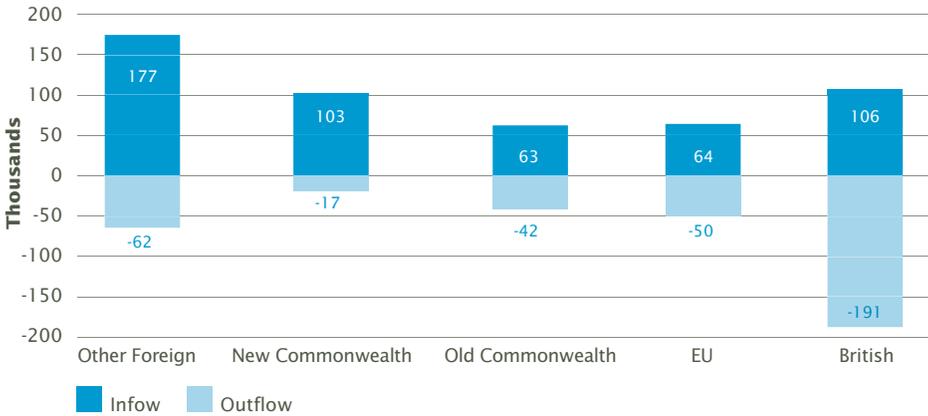
Centre for Research and Analysis of Migration (CReAM) Fact Sheet No. 1 (May 2005)



**Source:** International Passenger Survey, Net flow inflows minus outflows

## Chart 2 Inflow and Outflow in the UK by citizenship – 2003

Centre for Research and Analysis of Migration (CReAM) Fact Sheet No. 1 (May 2005)



What is certainly clear from Chart one is that the trend of net immigration has been rising since the early 1980s. Chart two breaks this down into different groups, showing that net inflows are positive for all groups except British citizens, who had a net outflow of 85,000 in 2003. The gross outflow of 190,000 is the highest annual departure of British citizens from this country since 1990.

**Table 1** Contribution of sending countries to the UK, 1983–1987 and 2000–2004

Regions of origin	Arrivals 1983–1987, percentage of total arrivals	Arrivals 2000–2004, percentage of total arrivals
EU(old)	20.6	17.1
Other Western Europe	2.6	3.6
Eastern Europe	0.7	8.4
Americas	3.5	5.8
USA	18.7	5.0
Africa	10.2	14.5
South Africa	1.2	6.3
Indian Sub-Continent	16.7	13.0
Middle East	5.7	4.6
Remainder of Asia	11.5	15.2
Australasia	5.9	6.17
Other Countries	2.8	0.4
<b>Total</b>	<b>100</b>	<b>100</b>

Table 1 shows the change in composition of immigration over the past 20 years. Eastern Europeans form a much bigger percentage of those coming here, while the percentage coming from the Indian sub-continent has fallen. The largest percentage of arrivals came from the “old” EU, as was the case in the mid-1980s.

Looking ahead, the picture is one of continuing large-scale net immigration. There are no official projections published by the Home Office, but immigration is included in the national population projections produced by the Government Actuary's Department. The latest projections assume net immigration to the UK in the long-term of 145,000 a year (of which 15,000 are assumed to be asylum seekers). The short-term projections are higher. For example in 2005 net immigration was 185,000. The GAD assumption entails total net migration to the UK of 1.45 million between 2005 and 2015. If the 2005 figure was repeated the total over the ten years would be 400,000 higher—the equivalent of a new city the size of Liverpool for which Government planners are making no provision.

All this needs to be put into international context. According to the 2005 Labour Force Survey, the foreign-born population of the UK constitutes 9.1% of the total population. It is a smaller percentage than the foreign-born population of Australia (23%), the USA (12.3%), Germany (12.5%) or France (10%), but larger than Norway (7.3%), Denmark (6.7%) or Spain (5.3%). The UK's foreign-born population as a proportion of total population is close to the average figure of 8.7% for the percentage of immigrants in developed countries.

We can expect the percentage of foreign-born residents to increase in the years ahead. Migration from developing to developed countries is growing fast. In 1980 there were 48 million migrants in developed countries. By 2000 the figure had reached 110 million. The ability of countries to absorb large-scale immigration easily is also dependent on population density, and on the distribution of that population density within the country.

Within the UK there is a significant difference between the attraction of London and the rest of the country. According to the Labour Force Survey, 44.3% of working age immigrants who entered the UK between 2000 and 2004 settled in London. By contrast, only 9.4% of UK-born individuals in the same age group have settled in London. In 2001 4.3m people born outside the UK lived here. Nearly 1.8m (42%) lived in London.

The capital is in many ways a different place from other parts of the UK. The percentage of Londoners in the 2001 Census who were described as "White British" was 63.5, lower even than Leicester (64.7%), Birmingham (65.6%) or Bradford (68%). This difference is reflected in Londoners' attitude to immigration, which (according to a YouGov Survey of February 2005) is more relaxed than any other English region, and significantly more relaxed than the rest of the South of England. London truly is a "world city", not just in terms of world-class wealth creation and cultural life, but in acting as a magnet for those from many other countries. The change causes stresses and strains, especially in areas badly served in terms of housing and public services, but the vibrancy of London is unquestionable.

It is also long-standing. Anyone arguing (as unpleasant parties such as the BNP like to do) that London has been taken over by outsiders should read some history. As an example, here is a quote from *The Tribes of Britain* by David Miles, which looks at migration into Britain since the end of the Ice Age:

“Fifteenth century London was a vibrant, youthful, cosmopolitan city inhabited mostly by people who had come from somewhere else looking for a better life. With its bankers, merchants, lawyers, ale-, wine-, and food-vendors, craftsmen and servants it was, for its time, a modern city.” Not much change there in 600 years.

## How did we get here?

From the 1960s onwards, there was an explicit twin-track approach underlying policy. Immigration would be limited, and positive measures would be taken to stop discrimination and encourage integration. The consensus behind this approach embraced mainstream opinion in both major parties, and the only change in the early years of the current Labour Government was a loosening of some of the restrictions on family migration.

The real change of direction was signalled in the 2002 Nationality, Immigration and Asylum Act, which introduced the concept of “managed migration”. This means that the immigration system becomes centred on work and employment issues, with immigration regarded as a significant positive contribution to macroeconomic health. As Home Secretary, David Blunkett, said that there was “no obvious upper limit” to immigration, and this has remained the basis of policy. Even the recent tough rhetoric from John Reid has not been accompanied by any explicit change in this approach. The strong growth in the immigration numbers, at a time when asylum claims have been falling steadily, is more than a symptom of the increasing globalisation of the main economies; it has been an aim of policy.

In short, in 2002 the twin-track approach which combined limits on numbers with positive efforts to improve community relations and the rights of minorities was abandoned. This was a very significant shift in an important policy area which has not received the public attention it deserves. Its full effects will only emerge over a long period, but they are likely to be profound in policy areas which are not normally associated with immigration.

The most significant issue is whether the abandonment of the twin-track approach for a system of “managed migration”, which aims at boosting economic growth through high levels of immigration, will damage public acceptance of the need for controlled immigration, anti-discrimination, and mutual respect. It should serve as a warning that countries such as Denmark and the Netherlands, once bywords for tolerant liberalism, have had their politics polarised and radicalised by widespread resistance to rapid change. France has seen the rise of Le Pen and the riots in the suburbs. At a time when global economic forces are increasing the likelihood of mass migration, it is worrying that the British Government has lost the confidence of many in its ability to manage and control the numbers coming to this country.

This is not a uniquely British dilemma, nor has it arisen only in the last few years. In Samuel Huntington’s pessimistic overview of the post cold-war world *The Clash of Civilisations* he says:

*“Immigration...was a potential source of new vigour and human capital provided two conditions were met: first, if priority were given to able, qualified energetic people with the talents and expertise needed by the host country; second, if the new migrants and their children were assimilated into the cultures of the country and the West. The United States was likely to have problems meeting the first condition and European countries problems meeting the second. Yet setting policies governing the levels, sources, characteristics, and assimilation of immigrants is well within the experience and competence of Western Governments.”*

That was written in the 1990s, and nowadays the last sentence seems highly optimistic, particularly given recent events in this country. Indeed the loss of public confidence in the Government’s management of immigration has been compounded by the apparent failure of proper controls on immigration applications inside the Home Office’s Immigration and Nationality Department. This became apparent in the events leading up to the resignation of the Immigration Minister Beverly Hughes in April 2004. This episode is set out in detail below, because it illustrates the pressure that Ministers and officials have felt to keep up the flow of immigration, and the resulting discrepancies between the appearance and the reality of Britain’s border control systems.

On 7th March 2004, ‘whistle-blower’ Steve Moxon, an official at the Immigration and Nationality Directorate (IND), claimed that immigration staff at the Sheffield Office were ordered to waive certain checks on applicants under the European Communities Association Agreement (ECAA)<sup>1</sup>.

- In a Parliamentary answer on 8th March 2004, Immigration Minister Beverley Hughes MP confirmed that guidance was issued locally to staff at the Sheffield Office, to the effect that, in “straightforward cases”, the application should be granted without further inquiries being made, provided that a business plan had been submitted. The Minister claimed that this was done “without any authorisation from any Minister, or from senior managers or the Director General”<sup>2</sup>. Controversially, the Minister denied having seen an e-mail sent to her office by Mr Moxon alerting her office to the unauthorised practice.
- In her statement to the House, Beverley Hughes also announced that she had ordered a “full investigation” into the issue, conducted by a senior Immigration and Nationality Directorate official, Ken Sutton, from outside the managed migration directorate.
- Before Ken Sutton reported, further claims were made on 14th March 2004. The *Sunday Times* claimed to have evidence of leaked internal emails suggesting not only that an estimated 15,000 immigrants were getting into the UK each year by taking part in sham marriages (ten times the declared rate), but that immigration officials had relaxed checks on fraudulent student applications<sup>3</sup>.
- Yet more revelations emerged on 15th March 2004. The *Daily Mail* released claims that Beverley Hughes was sent a personal memo by a senior official outlining proposals to clear a backlog of citizenship applications by abandoning any passport checks on the applicants. The memo, reported to have been written by Rosemary Earp, the Deputy Director of the Nationality Group, Managed Migration section of the IND (based in Liverpool), reportedly stated that a backlog of 29,000 ‘ringfenced’ citizenship applications outstanding from the period December 2002 to June 2003 should “be addressed as a separate exercise with a view to clearing it within the next ten months”<sup>4</sup>.
- On 25th March, the internal inquiry established by Beverley Hughes on 8th March – the Sutton Report – blamed the events in the Sheffield Office on “excess zeal” among managers in the IND<sup>5</sup>.

1 BBC News Online, *Immigration checks ‘were waived’*, 8th March 2004

2 Commons Hansard, 8th March 2004, Column 1245

3 Sunday Times, *Minister misled Commons on immigration*, 14th March 2004

4 Daily Mail, *How the minister agreed to halt checks on 29,000 new citizens*, 16th March 2004

5 BBC News Online, *Immigration minister blames staff*, 25th March 2004

- Then, on 28th March, the *Sunday Times* printed a leaked memo reportedly showing that Beverley Hughes personally authorised a policy to allow tens of thousands of migrants into Britain without adequate checks<sup>6</sup>. The procedure was known internally as the Backlog Reduction Accelerated Clearance Exercise (BRACE). According to the reports in the *Sunday Times*, the memo ordered staff at immigration service headquarters to wave through applications which had been on their files for more than three months<sup>7</sup>. Written by Graham Austin and Moira Bing, two senior immigration officials in the casework directorate at Croydon, the memo, as printed in the *Sunday Times*, reads as follows:

*“As there are a large number of applications that are over three months old waiting to be decided, it has been agreed at ministerial level that an enhanced procedure should be undertaken to clear these as quickly as possible.”*

*“This note confirms that the decision in this case has been taken under an enhanced procedure for clearing backlog cases, which commenced on 14 July, 2003. Bill Brandon/Christina Parry [two senior immigration policy managers] have instructed that all applications – as far as possible – over three months old should be granted unless the information available on file is such that it can properly and defensibly support a refusal. Where a case will result in a refusal, the case must be cleared by a senior caseworker. No further inquiries should be made.”*

*“This exercise **has been agreed by the Minister of State Beverley Hughes and has Bill Brandon and Christina Parry's complete authority.** They will totally support staff on its outcomes.”<sup>8</sup>*

- According to the *Sunday Times*, it is understood that the memo was shown to Ken Sutton in the course of his inquiry into the Sheffield fiasco. No mention of it, however, appears in his report. Nor does Sutton mention that Beverley Hughes herself authorised the fast-track policy at Croydon, as suggested by the above memo.<sup>9</sup>
- The final, and perhaps most incriminating, revelations emerged on 29th March. They were based upon an e-mail from James Cameron, a British diplomat in Bucharest, to David Davis MP, Shadow Home Secretary, claiming that migrants from the second wave of accession countries were allowed to stay in Britain by the IND's Sheffield Office, despite warnings that some applications were being supported by false and counterfeit documents<sup>10</sup>. Mr Cameron warned that the revelations uncovered by the original whistle-blower Steve Moxon were just “the tip of the iceberg”<sup>11</sup>.

<sup>6</sup> *Sunday Times*, *Memo traps migrant row minister*, 28th March 2004

<sup>7</sup> *Ibid.*

<sup>8</sup> *Ibid.*

<sup>9</sup> *Ibid.*

<sup>10</sup> BBC News Online, *Blunkett suspends migrant claims*, 30th March 2004

<sup>11</sup> *Ibid.*

- Following the release of this email, the Home Secretary announced that all immigration applications from Romania and Bulgaria had been suspended. James Cameron faced disciplinary action<sup>12</sup>.

This was just one train of events which contributed to public scepticism about the immigration system. Many others could be quoted, ranging from sham marriages and bogus college courses through to the failure to deport foreign prisoners at the end of their sentences. The fiasco over the failure to deport many foreign criminals, which led to the sacking of Charles Clarke as Home Secretary, was only partly due to failures in the implementation of immigration policy, but it has no doubt further contributed to public lack of confidence in the system.

The response of the Government has been set out in its White Paper *Controlling Our Borders: Making Migration Work For Britain*, which set out a five-year strategy for asylum and immigration. This will result in a five-tier points system for different types of immigrants, covering the highly-skilled, the skilled with job offers, low-skilled migrants, students, and those coming under youth mobility or temporary work schemes. A group called the Migration Advisory Council will be set up to assess the employment needs of the economy.

This new system will be introduced very gradually over the coming years, so it is too early to say whether it will restore confidence in our border controls system. Alarm has been expressed at its effect on student applications and its potential harm to the ethnic restaurant trade, but any overall verdict will have to wait until it is fully operational. The key will be whether it is accompanied by effective border checks, the collection of reliable statistics to guide policy and the political determination to control the numbers at an optimal, manageable level.

The position in which Britain finds itself therefore is that as a result of the 2002 shift in policy and despite tough rhetoric from the current Home Secretary, immigration numbers are higher than they ever have been, and the Government is proposing a new system which may or may not reduce those numbers.

Clearly we should welcome immigrants, both for their economic and cultural contributions to modern Britain. Immigration has enriched British society and widened the horizons of the whole British people to the rest of the world. It brings economic benefits and cultural diversity. There are problems too, but our ability to cope with them even in the face of brutal sectarian terrorism is one of the positive factors about modern Britain which should make us all proud.

<sup>12</sup> Ibid.

But do these principles mean that immigration should be completely unrestricted? This is a key issue which needs calm analysis. Ministers say regularly that there must be no “arbitrary quotas” on immigration. This gives rise to a reasonable question about whether there can be a limit on immigration numbers which is not arbitrary. If not – we have to accept that our population is likely to grow fast even if this puts extra strains on our public services and the cohesion of our society. This would clearly be undesirable. In these circumstances it is imperative to find a way in which rational controls on immigration can be devised and implemented.

Ministers frequently accuse their critics of playing “the numbers game” on immigration, as if this were automatically unacceptable. But in fact it is impossible to discuss immigration sensibly without talking about numbers. Unrestricted access to the UK would not be worth bothering about if incoming numbers ran at 10,000 a year. At 100,000 a year it would be a significant policy issue. At 1 million a year it would be a serious problem in terms of its impact on public services, the environment, and social cohesion. This analysis would be true whatever the ethnic or religious background of the incomers. Numbers matter in immigration policy, just as they do in tax or benefit policy.

Other countries accept that they should have a policy about the size, distribution and make-up of their population. Many of these countries are by British standards geographically large and relatively empty. We are smaller and more crowded, especially in the South East of England, and yet we currently make no effort to bring immigration policy into the wider context of the future growth of Britain’s population. We need to remedy this deficiency.

---

# The Economics of Immigration

## 1) Fiscal Effects

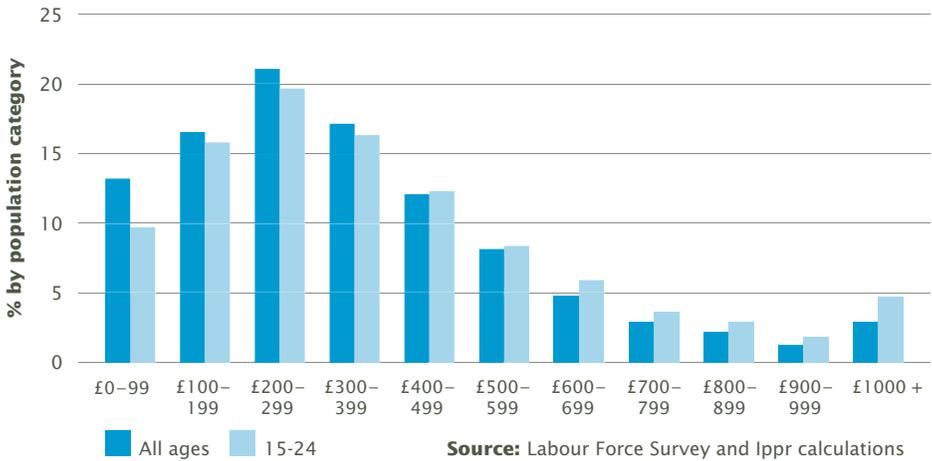
The change of policy which the Government made in 2002 has at its basis the contention that immigration is good for the economy. We need to examine this proposition, in particular to assess whether the contention is true at all levels of immigration, and for all types of immigration.

There is surprisingly little academic research to enable such an assessment to be made. The Home Office published in 2002 *The Migrant Population in the UK: Fiscal Effects*, by Gott and Johnston. This concluded that immigrants contribute £2.5bn more to the Exchequer than they receive in benefits and public services.

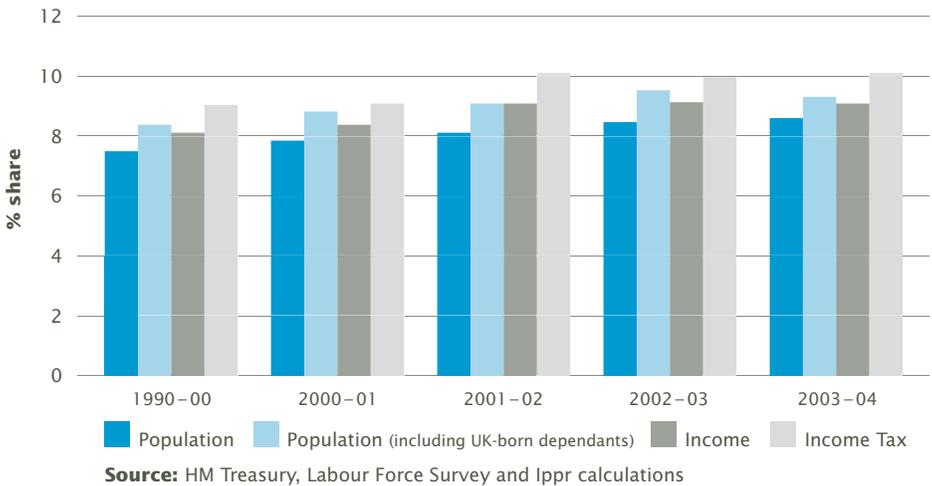
As Peter Lilley has pointed out, the year studied by Gott and Johnston was one in which public finances were in surplus, so the nation as a whole was paying more in tax than the cost of goods and services received.

The original methods used by Gott and Johnston have been adapted by researchers at the Institute for Public Policy Research and extended to cover a five-year period, in their 2005 paper *Paying their way*. They come to a similar positive conclusion, that immigrants are not a drain on the public purse, but contribute more than their fair share fiscally (and this positive difference has grown in the years they studied despite the worsening overall fiscal position during these years).

**Chart 3** Distribution of gross weekly earnings from main job – 2003-2004



**Chart 4** Migrants' share in population, income and income tax revenue



Charts 3 and 4 show that immigrants are over-represented at the upper end of the income spectrum, and that their share of income tax revenue is higher than their share of the population. They also show that in the aggregate they have continued to pay a greater share of income tax than their population share as the number of immigrants has grown over recent years. So the fiscal effects of recent immigration seem to have been, if anything, beneficial.

However the IPPR study makes the point that such research can only treat the aggregate contribution of immigrants. *Paying Their Way* points out that “Immigrants are not a homogeneous group. Some groups of immigrants will make relatively large fiscal contributions and others relatively small or negative ones... Policy makers need to take account of the circumstances of different groups of immigrants.” This is clearly true, so even in the narrow measure of the fiscal effects of immigration, there is a need to disaggregate as much as possible.

## 2) Effects of immigration on GDP and GDP per head

Moving to the broader effects on economic growth and per capita national income, we have to be even more careful. The Prime Minister has fallen into the trap of equating the effect of migration on aggregate GDP with its effect on GDP per head.

“Indeed according to the Treasury, our economic growth rate would be almost 0.5% lower for the next two years if net migration ceased. Lower growth means less individual and family prosperity, and less revenue to spend on public services.” Tony Blair, speech to the Confederation of British Industry on migration 27 April 2004

The CBI, which could be expected to applaud attempts to let employers find their workforce from anywhere in the world, takes a more balanced view, saying:

- “Today’s global economy demands a more liberal attitude towards immigration
- migrant workers can offer the skills, experience and knowledge that business needs...
- but ensuring the long-term economic and social fabric remains intact requires an effective policy of managed migration.”

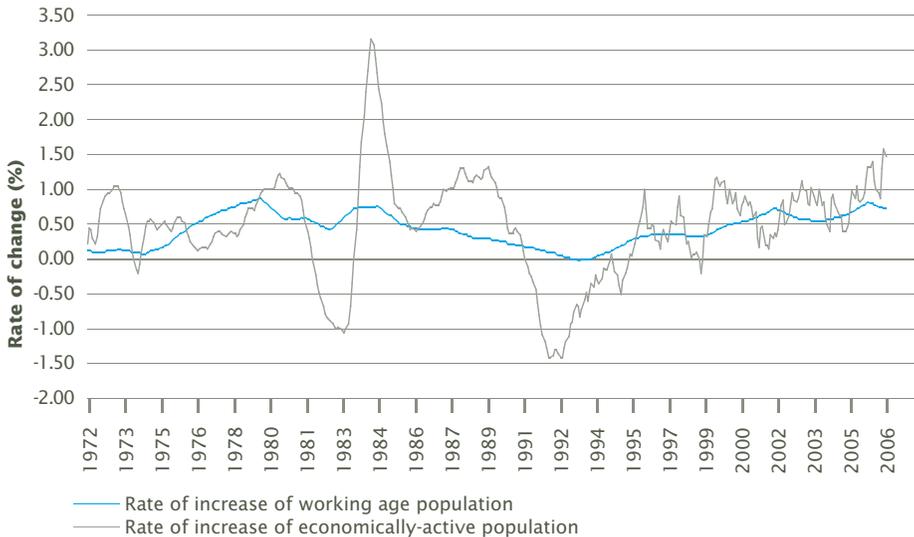
“Immigration can help ease short-term skill and labour shortages and EU migration is to be positively encouraged. But immigration can only be a short-term answer to the UK’s skill problem; our primary objective should be improving the employability of Britain’s current workforce.”

This must be correct. In autumn 2005 more than one million 18-24-year-olds were not in education, employment or training. This is a serious social, as well as economic, problem, and as the CBI says immigrant labour can only be a short term answer. Improving the employability of the working age population would certainly be desirable, and would itself contribute to higher productivity.

It is rising productivity which in the long run produces higher levels of per capita wealth. It is vital not to fall into the Prime Minister’s trap of confusing higher aggregate growth with either higher productivity growth or higher growth in per capita GDP. It is clearly possible to raise the aggregate growth rate of an economy

through immigration. Indeed rising immigration was cited by the Treasury as one reason for increasing its estimate of underlying growth in the economy from 2.5 to 2.75% in 2002. But if the economy is affected by the arrival of large numbers of relatively unskilled people, or is failing to make inroads in the productivity of the British-born population, average productivity growth will suffer. So total output may rise faster as a result of immigration, but output per head rises significantly less fast. This is what has happened to the British economy in recent years.

**Chart 5** The Working age population



Immigration is not, therefore, a substitute for measures to increase the productivity of the whole population. Nor will differing types of immigration have the same effect on per capita growth rates. (See Annex B for analysis of the different types of immigration Britain has experienced in recent years.)

### 3) Effects of immigration on the pensions crisis

One of the widely accepted pieces of conventional wisdom is that an ageing population needs immigration to help pay the pensions of the increasingly elderly British. This is an argument which receives support from a wide range of serious observers, including *The Economist* magazine, so it is worth taking seriously.

It has been taken seriously, and subjected to considered criticism, by Adair Turner, in his role as Chairman of the Pensions Commission. He points out firstly that to keep the support ratio of workers to pensioners reasonably constant, even with a

rising retirement age, would require a 30% increase in population over 50 years, with a UK population rising from 60 to 80 million. America is expecting this level of population increase, but for any European country to countenance it would be impractical. Turner goes on to say that even such a large increase in population would not produce a long-term solution to our pensions problems.

Turner's second objection is environmental, with the prospect of adding another 5 million people to the South East of England causing a degradation in the quality of life which would be difficult to countenance. Again analogies with America are false because the population density of the USA is a third that of the EU.

His third point is that the economics of the USA are helped by the sheer space available. The great productivity boom enjoyed by the US economy is concentrated in those sectors like retailing and distribution where large-scale building and easy transport flows are essential. If we plan a constantly rising population in this country, we will find more pressure for restrictive planning laws to conserve the green spaces that remain, and therefore presumably more pressure on house prices. The trade-offs are more difficult than protagonists admit.

#### 4) Effects of different types of migration on the economy

The conclusion seems to be that, although immigration has to date had a beneficial effect on the fiscal accounts, it is not an unequivocal benefit as far as per capita GDP is concerned, nor is it a sustainable solution to the pensions crisis. We therefore need to dig deeper into the figures before we sign up to the view that on economic grounds there is "no obvious upper limit" to immigration.

One sensible long-term response is to analyse the different benefits provided to the economy by different skill levels. Data from the ONS/LFS shows earnings in full-time employment, employment rates and claimant count levels of the UK-born and foreign-born populations analysed by qualification level.

Overall, the earnings of the UK-born and foreign-born participants in the labour force are similar. The average weekly pay of the foreign-born worker is £490 and of the UK-born worker £460. The median weekly pay (the amount of pay where 50% of the population are paid more and 50% paid less) is £404 for the foreign-born worker and £388 for the UK-born worker<sup>13</sup>.

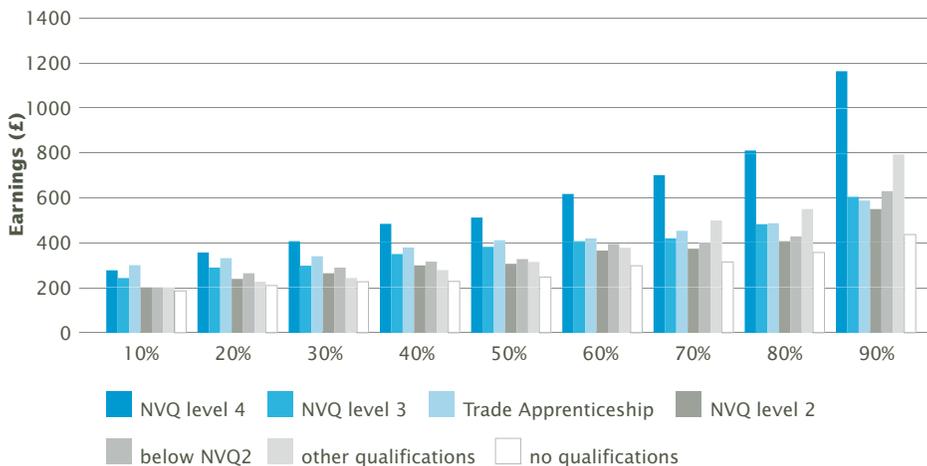
The higher pay of the foreign-born worker is offset by a markedly lower labour market participation rate. Overall, 80% of the UK-born working age population

<sup>13</sup> Other surveys have quoted a larger difference between wages of the UK-born and foreign-born populations. This will be because these surveys include part-time workers. A greater proportion of the UK-born population is likely to work part-time which would reduce average wages across the whole workforce.

are economically active (including part-time workers) compared with just 71% of the foreign-born population.

The following graph shows the earnings of each decile of the foreign-born population split by qualification (that is, it splits the populations into 10% bands showing the earnings level below which 10%, 20% etc of the population will fall). The horizontal line is the average weekly earnings, £463, (for those in full-time employment) of the UK population as a whole.

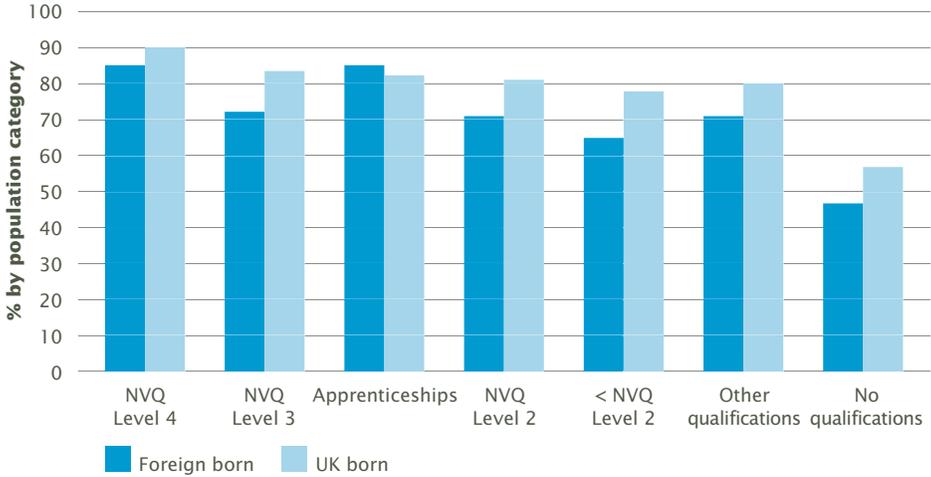
**Chart 6** Average weekly earnings of foreign-born by qualification level



As can be seen in Chart 6 those with NVQ level 4 (degree level) qualifications (and above) stand out. Over 60% of this group earn above the average. This contrasts with those with no qualifications where nearly 90% are earning below the average wage. Those with other qualification levels lie between these extremes but it is worth noting that only about 27% of those with NVQ3 qualifications earn above average. NVQ3 (A level) is the minimum currently required for a work permit.

Those with degree level and apprenticeship qualifications also tend to show a higher level of economic activity than those with lower levels of qualification – a result which is also evident in the UK-born population but slightly less pronounced, as Chart 7 shows:

**Chart 7 Economic activity levels**



The key data from these two charts is summarised in Table 2 which shows, for each qualification level, the approximate percentage who earn above UK average earnings and the corresponding economic activity level for the foreign-born population.

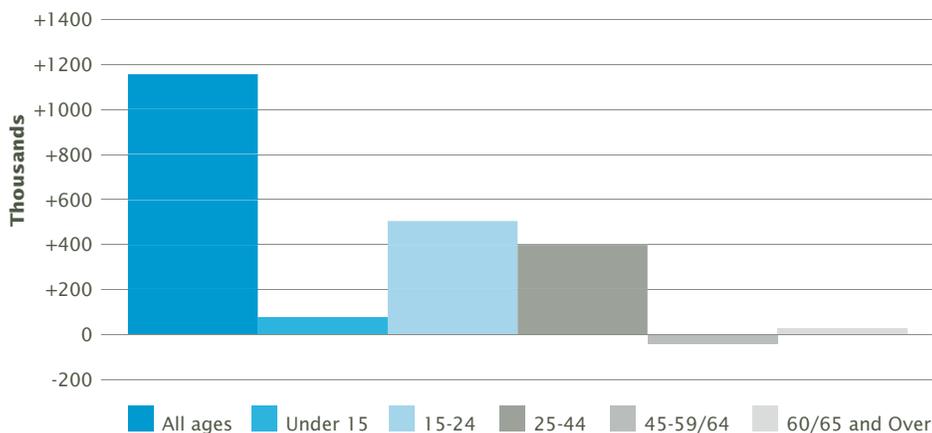
**Table 2**

Qualification Level	% of foreign-born earning more than UK average weekly wages	% of foreign-born economically active	Percentage of UK-born economically active
NVQ level 4 or equivalent	63%	86%	90%
NVQ level 3 or equivalent	27%	73%	84%
Trade apprenticeships	30%	86%	84%
NVQ level 2 or equivalent	18%	72%	81%
Below NVQ level 2	20%	65%	78%
Other qualifications	34%	71%	80%
No qualifications	12%	46%	56%

From these figures, taking average weekly wage as a proxy for the economic utility of work performed, it is clear that, in purely economic terms, it is possible to make predictions about whether a particular category of economic migrant is likely to make a significant positive contribution to the economy. But this is only half of the story, because of course each of us also takes something from the economy in terms of public services and benefits. To complicate matters further, our net contribution or receipt changes for each individual over time. Put crudely, we receive educational investment and financial support as children, contribute to the economy as workers (although the net effect depends on the number of children we have) and receive support again in old age.

For immigrants, there are further complications in that migrants' income improves over time relative to the UK population, perhaps because of improved proficiency in English. Put simply, though, a migrant's length of stay in the UK is crucial in determining their overall economic contribution. Shorter lengths of stay will avoid the costs of supporting people in their old age, and will reduce the likelihood of migrants wishing to bring in dependent children, while longer lengths of stay may lead to increased productivity of migrant workers. Chart 8 illustrates the fact that the overwhelming majority of immigrants are of working age.

**Chart 8 Net Immigration – Age Structure**



## Chart 9 Net migration flow into the UK over the last 30 years

(See Page 60 for larger version)

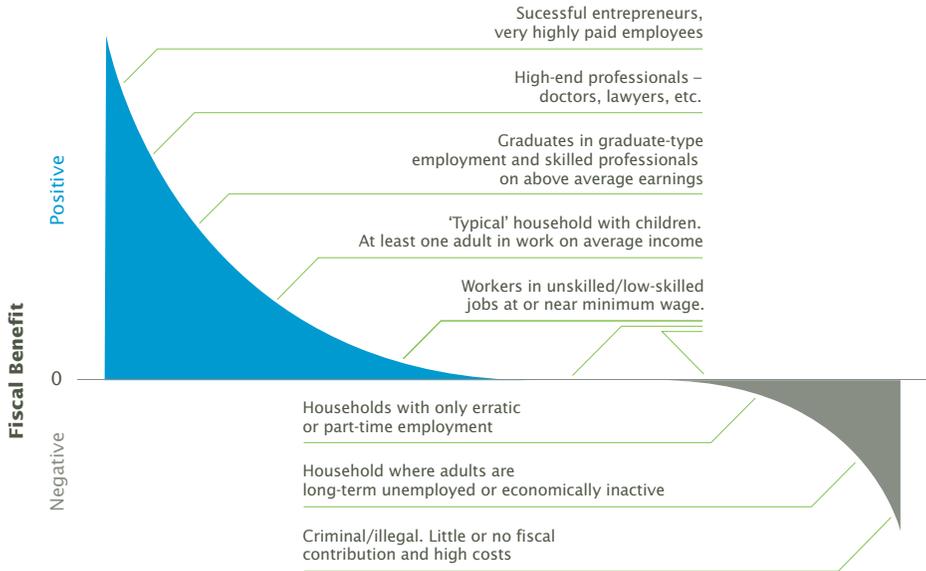


Chart 9 is key in showing how policy-makers can start in devising a rational system which encourages economically beneficial immigration. Even without a number attached to where the marginal benefit reaches zero, there are important conclusions about the distribution of potential migrants, how the curve might be shifted, and how it might change over time. (We are grateful to the House of Commons library for their work on this.)

Based on the polarisation of economic performance we can be certain that the distribution is not a straight line, but one that has steep gradients at either end. In other words, some immigrants are hugely valuable to the economy, but the benefits move quickly to those who are more or less neutral in their economic effect, and moves quickly again to those whose economic effects are heavily negative.

If more migration were temporary the curve would shift upwards: in other words a higher proportion of immigrants would be economically beneficial. As Gott and Johnson said in their 2002 paper:

“A scheme that guarantees employment for temporary migrant labour can almost ensure that these migrants are net fiscal contributors.”

Even if permanent stayers become more likely to be net contributors because of their increasing productivity, they will very likely incur large costs through the support required in old age.

Our conclusion is that it is in principle possible to identify a point of contribution above which migrants would be economically beneficial. It should also be possible to predict the skills and qualifications which will lead to earnings (again taken as a proxy for the economic utility of work) which are above that point. Migrationwatch has calculated that the figure is around £24,000 a year income, but even if that were right the figure will change over time, and will be impossible to estimate without a full analysis of the labour market conditions at the relevant time.

This is not to ignore the mass of economic evidence that suggests the main effect of immigration is to hold down wage rates at the lower end of the scale. The Governor of the Bank of England has confirmed his belief that the large scale immigration of recent years has had a depressing effect on wage inflation in the UK. However it is our belief that the long-term economic aim of immigration policy should be that migration helps to raise productivity by adding to the labour force skills that are not sufficiently available in the existing population. This is clearly not an exact science, but it is an important aspiration.

---

# The Principles behind a New Approach to Economic Migration

## 1) Objective Criteria

The first principle of Conservative immigration policy will be to maximise net benefit to the UK economy (in terms of per capita GDP) by the use of objective criteria rather than simple quotas. The use of these criteria, which can of course be changed over time to cope with the demands of the labour market, will enable Government to ensure that each immigrant admitted to the UK from outside the open labour market of the EU has a very high chance of contributing both to the growth of per capita GDP and to the net fiscal position.

It may be possible to build the new approach on the foundation of the Government's proposed points-based system, although it is too early to say whether the system will work satisfactorily. This allows a "route to settlement" to the top two tiers of the system, covering highly skilled individuals who will contribute to growth and productivity, and skilled workers with a job offer to fill gaps in the UK labour force. We would wish to look at the appropriate point at which settlement rights could be granted. It should be possible for many of the needs of employers with specific vacancies (including those in the public sector) to be met by temporary permits.

So the first principle will be to control immigration with regard to the economic effects. The second principle will be to control it with regard to the wider effects on society.

There are three vital issues that would be central to this second principle: the overall competitiveness of British-born workers; the ability of the public services and infrastructure to cope with new arrivals at both a national and local level, and the environmental impact of a rapidly rising population.

The long-term ability of the British economy to be internationally competitive depends on the total productivity of the labour force, which in turn requires a big increase in the number of skilled adults and a big reduction in the number of adults caught in the trap of being hard to employ, including the one million unemployed

young people not receiving any training and also many disabled people who, under current conditions, are finding it increasingly difficult to obtain work.

Until these problems are addressed properly, the problem of low productivity will not be solved, and the introduction of labour from outside the country will be a palliative rather than a cure. It would be short-sighted and uncompassionate of any Government to allow cohorts of unskilled workers to spend their lives on the margins of society while masking the problem by allowing others to fill the needs of employers.

The ability of specific communities to cope with a large and unexpected influx has been tested by the failure to predict the numbers who would come here from the new EU states. Indeed we have been lucky that the vast majority of them have been model migrants. If we look at Slough we can see what happens if the numbers arriving in an area are unpredictably large. The Office for National Statistics estimates that Slough had a net inward international migration of 300 people in 2004. But in the 18 months to September 2005 more than 9,000 new National Insurance numbers were issued, of which 150 were from British applicants. This huge disparity between official figures and reality means that public sector financial planning is rendered impossible. Slough also suffered other unexpected pressures. For example, two primary schools had to take in 60 Somalian and 50 Polish children respectively in one term, and in the past two years 1,050 applications for HMO (Homes in multiple occupancy) applications have had to be dealt with.

The scale and speed of the arrival of new workers is key. If it leads to rapid population growth over a long period, it may mean both unacceptable pressures on the environment, through ever-increasing demands for housebuilding, and difficulties in planning public services such as education. What we need is a system flexible enough to cope with business demands, while properly controlled in the wider interests of society. The current system is not hitting that target.

Most years, the result of this approach would be a positive level of net immigration, but the exact figure would only be calculated after an annual consultation exercise with a number of bodies, including local authorities and housing and public service providers. While the precise number for any year cannot be predicted at this point, we would expect it to be significantly less than current levels.

One key figure which will emerge in the next few years is the long-term level of immigration to Britain from the new members of the EU. It may be that most of those who come here only stay a short time, or as ties develop with this country some even of those who intended to work here temporarily may decide to settle.

This figure will also be crucial in estimating the overall level of immigration that would be desirable.

The fact that the Government was surprised by the large numbers who came to Britain after the 2004 accession of 10 countries explains the need for transitional controls when new countries join the EU. We welcome expansion of the EU, and recognise that expanding the numbers of those with a legal right to come to Britain and work (once the transitional period is over) must have an effect on the numbers allowed to come here from the rest of the world.

To sum up, we would use a system of objective criteria to control immigration numbers. The first test will be one of economic benefit, which will take account of the skills of those wanting to come here, and the state of the economy. The second will be one of social benefit, considering, the impact on the environment at a local level, the ability of our public services and infrastructure to cope, and the effect on community cohesion. We would also take account of the level of net immigration from other EU countries when assessing the criteria for economic migration from the rest of the world. We will make a clear distinction between those granted lifetime settlement and those given temporary work permits.

## 2) Enforcement

Any such system of objective based criteria for economic migration will, if it is to be effective, require better enforcement than we currently have. Many have argued that there is now such a large backlog of people in Britain with no legal right to be here that we should declare an amnesty and start again. The problem with this approach, as countries such as Spain and Italy have discovered, is that declaring an amnesty once does not allow you to start again, as it acts as a pull factor encouraging new generations of illegal entrants. Both countries have declared multiple amnesties, with no sign that the flow of illegals is decreasing over time.

Instead we would argue for a new force to be created, as part of the Serious Organised Crime Agency, which would both be a specialist border force and the main point of activity to deal with over-stayers. This force would also be the specialist arm of the police in the battle against people trafficking. Experience tells us that specialisation of police services is effective in fighting new types of crime, and the various crimes relating to international movements of people are increasingly important and vicious. Employers who use illegal labour are feeding this trade and deserve to be investigated by police specialists.

People traffickers exploit some of the poorest and most desperate people in the world, while taking advantage of the lack of effective border controls in the UK. The terrible cases of the Chinese workers who suffocated in the lorry in Folkestone, and the cockle-

pickers at Morecambe Bay, illustrate how a failing immigration system can make victims of those who are most vulnerable. The same is true of the sex trade, often involving women from poorer European countries such as Moldova and the Ukraine. The failure of the current system to use Britain's position as an island to make our borders less porous is one of the issues which most urgently needs addressing. In 2008 the Government hopes to have an "e-borders" system in operation, which will provide the relevant information about who is arriving here (and also who is leaving). It is to be hoped that the new system works better than other large computer projects commissioned by Government.

Another important police issue is the arrival of organised criminal gangs from other countries. This is one of the areas where politicians are reluctant to tread publicly because of the sensitivities involved in seeming to scapegoat particular nationalities. That is a short-termist approach, which lets down not only the wider population but the respectable majority of immigrants from the particular countries involved. The fact that there are Somali or Albanian criminal gangs operating in the UK does not mean that most Somalis or Albanians have any criminal connections; indeed they will often be the first victims of the gangs. Community cohesion requires both an open debate on how to stop the gangs organising here and an honest acceptance that the police will have to be empowered to deal with these ethnic gangs.

---

# Community Cohesion and Demographics

## 1) Cohesion

Most of the debate about immigration policy has not concerned its economic effects but its social effects. In the 1950s, the tensions which were most dramatically displayed in the Notting Hill Riots of 1958, set immigration firmly in the context of the “race relations problem”, which in those days was seen as a simple black/white divide. It was this new set of social tensions which gave rise to the legislation of the 1960s and 1970s which embodied the twin-track approach of restricting immigration while legislating against discrimination.

In recent years, as new communities have grown up in Britain, the tensions have mutated into different forms. After the early 1980s riots in Brixton and elsewhere, a number of reforms were instituted, particularly in the police, which lessened overt tensions between the Afro-Caribbean community and the authorities. But tensions have grown in some cities between minority communities, as most recently displayed in the Birmingham riots of 2005 between black and Asian groups.

The event which potentially put most strain on community relations was of course the July 2005 bombings in London. It is an encouraging sign of the strength of our society that this terrible outrage did not lead to widespread divisive outbursts of social unrest, but it did understandably cause many to ponder the degree of alienation that has arisen among parts of the Muslim population.

With this as the background, the Chairman of the Commission for Racial Equality, Trevor Phillips, has warned that we are “sleepwalking into segregation”, and added that “there has to be a balance struck between an ‘anything goes’ multiculturalism on the one hand, which leads to deeper division and inequality; and on the other, an intolerant, repressive uniformity.”

He went on to define a properly “Integrated Society.”

“It has three essential features:

- Equality: everyone is treated equally, has a right to fair outcomes, and no-one should expect privileges because of what they are.
- Participation: all groups in the society should expect to share in how we make decisions, but also expect to carry the responsibilities of making the society work.
- Interaction: no-one should be trapped within their own community, and in the truly integrated society, who people work with, or the friendships they make, should not be constrained by race or ethnicity.”

This vital debate goes beyond the scope of this paper. It does though provide an important context for immigration policy. We should seek at the very least to avoid making it more difficult for integration to take place, taking Trevor Phillips’ three essential features as a guide. We hope that the vast majority in Britain would agree that reducing any tensions between communities is an important aim of policy, and that properly controlled immigration is a significant element in such a policy. We need to take a socially responsible attitude to immigration, recognising the benefits that it brings as long as the public has confidence that the system is working properly.

One immigration issue which is central to the wider integration debate is that of arranged marriages from the Indian sub-continent.

**Table 3** Grants of Settlement, by main category and broad nationality, excluding EEA nationals & Switzerland (1)(2), 1995–2005

**United Kingdom** (Number of Persons)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004*	2005*
<b>Indian sub-continent</b>											
Four Years’ employment	350	340	380	350	520	945	975	1,410	1,915	3,550	5,695
Husbands	4,800	4,600	4,555	4,800	8,010	6,280	7,330	6,945	7,070	3,505	4,480
Wives	6,040	5,990	5,670	6,040	8,220	8,830	9,075	9,495	10,625	6,275	7,170
Children	1,450	1,240	1,330	1,450	2,545	3,455	3,160	3,050	3,965	5,310	6,410
Other	1,820	1,420	1,150	1,820	2,145	3,335	2,485	3,760	5,910	5,595	5,230
<b>Total</b>	<b>14,450</b>	<b>13,590</b>	<b>13,085</b>	<b>16,240</b>	<b>21,440</b>	<b>22,840</b>	<b>23,020</b>	<b>24,665</b>	<b>29,490</b>	<b>24,235</b>	<b>28,990</b>

(Home Office, *Control of Immigration Statistics*, 2005)

\* provisional figures

Some have argued that bringing in new marriage partners who often do not speak English tends to exacerbate segregation, and may serve to set integration back another generation. On the other hand, setting restrictions on who people freely choose to marry (not including of course forced marriages, which have no place to play in modern Britain) would itself be intolerable. We are absolutely convinced, for example, that learning English is essential to playing a full role in modern British society, and that those who come to live here should regard this as a natural thing to do.

Generally, immigrants themselves must be ready to embrace the core values of British society, including a respect for human rights, parliamentary democracy, and freedom of expression. The majority of them will do so willingly, and it should be an aim of policy to make this as easy as possible. This involves ensuring that anti-discrimination legislation is effective, and that equality of opportunity is a reality. But it also involves the creation of proper structures to encourage integration, and in particular a requirement for language learning to enable that integration to take place. Most of all, it involves Britain as a host society having the self-confidence to define its core beliefs and values, and impressing on those newly arrived that participation in British life means adherence to those values.

None of this is easy. The debate about the wearing of the veil, and the future of faith schools, illustrate the sensitivities involved. This is one of the reasons why we are conducting a series of meetings with minority communities around the country exploring their views on immigration policy itself, and its impact on wider issues of cohesion. These meetings will be important in informing the detailed policy that will flow from the principles set out in this paper.

## 2) Demographics

We need to raise the tone of the immigration debate in this country. Therefore we need both to be rigorous in separating the various migration routes and to be able to step back and place immigration in a wider context.

It is equally important not to regard immigration policy as a discrete area in itself. It would be more rational to consider it as part of a wider population policy, which we do not yet have, but which we should certainly consider. The world is seeing a growth in migration from poor to rich countries (and elsewhere), and given the increasing ease of international travel this is highly likely to continue and expand. Britain can therefore expect to be a destination for increasing numbers of economic migrants in the decades ahead. This will become the main driver of population increases. We will not be alone in this. At present for 60% of the members of the Council of Europe migration is more important in population growth than the natural increase of the existing population.

At the same time the physical and environmental constraints on population growth, especially in the South East of England, are becoming more apparent. At the very least these will demand some attention to the distribution of population growth around the country, and in our cities. It is time to start a public debate about the growth and distribution of population.

This wider debate, which is important in itself, would also have the beneficial side-effect of enabling the immigration debate to take place in a more rational context. As a country we would be able to look at the demographic trends, the needs of the labour market, the environmental pressures, the use and staffing of the public services, and the success in integrating new minority communities, and produce an immigration policy which flowed from the interplay of all these pressures.

Of course some of these drivers will point the policy in different directions. The political decisions will not be made any easier if immigration is a sub-set of a wider policy discussion. But they will be made in a proper framework which itself will promote serious debate.

To achieve this end we need to take a number of preparatory steps. We need better statistics to tell us who is coming here, who is staying here, and what the balance is between their economic input and the uses they make of the public services and benefit systems. We need to ensure that the current policy of managed but not controlled migration can evolve into a proper system of controlled economic migration based on objective criteria. We also need a proper analysis of the effect of our immigration policy on the countries from which we import people.

Alongside these steps we will still need a new tone in the national debate on immigration policy. This will involve accepting the vital contribution of immigration to the economy, recognising its impact on social and environmental policy, putting the debate in the wider context of the growth and make-up of Britain's population, and seeking at all times to treat immigration in a calm and rational manner. In this way both the immigrants we welcome, the minority communities to which many of them belong, and the rest of the country will be able to make the most of the benefits of living in a free, prosperous and diverse country.

# Annex A

## How others do it

	Australia	Canada	United States	Denmark
<b>Is there a numerical cap on migration?</b>	Only on some streams.	Yes – the Government established an annual immigration level. The target range for 2005 was for 220,00–245,000 permanent new residents.	Yes, but not for immediate relatives of US citizens.	No
<b>Is a points system used?</b>	Yes, for skilled and business migrants. Includes maximum age limits.	Yes, for skilled and business migrants. Includes maximum age limits.	Category criteria for skilled workers are similar to points system.	Category criteria for skilled workers are similar to points system.
<b>Principal migration streams</b>	Skilled: <ul style="list-style-type: none"> <li>▪ Independent</li> <li>▪ Employer-nominated</li> <li>▪ Business</li> <li>▪ Skilled-Australia Linked</li> </ul> Family Humanitarian/refugee Students Other Temporary: <ul style="list-style-type: none"> <li>▪ Working holiday-makers</li> </ul>	Economic class <ul style="list-style-type: none"> <li>▪ skilled workers</li> <li>▪ business</li> <li>▪ provincial or territorial nominees</li> </ul> Family class Humanitarian/refugee Students Other Temporary: <ul style="list-style-type: none"> <li>▪ Temporary workers</li> <li>▪ Tourist</li> </ul>	Economic class: <ul style="list-style-type: none"> <li>▪ skilled</li> <li>▪ employment</li> <li>▪ business</li> </ul> Family reunification Diversity Humanitarian/refugees Students Other Temporary: <ul style="list-style-type: none"> <li>▪ Temporary workers</li> <li>▪ Border Crossing (Mexico)</li> <li>▪ NAFTA professionals</li> <li>▪ Business</li> <li>▪ Tourist</li> </ul>	Immigrant labour: <ul style="list-style-type: none"> <li>▪ Job Card Scheme</li> <li>▪ Work permits (valid for 3 years)</li> </ul> Family <ul style="list-style-type: none"> <li>▪ must prove attachment to Denmark</li> <li>▪ must have economic means to support incoming spouse/relative</li> </ul> Refugee Students
<b>Length of time before citizenship is granted</b>	2 years as permanent resident.	3 years as permanent resident.	5 years (3 years for spouses and children of US citizens).	9 years (8 years for a stateless person, 2 years for Nordic citizens and 3 years for spouses).

	<b>Australia</b>	<b>Canada</b>	<b>United States</b>	<b>Denmark</b>
<b>Access to social security benefits on arrival?</b>	Migrants unable to access social security payments until two years after arrival.	Immediate access in most provinces. A minority impose a three-month waiting limit.	All individuals granted asylum are given a Social Security card. However, access to benefits requires passing a threshold of credits which are earned through working. Most non-citizens are not eligible for Supplemental Security Income for the first five years.	No social security for most work permit holders. Spouses cannot claim social security for first 12 months. Refugees have limited access to social security for first 7 years.
<b>Migrants subject to health checks?</b>	Yes, all staying longer than 12 months must pay for a medical examination and chest X-ray at approved agencies, and for some visas an HIV and Hepatitis B test.	Yes, for all applicants for permanent residency, for refugees and for some visitors.	Yes, for all applicants for permanent residency.	Yes, for quota refugees.
<b>Asylum limits?</b>	No, although they are accepting lower numbers of refugees.	Yes – a target range for refugees is included within the overall immigration level.	The President and Congress establish an annual ceiling for refugee admissions. No quotas on the number of individuals already in the US that can be granted asylum.	Each of the 16 counties is given an annual quota for the number of asylum seekers it must accept based on government projections of overall asylum levels.
<b>Additional information</b>	There is an annual quota on the number who can enter under the 'aged parents' category. Parents must also have more children resident in Australia than any other country to qualify. All asylum seekers without proper documentation are held in mandatory detention, often until their case is decided.			Asylum and immigration claims are processed relatively quickly – 100% of asylum claims within 118 days and 100% of work permit applications within 62 days.

	Sweden	Holland	France
<b>Is there a numerical cap on migration?</b>	No, though strict limits for work permits according to sector need decided by the Swedish Migration Board and the Labour Board.	No.	Yes, through a quota system.
<b>Is a points system used?</b>	Category criteria for skilled workers are similar to points system.	Must take rigorous test on Dutch language and culture which involves up to 350hrs of study.	There is a stringent criteria list for the full work permit, judged on salary level, education, professional stature and contract in order to protect the domestic labour force.
<b>Principal migration streams</b>	<p>Labour</p> <ul style="list-style-type: none"> <li>▪ work permits</li> <li>▪ specialist residing for no more than 12 months</li> <li>▪ international Exchange Programme</li> </ul> <p>Family ties or adoption</p> <ul style="list-style-type: none"> <li>▪ includes a written test</li> </ul> <p>Humanitarian/refugee</p> <p>Students</p> <ul style="list-style-type: none"> <li>▪ compulsory preparatory Swedish language 1 year course</li> <li>▪ must pass Test in Swedish for University Studies</li> <li>▪ must have £4,7000/ year savings</li> </ul>	<p>Economic class</p> <ul style="list-style-type: none"> <li>▪ may need MMV sponsored visa</li> <li>▪ Work: <ul style="list-style-type: none"> <li>– employee</li> <li>– trainee</li> <li>– work experience</li> <li>– guest lecturer/scientific researcher</li> <li>– spiritual leader or minister</li> </ul> </li> </ul> <p>Family class</p> <p>Humanitarian</p> <ul style="list-style-type: none"> <li>▪ refugee</li> <li>▪ applications are taken on medical grounds if the treatment is not available in the country of origin</li> </ul> <p>Students</p> <ul style="list-style-type: none"> <li>▪ must have financial support</li> <li>▪ must acknowledge that their stay is temporary</li> </ul>	<p>Economic</p> <ul style="list-style-type: none"> <li>▪ Temporary secondment</li> <li>▪ Full Work Permit</li> </ul> <p>French by Naturalisation or by Origin</p> <ul style="list-style-type: none"> <li>▪ French by birth</li> <li>▪ French by acquisition</li> <li>▪ Foreigners</li> </ul> <p>Humanitarian/ refugee</p> <p>Student</p> <p>Other Temporary:</p> <ul style="list-style-type: none"> <li>▪ short stay visa</li> <li>▪ tourist visa</li> </ul>

	Sweden	Holland	France
<b>Length of time before citizenship is granted</b>	5 years as permanent resident; 4 for refugees or stateless persons.	8 years as permanent resident or sooner if pass a lengthy and expensive test (70% of the costs can be reimbursed by the Government).	5 years as permanent resident; or marriage for 12 months to a French national.
<b>Access to social security benefits on arrival?</b>	Yes, with some minor limitations.	Restrictions on unemployment benefit and on old age pensions are being introduced.	Yes, with limitations.
<b>Migrants subject to health checks?</b>	Health screen of migrants is not routine. Every asylum seeker may have free voluntary health checks.	Unless they are from a country on the cleared list, migrants coming to Holland for more than 3 months must take a TB test- if this is positive they will either be refused or offered compulsory treatment.	No.
<b>Asylum limits?</b>	Sweden accepts 1,700 refugees/ year in co-operation with UNHCR but there is no limit on asylum-seekers.	No.	No.
<b>Additional information</b>	Citizenship is postponed according to a set scale when an applicant has been convicted of a crime. A small fine, for example, will delay citizenship by one year, while a six-year sentence delays citizenship until ten years after the sentence has been served.	No-one with a criminal conviction is allowed in; all crimes, including petty crime, lead to expulsion.  In Rotterdam, migrant workers must prove that their earning will be at least 20% higher than the national average.	Current Bill going through parliament calls for 'selected immigration'.

---

# Australia

The principal migration streams into Australia are:

- Skilled
- Business
- Family
- Temporary
- Refugee

## 1) Skilled:

- **Independent class**
- **Australian sponsored class (employer nominated)**

To qualify for immigration to Australia under this class the applicant must fulfil these criteria:

- Under 45 years old
- Proficient in English
- In an occupation on the Skilled Occupation List (SOL), which contains hundreds of approved occupations
- Have at least 12 months (24 months for some occupations) of recent work experience.

If the applicant meets the minimum criteria, they will be subject to a points test which has an automatic pass mark. Points are granted for:

- Qualifications (These must be relevant to the occupation, with most degrees and higher trade certifications from recognised tertiary institutes meeting the requirements provided they involve at least three years post-secondary school study. Certain tradespersons, IT professionals and Senior Managers, who do not possess formal qualifications, can often qualify by using their relevant work experience to obtain industry certification in Australia, thus satisfying the qualification requirement.)
- Work experience
- Occupation (Applicants in occupations requiring professional registration, i.e. dentists, nurses and physiotherapists, may need to apply for registration or meet specific requirements prior to submitting a residence application.)
- Age
- English language ability
- Occupation targeting
- Spouse's skills (qualifications, age, work, English).

Additional categories include:

- having studied or worked previously in Australia in a skilled occupation
- having AUS\$100,000 to invest in Australia
- being fluent and qualified in one of the languages of the country's major trading partners or ethnic groups
- having an occupation listed on the periodically amended Migration Occupations in Demand List (MODL)

### **Skilled Australian Sponsored class**

- This is for applicants who have been offered a highly skilled job which cannot be filled by an Australian citizen or permanent resident through the local labour market.
- Additional points are awarded if the applicant has a qualifying family sponsor in Australia (parent, non-dependant child, brother, sister, aunt or uncle).

There are the following additional schemes for skilled workers, which enable them to qualify for residence without the need for a pre-arranged job offer at the time of applying:

- **Skilled-Designated Area Sponsored class**

Even if the applicant fails to meet the pass mark, he could qualify if he meets the minimum requirements, has a family sponsor and assurer (including first cousins or grandparents) living in a designated area.

- **The State Territory Nominated Independent class**

This presents options for those applicants who have an occupation listed as being in demand in a state or territory of Australia.

- **Sydney and Selected Areas Skills Shortage List (SSASSL)**

Applicants with a family sponsor in Sydney (and certain areas of NSW) must be qualified and experienced in an occupation on the list.

- **Skilled Independent Regional (SIR) Visa**

For applicants who are willing to settle outside the mainland state capitals (except Adelaide). This is a two-stage process – successful applicants (sponsored by a State or Territory Government), initially receive a temporary visa valid for three years. SIR visa holders can then apply for permanent residence in Australia after a period of two years residence in regional Australia under the State/Territory Nominated Independent (STNI) on-shore visa. There is also a Temporary Skilled Independent Regional Visa

- **The Skill Matching scheme**

Applicants enter their details in the skill-matching database for a period of two years. During this time they may receive a nomination to reside in a certain region of Australia.

## 2) Business

### Categories:

- Business owner
- Business owner (state-sponsored)
- Investor
- Investor (state-sponsored)

All applicants are required to satisfy health, character, police and credibility checks, and a range of other criteria.

### Business Owner:

If the applicant owns and operates a business and possesses total assets of at least A\$500,000 he can consider immigrating to Australia under the Business Owner class.

Under this class the process is essentially divided into two stages: provisional (4 years) and then permanent.

To qualify for the provisional visa, applicants must:

- possess net assets of at least A\$200,000 in a qualifying business with an annual turnover of at least A\$500,000, for at least 2 years of the 4 years immediately prior to applying;
- applicants must be under 45 years of age;
- they must prepare a viable, well-researched Australian business proposal; and
- have past relevant management experience, and an overall successful business career.

Once approved, you will receive a 4-year provisional visa to travel to Australia in order to establish or purchase a business enterprise.

To qualify for permanent residence, applicants must:

- have carried out your intention to take up an ownership interest in a qualifying Australian business;
- for 12 months immediately before applying, they must possess net assets of A\$100,000 in that business, a turnover of at least A\$300,000 AND overall net personal and business assets in Australia of at least A\$250,000.
- Furthermore, their Australian business must have employed at least the equivalent of 2 full-time employees who are not members of your family.

### **Business Owner (State Sponsored) class**

Applicants aged between 45 and 55 years or those not meeting the above financial thresholds can consider an application under this class – they must apply and be approved for sponsorship with one of the participating State or Territory Governments.

Most significantly, the financial requirements are reduced under this class. Applicants are required to have had an ownership interest in a business with a lower annual turnover of \$300,000 in 2 of the last 4 years or a sound continuous business employment record in a senior management role for at least 4 years. They must also be under 55 years of age and possess total personal and business assets of at least A\$250,000 plus sufficient assets available to settle in Australia.

Furthermore, it is necessary to reside in their nominated state for 4 years in order to be approved for a permanent residence visa.

### **Investor Class**

To immigrate to Australia under the Investor Class, applicants must have possessed a net worth of A\$2,250,000 for at least 2 fiscal years immediately prior to applying. Of this amount, applicants must be prepared to invest A\$1,500,000 into Australian State treasury bonds for at least 4 years.

The investment is Government guaranteed and interest is paid on the investment. Applicants must be under 45 years of age.

In addition, applicants must have owned and managed a business or had a direct involvement in managing eligible investments, and are required to meet a range of financial/ownership thresholds.

The Investor class allows for the granting of a 4-year provisional visa, after which time a permanent visa can be applied for once investment criteria has been met.

### **Investor Class (State Sponsored)**

Applicants aged between 45 and 55 years or those not meeting the above financial thresholds can consider an application under this class, applicants must apply and be approved for sponsorship with one of the participating State or Territory Governments.

Most notably, the financial requirements are reduced under this class. Applicants are required to possess a lower net worth of A\$1,125,000, of which A\$750,000 must be invested for 4 years. Under this option, it is necessary for applicants to remain in their nominated state for 4 years in order to be approved for a permanent residence visa. If they are proposing to establish a business in Australia

that their sponsoring State or Territory Government has determined is of exceptional economic benefit, then they can consider an application under the Business Talent class, providing the set financial criteria are met.

### 3) Family

This category is for those persons who can be ‘sponsored’ by a relative or interdependent partner who is either an Australian citizen, a holder of a permanent residence visa or an eligible New Zealand citizen aged over 18 years of age.

If the applicant’s partner is an Australian, they must be married or in a stable, de-facto relationship (common-law) or interdependent (same-sex) relationship for 12 months or more to qualify for residence.

The applicant can be sponsored if they are a spouse, fiancée, child/adopted child, parent, orphan relative, special need relative, aged dependant relative or last remaining relative of a qualifying sponsor who is resident in Australia.

There is a numerical cap on the number of aged parents who are allowed under this category each year. Parents must also have more children living in Australia than in another country.

### 4) Temporary Visas

These are available in the following classes:

- Regional Investor Visa
- Work Visa
- Working Holiday Visa
- Student Visa

#### **Regional Investor Visa (formerly the retirement visa):**

The applicant must be aged 55 plus, of good health and meet the necessary financial thresholds. Applicants apply for sponsorship to the State or Territory in which they intend to settle and need to:

- Have sufficient resources to provide for their settlement (AU\$750,000, or AU\$500,000 for regional Australia)
- Have an annual income accessible in Australia (AU\$65,000; AU\$50,000 for regional)
- be prepared to make a designated investment (AU\$750,000 for the initial visa, and AU\$500,000 for a second or further visa; AU\$500,000 for the initial visa, and AU\$250,000 for a second or further visa for regional)

The initial visa and subsequent visas are issued for 4 years.

### **Work Visa**

If the applicant is offered a job that cannot be filled by an Australian and the Australian employer is willing to provide ‘sponsorship’, they may be able to apply for a work visa. This visa is issued for the duration of the employment contract or 4 years, whichever comes first.

NB: Australian employers are generally reluctant to sponsor offshore candidates unless there are specific skills shortages, and often do not consider applicants unless they are already in possession of Australian residence visas, present in Australia for an interview and able to start work within 4-6 weeks. So unless the applicant can be transferred to Australia by their current employer, this can be a very difficult visa to obtain.

### **Working Holiday Visa**

Citizens of certain countries who are under the age of 30 years may obtain a Young Persons Working Holiday Visa, which enables the holder to work and travel for one year, although work must be restricted to casual positions of no more than 3 months duration. A second Working Holiday Visa will be available to those who undertake 3 months seasonal farm or harvesting work during their first working holiday.

### **Student Visa**

For applicants enrolled onto a qualifying course at an Australian tertiary institution. This visa allows them to study and to work for 20 hours per week. Students who graduate with an Australian degree may be able to apply for permanent on-shore residence visas.

---

# Canada

The principal migration streams into Canada are:

- Economic class – Skilled workers
- Economic class – Business
- Family
- Temporary (temporary workers, students, tourists)
- Humanitarian

## 1) Economic:

- Independent/ Skilled Worker class
- Business
- Provincial Government Nominee programmes

All applicants must satisfy health, police, character and credibility checks, and a range of other criteria.

### **Independent/Skilled Worker Class**

a skilled worker is someone who has at least one year of full-time (37.5 hours per week or more) work experience within the past ten years in one of the occupations listed in either Skill Type 0 or Skill Level A or B of the National Occupational Classification (NOC).

The NOC is divided into five (5) bands:

Applicants are then assessed according to various selection criteria by Citizenship and Immigration Canada officials and must attain a minimum score of sixty-seven (67) points overall in order to be eligible to become permanent residents of Canada.

The objective is to achieve the pass mark. Applicants with the greatest likelihood of success are those:

- With tertiary qualifications (i.e. post-secondary school), for instance a Diploma, Trade Certificate or Apprenticeship, Bachelors Degree, Masters Degree or PhD
- With a high level of proficiency in English and/or French
- In a position to claim maximum points for relevant work experience
- Aged between 21 and 49 NB there is a maximum age limit in this category
- With the ability to claim points for adaptability – these include:
  - partner’s qualifications
  - if the applicant or their partner has studied in Canada for at least 2 years
  - if the applicant has family in Canada (parent, grandparent, aunt, uncle, sister, brother, niece, nephew, child or grandchild)

## 2) Business

Applicants are divided into three subcategories:

- Self-employed
- Entrepreneur
- Investor

### **Self-Employed**

For self-employed business persons who do not necessarily intend to employ other people. This class is limited to farmers and applicants who will be of cultural, artistic or sporting value to Canada.

Under this class, there are no minimum capital or past ownership requirements, but applicants must prepare a viable, well-researched business proposal and possess sufficient funds and acceptable experience to establish or purchase the proposed business in Canada. Past self-employment, though not strictly required, is considered an asset. There is also a requirement to meet the ‘pass mark’.

### **Entrepreneur**

The applicant must have past ‘business experience’ in a ‘qualifying business’ for a specified period, and possess a net worth of at least C\$300,000.

Upon arrival in Canada, there is a requirement to establish or purchase a business enterprise and provide active and ongoing management of that business within three years. The business must create at least one, new full-time job for a Canadian and meet other requirements of a ‘qualifying business’. There is also a requirement to meet the ‘pass mark’.

### **Investor**

Applicants must possess a total net worth of at least C\$800,000, and invest C\$400,000 of this amount with the Canadian Receiver General for 5 years.

Although the fund is Government guaranteed, no interest is payable:

- Applicants must prove that the funds have been generated through their own business initiative
- and that they have previously managed either 5 full-time staff for at least 2 years; or
- owned a share in the business they have managed for at least two years in the five years prior to applying.

If the applicant does not wish to undertake an investment they can establish a loan arrangement with a Canadian bank, whereby the amount to be invested is borrowed. Under this option, it is still necessary to possess an overall net worth of C\$800,000. The down side of this option is that the applicant must pay the interest charges accumulated over the 5-year term.

### **Provincial Government Nominee programmes**

A limited number of places are available every year on these programmes, and the regulations are set by the Provincial Government according to economic and social needs of that region.

### **3) Family**

Canadian citizens (including those residing abroad with the intention to return to Canada to reside) and permanent residents (restricted to those residing in Canada, only), age eighteen (18) and over, may sponsor the following members of the Family Class (subject to meeting eligibility requirements):

- spouse
- common-law partner / same-sex partner / conjugal partner
- dependent children under age twenty-two (22) / children adopted or to be adopted by them, or under their guardianship
- their dependent children age twenty-two (22) and over (if they are full-time (15 hours per week or more) students, mentally or physically disabled and dependent on their parents)
- parents / grandparents
- other prescribed family members (i.e. last remaining family member under humanitarian and compassionate grounds where it is warranted)
- Temporary Visas
- work permits
- study permits
- visitor visas

### **Work Permits**

An Immigration Work Permit will not be issued to a foreign national to come to Canada to look for employment. It will only be issued by a Canada Immigration Officer after Human Resources Development Canada (HRDC) approves the employment offer of a prospective Canada employer to a foreign national. HRDC considers whether the prospective employer has made:

- reasonable efforts to hire a Canadian for the employment opening
- whether or not the wages and working conditions of the employment offered are sufficient to attract and retain a Canadian in the employment
- other elements that might indicate a benefit for Canada and Canada employment-seekers

The foreign national must attend an Immigration interview and an Immigration medical examination at their own expense

### **Study Permits**

Foreign nationals need a study permit if the course or study program lasts for six months or more.

The school/university must provide a confirmation letter of the student's place and course, to Canadian Immigration officials. The visa allows the student to study full-time and to work a limited number of hours per week.

### **Visitor Visa**

The Immigration and Refugee Protection Act requires all visitors, except those exempt by regulation, to obtain a Visitor Visa before coming to Canada. Applicants must demonstrate that they have significant family, social, economic and cultural ties to their country of origin and sufficient means to support themselves during their visit to Canada. Applicants must also satisfy visa officials that there is no risk that they will overextend their visit to Canada.

---

# Denmark

The estimated net migration rate in 2006 for Denmark is 2.52 migrants per 1,000 population.<sup>14</sup>

Compared to the UK, Danish immigration and asylum applications are processed quickly:

## Asylum Table

Asylum Cases		Work Cases	
50% of the cases:	33 days	50% of the cases:	18 days
80% of the cases:	61 days	80% of the cases:	30 days
100% of the cases:	118 days	100% of the cases:	62 days
Target for all cases:	105 days	Target for all cases:	90 days

## Attachment requirement

Any family applicant must demonstrate that their overall attachment to Denmark is greater than their overall attachment to another country.

When the Danish Immigration Service assesses whether the attachment requirement is fulfilled, attention to the following circumstances are considered, among other things:

- Danish language proficiency
- the extent of the applicant's ties to another country, including whether they have made extended visits to that country
- whether the applicant has children or other family members in another country

A residence permit can be revoked if the foreign national is regarded as a threat to national security or to public order, safety or health.

The principal migration streams into Denmark are:

- Immigrant labour
- Family
- Student
- Refugee

<sup>14</sup> <http://www.cia.gov/cia/publications/factbook/geos/da.html>

## 1) Immigrant Labour

Anyone wishing to work in Denmark must have a residency permit and a work permit. It is extremely rare for work permits to be granted in sectors where there is not a skills shortage.

The Job Card Scheme fast-tracks those applicants for jobs in sectors where there is skills shortage and where a firm job offer exists, permits are issued relatively rapidly.

Work permits are valid for three years. They become invalid if the holder loses his job.

609 work permits were issued in 2005. In the same year, 5,000 residency permits were granted to people from EU accession states.

There is no particular quota for work permits.

## 2) Family

In 2005, 2,500 residency permits were issued through the family reunification route.

### Spouses and partners

#### a) Requirements for marriage

- The marriage or registered partnership should be recognisable according to Danish law.
- The marriage or registered partnership must have been entered into voluntarily, i.e. there must be no doubt that it is according to the wishes of both parties.
- The marriage or registered partnership must not have been entered solely for the purpose of obtaining a residence permit for one of the parties.

#### b) Requirements for spouses

- Both spouses or registered partners must be over 24 years of age.
- The spouses or registered partners must live together at the same address in Denmark when the residence permit has been granted.
- The attachment of both of the spouses or registered partners to Denmark must be greater than their attachment to another country. This is the so-called 'attachment requirement' If an individual residing in Denmark has had Danish citizenship for more than 28 years he or she does not need to satisfy the attachment requirement.

c) Requirements for the partner already resident in Denmark

- be a Danish citizen or a citizen of one of the other Nordic countries: Norway, Sweden, Finland and Iceland, or be a refugee or have held an unlimited residency permit for at least three years;
- have an accommodation of reasonable size at his or her disposal (This is quite specific: there must be no more than 2 people living in each room and the total residential area must be at least 20 sq. metres per person);
- provide documentation proving that he or she has an income that is sufficient to support the foreign spouse or registered partner;
- must provide an economic guarantee of 55,241 Dkr (£5,000) to cover any future public expenses to support the partner;
- not have received public financial assistance for a period of one year prior to submission of the application for the residence permit, nor during the time it may take for the permit to be issued. For this purpose, public assistance is defined as any economic aid paid out under the terms of the Danish Integration Act or under the terms of the Act on an active social policy; and
- not have been convicted of violent acts against a former spouse or companion for a period of 10 years prior to the decision.

### **Children under 15**

The child's parent must reside in Denmark and must be a citizen of either Denmark, Norway, Sweden, Finland or Iceland, have a resident permit as a refugee or with protected status in Denmark, have a permanent residence permit in Denmark or have a residence permit with a view to permanent residence. In addition, the following requirements must be fulfilled:

- After the family reunification, the child must live with the parent/s.
- The child's parent in Denmark must have at least partial custody rights over the child.
- The child must not have started his or her own family, for example, via marriage or regular cohabitation.
- The person living in Denmark must not have been convicted of violent acts against a former spouse or companion for a period of 10 years prior to the decision.
- The housing requirement must in some cases be met.
- The support requirement must in some cases be met.
- The attachment requirement must in some cases be met.
- A Danish residence permit may not be granted if it is at odds with the interests of the child.

### 3) Student

A foreign national must have a residence permit in order to pursue a post-secondary education in Denmark. In order to obtain the permit, the applicant must document:

- That he or she has been admitted to a post-secondary educational programme at a publicly accredited learning institution.
- That he or she will be self-supporting for the duration of the stay in Denmark.
- That he or she can speak and understand the language of instruction and Danish, Swedish, Norwegian, English or German at reasonable proficiency.

### 4) Refugee

Each year, the Danish immigration service sets out quotas for the number of refugees each of the country's 16 counties must take. In 2006, it is projected that asylum will be granted to 1,000 people. County quotas range from 0-145.

An asylum-seekers' health is taken into account when deciding on their application.

Commentators feel that a 'hard-line' approach to asylum (about 2,500 people were granted asylum in 2005) is deterring asylum applications.

---

# Sweden

During 2005, 65,229 people immigrated to Sweden. Roughly one third of the immigrants were Swedish or Nordic citizens. The estimated net migration rate in 2006 for Sweden is 1.66 migrants per 1,000 population.<sup>15</sup> Anyone wishing to live for more than three months in Sweden must have a residency permit. Applicants are eligible to apply for a Swedish residency permit under the following three categories.

The principal migration streams into Sweden are:

- Immigrant labour
- Family ties or adoption
- Student
- Refugee

## 1) Immigrant Labour

Sweden issues very few labour permits.

A specialist employed by an international concern and travelling to and from Sweden in that capacity in order to work for temporary periods does not require a work permit. This applies if total duration of stay in Sweden is less than 12 months.

Foreign citizens wishing to work all other sectors, a residency permit and a work permit are required. The Swedish Migration Board works in conjunction with the local Labour Board (organised on a county basis) to decide whether permits should be granted. Permits will only be granted where the applicant has a firm job offer and there is a temporary shortage of labour, or the applicant has obtained employment as part of an international exchange programme.

Employers must guarantee to pay salaries and insurance coverage, accommodation must have been arranged for applicants in Sweden and applicants must sign a declaration saying they will leave Sweden as soon as their period of employment ends.

<sup>15</sup> <http://www.cia.gov/cia/publications/factbook/geos/sw.html>. The equivalent statistic for the UK is 2.18 migrants per 1,000 population.

Work permits are normally granted for one year at a time, or, if it is less than one year, for the period for which employment is offered. Permits are granted for a maximum of 18 months if the employment is due to a temporary labour shortage.

If the work is part of an international exchange programme, the permit may be extended up to a total stay of four years.

The permit is restricted to the trade or profession envisaged in the offer and to the employer who made the job offer.

Applicants cannot appeal against the decision of a Labour Board.

In 2005, 293 labour-related work permits were issued.

There is no specific cap on annual levels of immigration, although the flow of immigrant workers is strictly limited according to sectoral need.

## 2) Family

This category applies both to foreign citizens and Swedes wishing to be reunited with a close relative or intending to marry or set up home with an existing residency permit holder. Applications are made through Swedish embassies and considered by the Swedish Migration Board which will ask the applicant a series of written questions. Example questions are not available.

In 2005, 22,000 applicants (the equivalent of 0.25 per cent of the population) were granted residency permits through this route.

## 3) Student

Any foreign citizen wishing to apply for a residency permit to study in Sweden must apply through Swedish embassies.

Students with no previous knowledge of Swedish must attend a compulsory preparatory Swedish language course of at least one year, and pass the Test in Swedish for University Studies (TISUS) before beginning their chosen course. The tests are held several times a year in Sweden. TISUS is also held at Swedish embassies and schools outside of Sweden.

Students must be able to show that they have at least SEK63,000 (£4,700) a year in savings to support themselves.

Just under 7,000 permits were issued for this route in 2005.

#### 4) Refugee

Sweden accepts 1,700 refugees annually in co-operation with the UNHCR, but there is no upper limit on asylum seekers. In 2005, for example, 17,500 people were granted asylum in Sweden.

#### **Citizenship/ Naturalisation**

Applicants for citizenship must have been living in Sweden for at least five years, or for at least four years if they are stateless or a refugee. This qualifying period is reset to zero where a crime has been committed and the following periods apply:

\* fine based on the defendant's daily income

---

# Holland

The estimated net migration rate in 2006 for The Netherlands is 2.72 migrants per 1,000 population.<sup>16</sup> Anyone wishing to live for more than three months in Holland must have a residency permit. In most cases applicants also need a special visa – the MVV – to enter the Netherlands. MMVs are applied for at Dutch embassies. A sponsor who will finance the applicants' stay in the Netherlands must also be identified at this stage.

In almost all cases, a residency permits will be revoked where a petty crime has been committed.

As of March 2006, applicants for residency permits are required to complete a test on Dutch language and culture which is said to require up to 350 hours of study. In addition, applicants from predominantly Muslim countries must view a video which shows a topless woman and two men kissing.

Except in exceptional asylum-related cases, any applicant with a criminal conviction will not generally be considered for a residency permit.

## **Health screening**

Unless you are a citizen of the EU or of Australia, Canada, Israel, Japan, Monaco, New Zealand, Suriname, the United States or Switzerland, you must undergo a TB test if you wish to stay in The Netherlands for three or more months. If you test positive, you must have treatment or entry will be refused.

The principal migration streams into Holland are:

- Work
- Family
- Study
- Other (including Refugee)

<sup>16</sup> <http://www.cia.gov/cia/publications/factbook/geos/nl.html>

## 1) Work

There are five work-related routes as set out below along with the criteria for each route:

- a) You wish to work as an employee
  - You have an employment contract which guarantees you an independent sustainable income.
  - Your employer has applied for a work permit.
  - You have sufficient sustainable means of support.
  
- b) You wish to work as a trainee
  - You want to complete a work placement to finalise an education undertaken abroad.
  - You have a work placement agreement.
  - You have sufficient sustainable means of support.
  - Your employer has applied for a work permit.
  
- c) You wish to work for the purpose of work experience
  - You are coming to the Netherlands for a maximum of 24 weeks
  - You want to work in the Netherlands to gain work experience
  - You have an employment contract
  - You have sufficient sustainable means of support
  - Your employer has applied for a work permit
  
- d) You wish to work as a guest lecturer or a scientific researcher
  - You are coming to the Netherlands for a maximum of one year
  - You have an employment contract
  - You have sufficient sustainable means of support
  
- e) You wish to work as a spiritual leader or minister of religion
  - You want to come to the Netherlands to work as a minister or teacher of religion
  - You have an employment contract to work as a minister or teacher of religion
  - You have sufficient sustainable means of support
  - Your employer has applied for a work permit

There is no specific cap on immigration.

## 2) Family

If an applicant has married or entered into a registered partnership with someone in the living in the Netherlands at the time of the union, a residency permit may be granted if:

- the couple are married or are in a partnership that was registered in the Netherlands;
- both over 18; and
- the resident spouse or registered partner has sufficient means of support.

A residency permit may also be granted if the applicant is a minor and the following conditions are met:

- the parent or representative lives in the Netherlands;
- the applicant will be living with your parent in the Netherlands; and
- any parent remaining behind in the country of origin has given permission for departure to the Netherlands.

## 3) Student

Student applicants must:

- be enrolled on a full-time course
- have sufficient means of support
- acknowledge that their stay is of a temporary nature

## 4) Other

- Refugees
- applications are also taken on medical grounds if a particular treatment is not available in the applicant's country of origin

### **Citizenship/ Naturalisation**

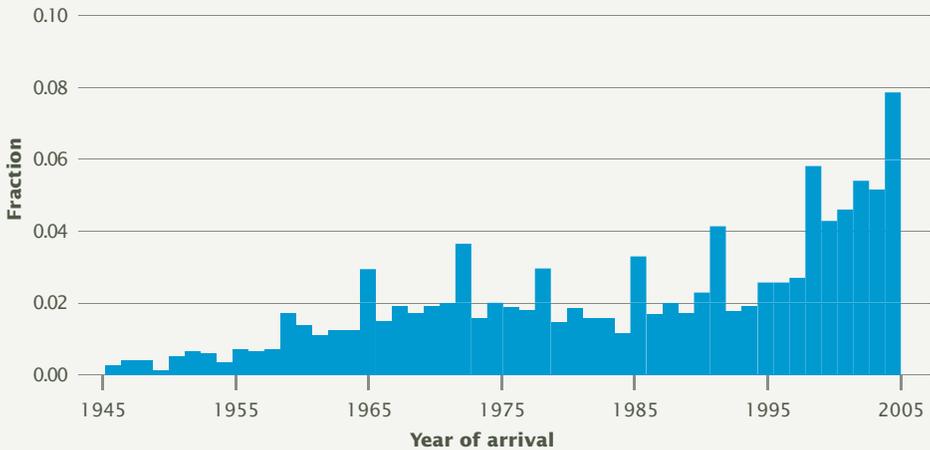
Applicants for a Dutch passport have to pass a lengthy and expensive integration test once if they have lived in the country for fewer than eight years. This costs thousands of euro, but up to 70% of the cost can be reimbursed by the government.

---

# Annex B

A study for the Institute for Fiscal Studies in December 2005 showed that more than a third of all working age immigrants living in Britain in 2004 arrived during the last ten years. Looking further back, as in Chart 10, shows a twenty year pattern of growth with a significant acceleration in the past five years.

**Chart 10** Distribution of immigrants by year of entry



**Note:** Men aged 16-64; women aged 16-59

**Source:** Immigrants in the British Labour Market, Fiscal Studies Vol.26, December 2005

Looking beneath the overall data, Table 3 shows a number of significant changes. In 1983 the largest immigrant community came from Ireland. By 2004 the largest single group was individuals born in the EU excluding Ireland. Between 1983 and 2004 the shares of immigrants from Africa, India, Pakistan and Bangladesh rose, while the share from the Caribbean fell. The median age of the immigrant population has remained the same at 38, while the median age of British-born white people has risen from 37 to 40. The median age at arrival in Britain is 22, with 80% of immigrants resident in Britain having arrived before the age of 30. A third arrived as children.

**Table 3** Immigrants and British-born whites in Britain (population of working age)

	British-born whites	Immigrants	West Indian	Black African	Indian	Afro-Asian	Pakistani	Bangladeshi	Chinese	Other non-white	Irish	Old Comm.	New Comm.	EU	Non-EU European	Other White
<b>% of Population</b>																
1983	92	7.6	0.7	0.1	0.4	1.0	0.5	0.1	0.2	0.02	1.4	0.3	1.1	0.9	0.4	0.8
2004	87	10.5	0.3	0.8	0.9	0.3	0.7	0.4	0.3	1.2	0.6	1.1	0.7	1.4	0.7	0.3
<b>Median Age</b>																
1983	37	38	42	35	35	30	34	33	33	25	44	35	35	41	54	36
2004	40	38	47	36	42	45	38	34	39	35	48	35	43	35	31	40
<b>Median no. of years since migration</b>																
1983	-	19	22	15	15	11	10	14	10	4	26	18	24	22	35	13
2004	-	15	37	9	20	32	19	17	12	8	31	8	37	14	5	18
<b>Median entry age</b>																
2004	-	22	15	27	27	16	21	20	21	25	19	25	6	22	25	23
<b>% with entry age under 16</b>																
2004	-	27	50	9	21	48	29	33	15	15	31	26	75	33	6	35
<b>% graduates (men)</b>																
1983	10	14	4	18	16	7	16	11	19	25	4	38	21	15	12	25
2004	18	23	15	26	24	28	15	7	40	21	19	29	32	24	12	38
<b>% of no qualifications (men)</b>																
1983	45	49	65	13	46	68	32	81	56	31	71	21	30	42	57	29
2004	13	17	20	10	22	15	34	41	15	17	26	4	9	10	23	7
<b>Percentage graduates (women)</b>																
1983	4	8	1	6	10	5	8	2	9	14	3	15	12	10	15	20
2004	16	18	14	15	16	16	6	3	25	18	18	25	28	23	14	26
<b>% of no qualifications (women)</b>																
1983	51	50	51	57	42	45	65	75	90	54	48	60	18	32	44	44
2004	15	20	14	18	31	17	48	60	18	19	23	5	11	12	17	12
<b>% in London</b>																
1983	10	36	59	66	43	17	53	52	34	22	34	29	34	28	28	23
2004	8	45	64	64	42	57	26	63	44	53	33	38	28	36	57	43
<b>% in married same</b>																
1983	99.7	96	86	70	94	96	95	99	88	100	99	99	99	99	99	99
2004	99	86	66	81	90	84	92	91	67	53	95	98	97	94	96	96

The total percentage of immigrants is slightly higher than the sum of the origin percentages as some immigrants do not report country of origin.

**Note:** All figures are population-weighted. Married includes cohabitantes and is conditional on being married.

**Source:** Labour Force Surveys

Another key differentiation which is worth making is between participation rates for men and women. The participation rate is the ratio of economically active individuals to the total population, including those unemployed but looking for a job.

**Table 4**  
Employment and participation rates for British-born whites and immigrants

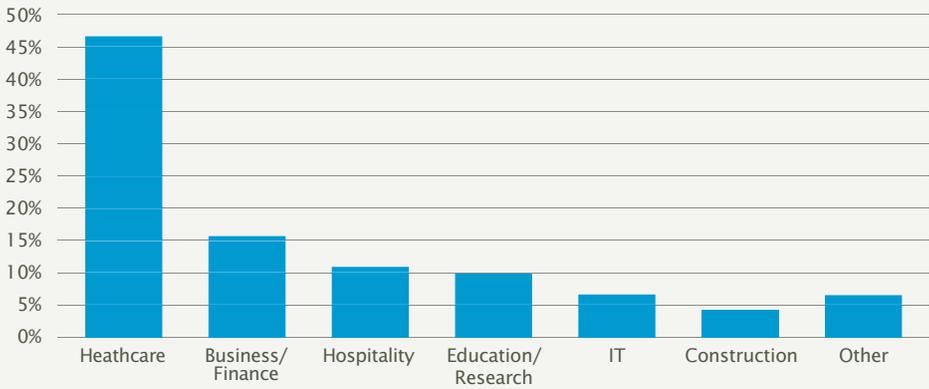
	British-born white	West Indian	Black African	Indian	African-Asian	Pakistani	Chinese	Bangladeshi	Other Ethnic Minority Background
<b>Men</b>									
<b>Employment</b>									
1979	96	95	90	96	92	91	100	100	94
1992	89	77	69	86	92	75	64	94	82
2004	95	90	86	96	94	90	86	94	89
<b>Participation</b>									
1979	95	96	98	96	97	98	93	100	95
1992	90	81	88	84	95	77	83	91	88
2004	87	81	90	86	90	80	85	92	82
<b>Women</b>									
<b>Employment</b>									
1979	94	91	88	91	90	68	67	98	91
1992	92	89	73	88	88	75	49	90	86
2004	96	89	88	93	96	79	88	93	89
<b>Participation</b>									
1979	65	78	74	54	66	15	24	53	50
1992	74	72	70	64	71	17	15	60	65
2004	78	83	64	62	69	23	18	72	58

**Note:** excludes those in full-time education. All figures are population-weighted.

**Source:** Labour Force Surveys

The most dramatic indication from this is the low level of economic participation among Pakistani and Bangladeshi women. Among these groups there is a participation rate of less than a quarter.

**Chart 11** Work permit holders by occupation category, Jan 2004-Aug 2006



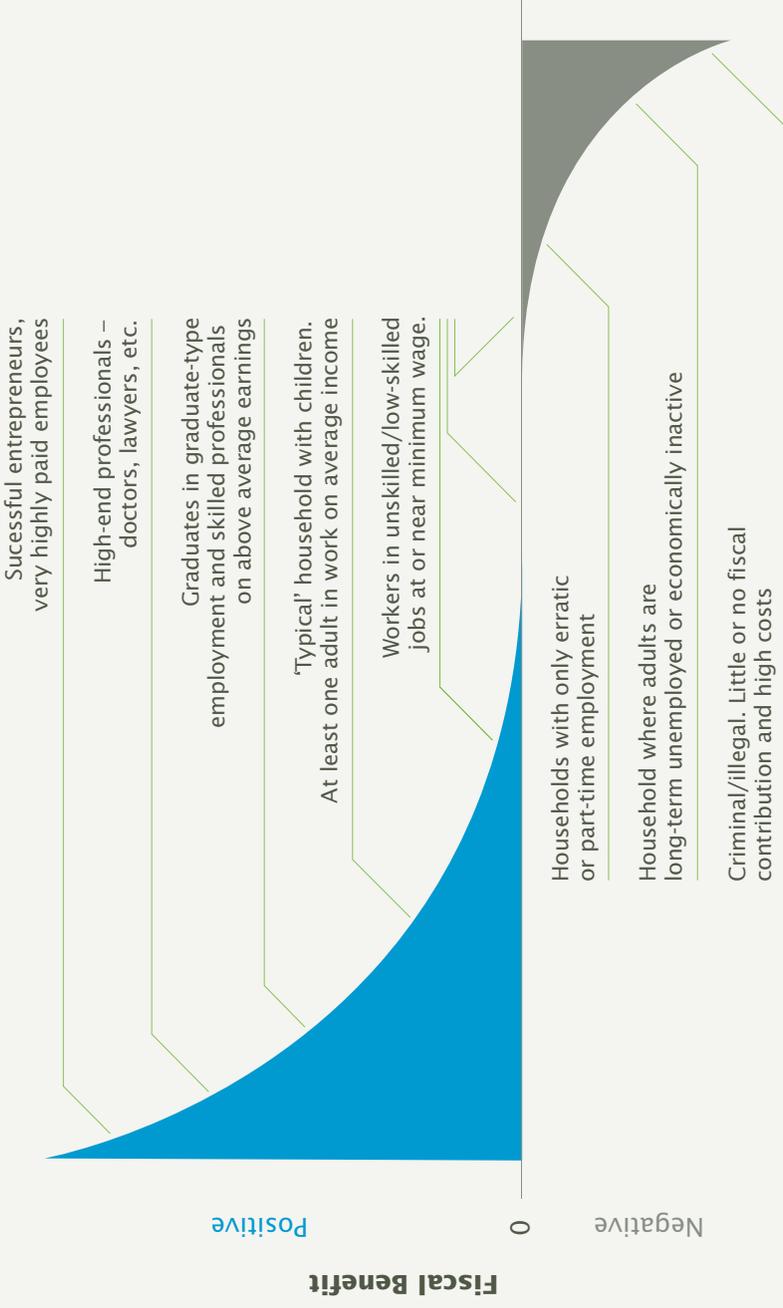
**Source:** IPPR Selecting Wisely

As a final distinction, it is worth looking at the actual jobs taken by economic migrants. Looking at the work permits granted between January 2004 and August 2005 produces Chart 11. This sends out a very clear and simple message, which is that those who think immigrants are mainly oiling the wheels of the private sector and wealth creation are wrong. The combination of healthcare and education, which are overwhelmingly public sector occupations in the UK, accounts for more than half the work permits issued.

This is not to suggest that these occupations are any less valuable to society; clearly successful education and healthcare are absolutely basic to a good society. What it does tell us is that the main reason why the Government is so keen on relaxing any limits on immigration may well not be to help business fill its gaps, but to ensure that the essential public services do not collapse. This may help explain the curious ambivalence of Government immigration policy in the last few years, where increasingly tough talk has not been matched by any increased restrictions.

### Chart 9 Net migration flow into the UK over the last 30 years

(For more details, see Page 22)



### Migrants