

BRIEFING PAPER

EU NATIONALS IN THE UK

Introduction

The campaign around the UK referendum on membership of the EU has made the free movement and migrants from the EU one of the main topics of debate. It's worth noting at this stage that support for free movement in the EU is strong in the UK, with 64% of respondents in favour, according to [polling](#)¹ by the European Commission.

This briefing focuses on free movement and aims to provide some facts about its impact in the UK in order to inform the debate. Whilst it makes the argument that the free movement rules of the EU have benefited the UK because of the access it has given a hardworking and often skilled labour force, it does *not* make the case for remaining in or leaving the EU.

Our central argument is that free movement has worked well across many sectors of the UK economy and there is a crucial need to acknowledge this. If the vote on 23 June goes for Brexit the government will be obliged to come up with other ways of managing migration that will facilitate the movement of people across UK borders on a scale that will be similar to that achieved under the EU regulations.

Before moving on to look at some of the key areas that tend to come up in the discussion of EU migration to the UK, it's important to note that by-and-large the research on this issue shows that EU nationals who have come to live here share some common characteristics. Broadly speaking these are that EU free movers are:

- Young, in good health and frequently have no children
- Well-educated (43% with higher education)
- Bi-lingual – sometimes multi-lingual
- Working & paying taxes
- Generally not claiming out-of-work benefits
- Generally renting privately or home-owners

¹ This briefing paper contains [hyperlinks](#). Simply click on the underlined word or phrase while pressing on Ctrl and a web page will open in your browser. This will take you to the article or research referred to in the text.

Numbers

There are around 3 million EU citizens living in the UK. [Six countries](#) – Poland, Romania, Spain, Italy, Hungary and Portugal – have been responsible for 80% of the growth in the UK's EU-born population since 2011.

The UK's quarterly [immigration statistics](#) published on 25 February 2016 show a rise in the level of net migration to the UK of 31,000 to 323,000 from the end of 2014. Net migration has now topped 300,000 for nearly two years. Whilst this is undoubtedly a high figure it appears to be the *new normal* for an economy which does business with the rest of the world on the model which the UK has adopted.

The two largest categories of immigration to the UK were:

- EU citizens arriving for work (30%)
- non-EU citizens coming to study (21%).

Other categories were smaller, such as:

- non-EU workers (12%)
- non-EU family migration (8%).

These figures show that the UK's economy and the needs businesses and public services have for workers, are big factors in why people come to work here. On top of that our universities and colleges continue to attract people from around the world who want to gain a British qualification.

But the migration figures are still hotly debated because they don't match up with the figures for National Insurance (NI) numbers that were applied for during the same period. The most recent official migration figures show that there were 257,000 migrants from the EU up to September 2015. But 655,000 EU nationals applied for National Insurance Numbers over the same period according to figures by another government department.

This creates an obvious muddle about what the true figures are. In mid-May 2016 the Office of National Statistics (ONS) published an analysis of the discrepancy between the two sets of figures. These explained that [short-term migration](#) to the UK largely accounts for the recent differences between the number of long-term migrants and the number of National Insurance number registrations for EU citizens.

The [analysis](#) goes on to say that the International Passenger Survey continues to be the best source of information for measuring long-term international migration. Furthermore, NI number registrations data are *not* a good measure of long-term migration, but they are a valuable source of information on emerging changes in patterns of migration. The ONS analysis shows that NI numbers alone are not necessarily a good guide to figures about *permanent* immigration.

Work and the Jobs Market

We know that all over Europe EU nationals usually move across borders for work. They also tend to be a [well-educated group of people on average](#), adding considerably to the stock of skills in the countries they move to. In England and Wales, for example, 23% of the working-age, home-grown population has no qualification. This compares with only 13% of migrants from countries that had joined the EU before 2004 and 16% of EU migrants from the 2004 and 2007 accession countries (commonly known as the EU-12 countries).

Some say that this takes jobs away from the people already in the UK and puts pressure on public services like health and education. But this argument overlooks the fact that they also:

- Help to fill skills gaps that employers find hard to fill in the labour market
- Pay tax and national insurance which help to pay for public services
- Spend money in the UK which helps to boost the economy both locally and nationally

According to [research](#) by leading academics at University College London, European migrants to the UK are not a drain on Britain's finances and pay out far more in taxes than they receive in state benefits.

The study says that European migrants made a net contribution of £20bn to UK public finances between 2000 and 2011. Those from the 15 countries which made up the EU before 2004, including France, Germany, Italy and Spain, contributed 64% – £15bn more in taxes than they received in welfare – while east European migrants contributed 12%, equivalent to £5bn more.

As a consequence of free movement provisions EU nationals have also brought with them a number of [rights at work](#) that are enjoyed by the whole UK workforce. These include:

- Minimum paid annual leave (now 28 days a year including bank holidays)
- Additional rights for agency and temporary workers and for part-time workers
- Current pregnancy and maternity leave rights
- Parental leave
- Working time (which includes a maximum of a 48-hour week unless you agree otherwise, and minimum rest breaks each day)
- Equal pay
- Anti-discrimination rules on race, sex, disability, age and sexual orientation
- Data protection rights

Benefits

Benefits are perhaps among the more contentious issues in the immigration debate. It is claimed, by the government and some who are opposed to migration from countries that have recently gained full free movement in the EU, that the UK benefits system acts as a 'pull factor' in attracting migrants from these countries. The government's February 2016 deal with the EU introduces a ['four-year ban'](#) on new migrants from the EU claiming in-work benefits to counter this perceived problem. But does this policy reflect the true position?

As of February 2015, 113,960 [working-age claimants](#) of Department of Work & Pensions benefits were EU migrants. This represents 2.2% of total claimants. As of March 2014 317,800 families who were in receipt of tax credits, 6.8% of total claimants, contained at least one adult who was an EU national. Statistics are not readily available for pensioner benefits, which account for a large proportion of overall benefit spending, but given the age profile of EU migrants they are likely to make up a very small proportion of those getting pensioner benefits. Another [study](#) from University College London found that EU migrants pay £1.34 in tax for every £1 they get in state assistance.

A research team at Glasgow University interviewed scores of EU migrants and concluded that removing state support from EU migrants will not reduce inward migration. This is backed up by wider [research](#) from think-tank EuroFound across a number of EU countries that shows that the claim that that EU citizens are coming from new EU member states to older member states in order to get benefits is essentially untrue.

The Glasgow team also [found](#) that most post-accession EU workers:

- have very little contact with the benefits system, despite being in low-paid jobs.
- few had more than a basic awareness of the British welfare system, although most had been settled for two years or more.
- lack of information was not the only reason they weren't claiming. Many said they were surprised at the level of social support available when they moved to the UK.

And

- they often chose to go home for medical treatment rather than rely on the NHS

[Analysis](#) of the Labour Force Survey and other data by the Institute for Public Policy Research (IPPR) says the picture is more mixed though. The IPPR says that a large majority of EU migrants are in work and so are paying taxes rather than living off out-of-work benefits, but they are also more likely to be claiming in-work benefits than others in the workforce.

Overwhelmingly, the evidence shows that EU nationals come to work and earn, not sit and claim. For example, in 2013, Parliament passed a law that denied European Economic Area (EEA) citizens without work jobseekers' allowance, child benefits,

child tax credits, and housing benefits for their first three months in Britain. The next year the number of EEA migrants [rose significantly](#).

There is [no empirical evidence](#) that immigration decisions are made on the basis of welfare entitlements. In many countries, migrants claim fewer benefits than the home-grown population. [Research on Polish immigration](#) to the U.K. shows most Poles were motivated by what you would expect: a perception that the U.K. is wealthier and more developed than their home country. Welfare was rarely mentioned, and it seems clear why: EU nationals — who come seeking work are actually [more likely to be employed](#) than British citizens.

So, can it be fair or right that people working in essential jobs in areas like health and social care and agriculture and the food processing industries should be denied the levels of social compensation which we think are due to our own citizens?

Housing

The [English Household Survey 2013-14](#) says there are 14.3 million homeowners in England alone. Another 4.4 million people rent their homes privately. And 3.9 million are what are called ‘social renters’ (people who rent from the local council or a housing association).

There don't appear to be separate official housing figures for EU nationals. So it's only possible to look at the general picture in relation to housing and migration.

Some have claimed that immigration is the biggest strain on housing. But a [report](#) from the London School of Economics found that:

“In the early years even better off migrants tend to form fewer households as compared to the indigenous population; to live disproportionately in private renting; and to live at higher densities. However, the longer they stay, the more their housing consumption resembles that of similar indigenous households.”

A [briefing paper](#) by Oxford University's Migration Observatory also found that:

- The foreign-born population has significantly lower ownership rates (43% were home owners in the first quarter of 2015) than UK-born people (68%).
- The foreign-born population is almost three times as likely to be in the private rental sector (39% were in this sector in the first quarter of 2015), compared to people born in the UK-born (14%).
- Those migrants who have been in the UK longer tend to have accommodation similar to that of people born in the UK.

In short, migrants (and this includes those from the EU) are more likely to rent in the private sector, as opposed to buying homes or to be living in social housing.

Health

The Glasgow University [study](#) mentioned earlier in this briefing found that EU nationals often chose to go home for medical treatment rather than rely on the NHS. But this hasn't stopped some claiming that – despite the fact that the UK has a [reciprocal agreement](#) with other EU countries – migrants from the EU are a drain on the NHS.

The Department of Health puts the [cost](#) to the whole of the NHS from *visitors* and *non-permanent residents* who come from the European Economic Area (that's the EU as well as Iceland, Liechtenstein and Norway) at around £340m a year. That figure includes the cost of treatment received by so-called health tourists - people who visit the UK purely to use the health service. This is a relatively small proportion of the NHS total annual expenditure, which for England alone was [£113.3bn in 2014/15](#). But there aren't any figures for how much the 3 million or so EU citizens who *live and work* here cost the NHS.

This number of people may put pressure on the NHS but the waits to get GP appointments, referrals to consultants and even operations are as likely to be experienced in areas of low migration as they are in areas where there is high migration. The problem is with the system and not the people trying to use it.

EU nationals also make an important contribution to the NHS by working in it. The [proportion of NHS workers](#) - excluding self-employed GPs - in England recorded as British was 78.5%. The proportions of staff from other EU and Commonwealth member countries were relatively similar to one another; 3.6% were nationals of EU countries and 4% were nationals of Commonwealth countries.

Education

We've already seen (above) that EU migrants tend to be [better educated on average](#) than the people already living in the countries they move to. In England and Wales 23% of the working-age, home-grown population has no qualification compared to only 13% of migrants from countries that had joined the EU before to 2004 and 16% of EU migrants from the 2004 and 2007 accession countries.

EU students are an important feature of the UK's higher education system too. Students from other [European Union](#) countries attending UK universities generate £3.7 billion for the UK economy and support more than 34,000 jobs *across the country*. They generated £1.44 billion for the economy through direct on-campus spending of £220 million on fees and costs, once the knock-on effect of that expenditure was calculated. The rest of the money (£2.27 billion) was generated through off-campus spending of £1.49 billion on goods and services, such as food and rent.

The presence of migrant children in UK schools is often characterised as a 'strain' on an overstretched system. But is this justified? Migration in general has, if anything, had a [positive effect](#) on school and pupil performance. For more than a decade the performance of schools with higher proportions of pupils with English as an

additional language (EAL) has been better than other schools with equivalent levels of disadvantage.

Claims that migration is to blame for putting pressure on schools do not square with what we know of the impact of migration on local schools in areas where new arrivals are present in large numbers. In London in particular the presence of children from migrant families in the local school system has played an important part in pushing standards upwards and making the capital one of the most successful parts of the country in terms of the school performance.

There is clearly evidence of problems in terms of finding places for all the children who need them, but this seems to be more closely connected with lack of investment in schools and the demands placed on them by constant reorganisation. It is wrong to say that migration itself is the cause of these problems.

Crime & Security

Some ask how much difference the EU's rules on freedom of movement make to Britain's ability to police its borders – especially since the attacks in Paris and Brussels. It's true that EU freedom of movement allows citizens of all the other 27 EU countries to travel freely to the UK, to visit, study or work. But it's also important to remember that:

- There is a UK border, and everyone, including citizens of EU-member states, has to produce a passport to cross it.
- The UK is not a member of the Schengen area of borderless travel.
- The men who carried out the attacks on London on 7 July 2005 were all from the UK

But is it true that we can't stop people with a serious criminal record entering the country? Since 2010 the UK has [denied entry](#) to over 100,000 people, including over 6,500 EU nationals.

The [EU's 2004 citizenship directive](#) makes it clear that the free movement of people within the EU is not an unqualified right and can be restricted on grounds of "public policy, public security or public health". This means that serious offenders can be denied entry and the right to live in Britain.

However, the directive does say "previous criminal convictions shall not in themselves constitute grounds for taking such measures". And goes on to say that convicted criminals can be excluded on a case-by-case basis if they present "a genuine, present and sufficiently serious threat affecting one of the fundamental interests of society".

Despite some lurid headlines in the press the [British Crime Survey](#) does not show that EU nationals are more likely to commit crimes (serious or otherwise) than anyone else. In fact other [research](#) suggests that they are less likely to report a crime if they are the victim of one than British nationals are.

One [newspaper](#) reported in November 2014 that in the first few months after the borders were opened to Romanians and Bulgarians the number of arrests barely changed and the number of charges actually dropped. In the first three months of 2014 the number of Romanians convicted of crimes in the whole of the UK was 1,522, a 15.3% reduction from 1,797 in the same 2013 period, police figures show.

And according to the [Metropolitan Police](#), the number of Romanians charged with an offence in London in January that year actually dropped three per cent compared to the same month in the previous year. Rates of burglary, vandalism and car theft all dropped following the arrival of migrants from Poland, the Czech Republic, Hungary and seven other countries after they joined the European Union in 2004, according to a [study](#) by researchers at the LSE. And places that had attracted large numbers of eastern European immigrants enjoyed a "significant fall in property crime", a category of offence that also includes theft and shoplifting. So, generally speaking, it's fair to say that EU migration to the UK has not been accompanied by a crime wave.

If not EU migrants: then who?

The UK is not the only country in the world to have experienced inward migration since the turn of the millennium. With around 14% of its residents born abroad it stands alongside countries like Germany, France, Spain and others which also have immigrant populations of this order. Outside the EU, Canada and Australia have much larger migrant populations with the latter have 20% of its population born abroad, and Australia 25%.

Whether in or outside the EU, the UK, as an open economy closely integrated into global commerce and trade, will be required by competitive pressures to maintain a large workforce that has the skills and the drive to produce the goods and services that are in demand in the world markets.

Free movement amongst the EU countries has allowed this workforce to be built-up over past years. If the country votes for Brexit it will be required to come up with an alternative system for managing the movement of people which is just as good and at the same relatively low cost.

A vote to leave the EU will not lessen the UK's reliance on migrants. Economically mass migration from the EU has proved to be an [economic benefit](#). And Britain may need millions more immigrants over the next 50 years to reduce the "unsustainable" pressure that the ageing population is putting on the economy, according Office of Budget Responsibility (OBR) [forecasts](#). Put simply, migrants are needed by the UK's economy and to raise taxes, as well as to avoid government spending cuts being wiped out by the UK's ageing population.

Conclusion

MRN believes that either in or out the EU, the UK is going to have to remain a country open to migration. So newcomers will need to be included in a broad system of rights whatever system of border management is adopted.

There are five things that we'll be striving to get across whenever asked for our views on EU migration and freedom of movement. These are:

- Immigration is not the cause of large-scale unemployment in the UK, nor is it responsible for driving down the wages of British workers. Britain could be doing more in the way of facilitating the emergence of more good quality, better paid jobs than it has been doing for many years now, but drastically cutting back on immigration is not one of them.
- Immigration is not the reason why people are so often experiencing difficulties booking appointments with GPs or waiting too long for hospital appointments. These are as likely to be experienced in areas of low migrant settlement, like Southend-on-Sea or Redcar or Hartlepool as they are in the big urban centres where newcomers are arriving in substantial numbers.
- Our fundamental security is not threatened as a nation by migration of either workers or refugees. Borders and police regimes provide very little real protection against the threats which do exist out there in a very dangerous world. Having a smart, savvy population with the cultural resources and collective intelligence that really knows how to read the danger signs and respond accordingly is a far better way of securing ourselves against the risks of modern life.
- The idea that European freedom of movement rules take place at the expense of Commonwealth migrants, touted on a number of occasions by businesses frustrated by the difficulty of getting visas for people from their home countries, is quite wrong. The right of Commonwealth migrants to come to the UK was seriously curtailed as far back as 1962 under the terms of the first Commonwealth Immigrants Act. The UK's many anti-Commonwealth immigrant measures since then – like the primary purpose rule and the refusal to recognise relationships with spouses and children from the Indian subcontinent – has been deeply entrenched in UK law and policy for decades and exists without any connection with EU law.
- In any event, and whatever the outcome of the referendum, Britain will continue to be a nation that needs migration. Its borders must not be allowed to become fortified castle walls that hold the rest of the world at bay. We will still need policies that welcome people who are committed to making a life in the UK and who intend to be good neighbours in the communities in which they settle.

May 2016