

East European immigration expected to continue

The opening of other European labour markets to workers from the new EU states is unlikely to significantly reduce labour migration to Ireland and the UK, writes **Martin Ruhs**

The preliminary census report released earlier this week suggests that the number of non-Irish nationals in Ireland increased from 222,000 in 2002 (equivalent to 5.8 per cent of the population) to around 400,000 in 2006 (about 9.4 percent of the population).

Although the 2006 census data published so far do not yet include information about the nationalities and labour market activities of the enumerated residents, it is clear that much of the increase in the number of migrants in Ireland over the past five years has been driven by the immigration of workers from the new EU member states (A8 workers).

More than two years after EU enlargement, both Ireland and the UK are continuing to attract significant and, according to the latest PPS and national insurance figures, growing numbers of A8 workers. In Ireland, almost 230,000 PPS numbers have been issued to A8 migrants since EU enlargement on May 1st, 2004.

In the UK about 375,000 east European workers registered for employment, with 347,000 national insurance numbers issued to A8 nationals since EU enlargement. In both countries, the numbers of PPS/national insurance numbers obtained by A8 workers in the first few months of 2006 were higher than in comparable periods in previous years.

There has been much discussion, especially in the UK but also increasingly in Ireland, about two key questions arising from these PPS/national insurance figures. First, to what extent do the official figures shed light on the actual inflow and employment of A8 workers? And, second, will A8 migration to Ireland and the UK significantly decrease when other EU countries open their labour markets to workers from the new EU states?

The answer to the first question must be that, although the available data - or indeed a visit to almost any restaurant or construction site in Dublin or London - clearly suggest that inflows of A8 workers have been larger than expected, our understanding about the actual magnitudes involved remains rather limited. The UK's Office for National Statistics has recently confirmed this assessment by suggesting that its official estimates may not adequately reflect the actual number of migrants in the UK.

Some of the inadequacies of the available data are well known. For example, some migrants - just like some citizens - do not obtain national insurance numbers but work in the informal economy. In the UK, a significant number of A8 migrants do not register in the Workers' Registration Scheme for A8 workers, because they are officially

exempted from doing so, do not know about registration, or because they simply do not find registration worth their while.

Importantly, PPS/national insurance numbers and the UK's registration figures do not capture changes in the stock of A8 migrants working in Ireland and the UK. Although it is premature to suggest that most of their recent immigration is temporary, there can be no doubt that many east European migrants who obtained national insurance numbers since May 2004 came to do temporary jobs and have already left.

To gain a more accurate picture about the impact of recent A8 immigration flows on Ireland's labour force, we will have to wait until 2007 when the latest census figures on the nationality and labour market activities of Ireland's residents will become available.

Whatever the true numbers may be, a second question that has recently been asked is whether the opening of other European labour markets to A8 workers will significantly reduce labour migration to Ireland and the UK. Spain, Finland, Greece and Portugal opened their labour markets to A8 workers last month and the remaining EU countries need to do so by 2011 at the latest.

Making predictions about future migration flows is known to be a highly hazardous exercise. Nevertheless, I suggest four reasons why the answer to this second question may be "no".

First, research has shown that one of the most robust predictors of future migration flows to a certain country is the number of migrants already in that country. Migrant networks facilitate the migration of workers who follow their friends or relatives abroad. They are often actively used by employers looking for labour. The networks built by the A8 workers already in Ireland and the UK and their employers can be expected to maintain migration flows even when other destinations become available.

Second, recent research on east European migrants in the UK has revealed that one of their major motivations for working in the UK - apart from making money or gaining a new life experience - is to learn English. This makes Ireland and the UK more attractive destinations than other EU countries.

Third, despite not yet allowing A8 workers free access to their labour markets, some of the other EU countries have in practice already seen significant increases in the immigration of A8 workers since EU enlargement. For example, since May 2004 Austria has significantly expanded the number of work permits issued to A8 workers. Some east European migrants have also moved to Austria by making use of their right to free movement and taken up employment illegally.

Finally, the potential migrant labour supply in the new EU member countries is still large. Unemployment in Poland stands at 16 per cent. Although analyses of migration

intentions need to be viewed with caution, a recent study published by the European Commission found that more than 50 per cent of Poles are ready to move to a different EU country if they become unemployed. All this suggests that, on its own, the opening of other EU countries' labour markets to A8 workers is unlikely to significantly reduce A8 migration flows to Ireland and the UK.

In the short to medium term, the key factor determining inflows of A8 migrants is employer demand for migrant labour, not supply. This may, of course, change in the long term as countries like Poland experience economic growth and attract return migration.

Maybe we should spend more time discussing a third question: do numbers matter? The answer is likely to be yes, but not in isolation of an explicit discussion of the economic and social impacts - positive and negative - that fewer or greater number of migrants generate. It is now time to move on to a more explicit debate about migration impacts that goes beyond current discussions about national insurance numbers.

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