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# Migration and Brexit


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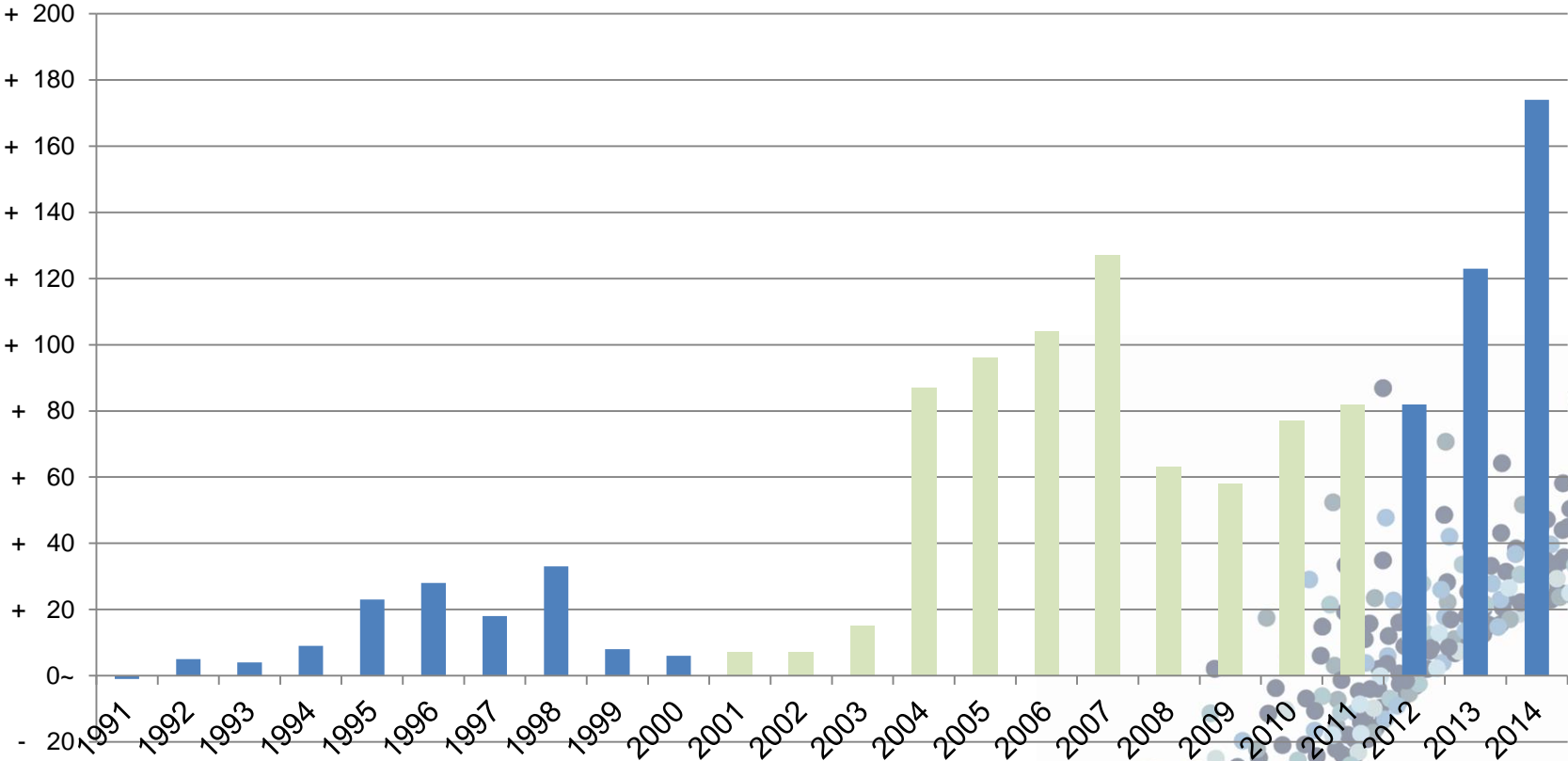
# What can we say about the impacts of Brexit on migration?

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- What can we expect if free movement remains in place?
  - How would Brexit change migration policies?
  - How would ending free movement affect migration?
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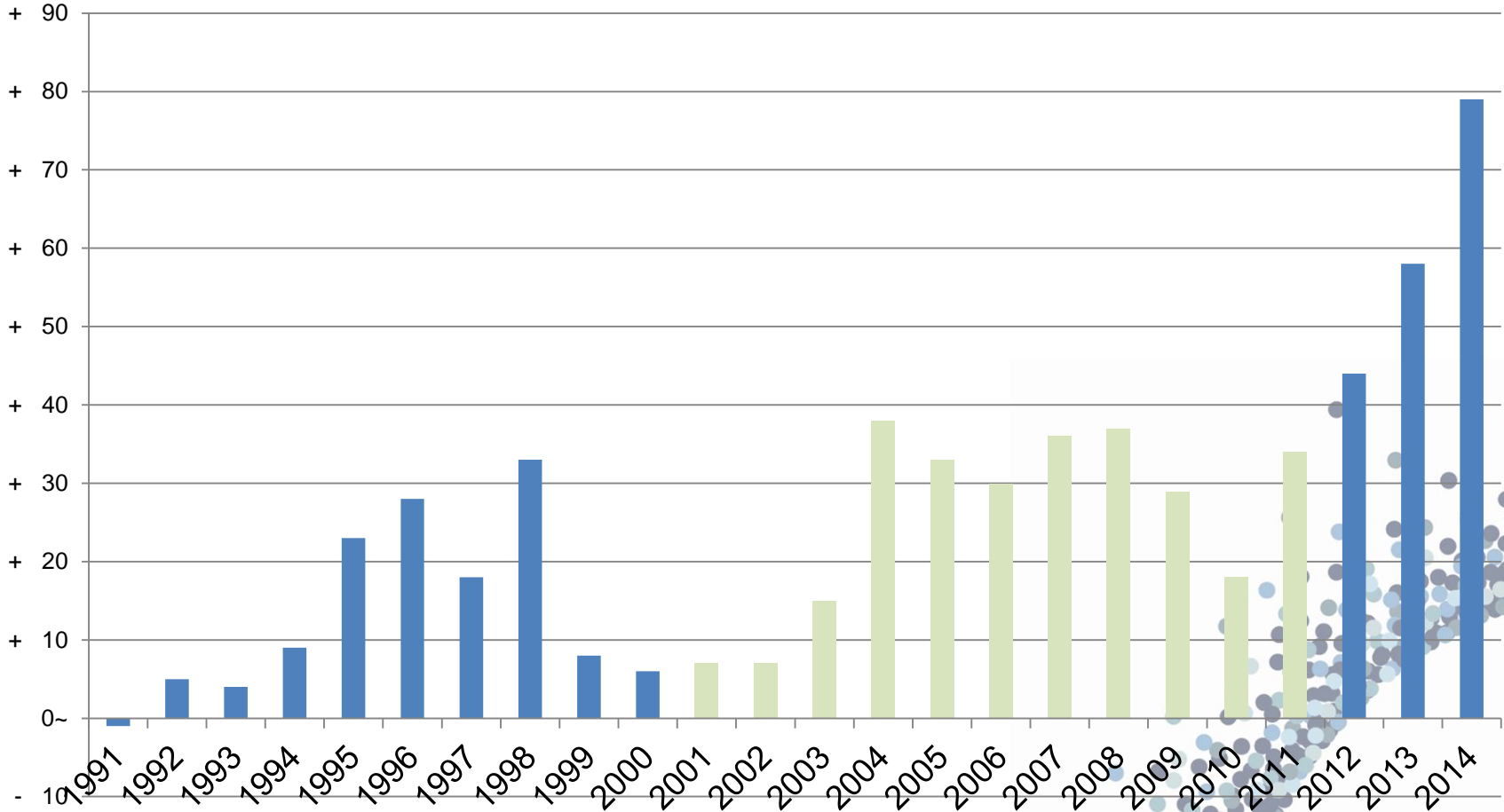
# Background: high levels of EU migration

Net migration of EU citizens, 1991-2014



Source: ONS, LTIM table 2.01

# EU-15 migration



Source: ONS, LTIM table 2.01

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# Why has EU migration increased?

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- No single explanation/trend
  - Economic factors likely to be important
    - Approx. 70% EU citizens coming for work
    - Wage gaps with Eastern Europe
    - Unemployment in Eurozone countries
    - Flexible UK labour market & high employment
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# “Remain” scenario: will EU migration continue to be high?


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- Very difficult to forecast migration
  - Possible trends affecting future flows:
    - Economic recovery in Eurozone
    - Narrowing income gap with new EU member states
    - Demographics in countries of origin
    - Impact of UK national living wage unclear
    - Welfare restrictions
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# Migration policies after Brexit

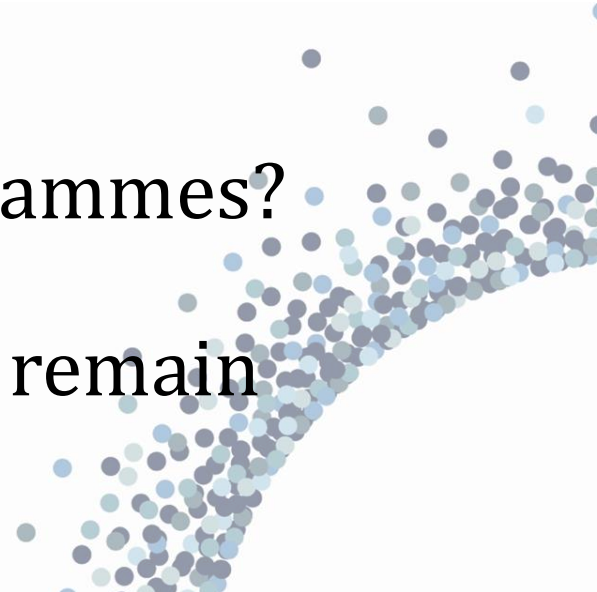
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- Can't be known in advance
  - Scenarios include:
    - Joining EEA (little or no change)
    - Imposing current requirements on EU nationals (work, family, study)
    - New/redesigned system
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# Questions about a redesigned immigration system

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- Skill & pay requirements for work visas
    - Have become more selective over time
    - Designed for a different environment
    - Substitution between EU & non-EU?
  - New low-skilled worker programmes?
  - But: overall, skill/pay likely to remain important criteria
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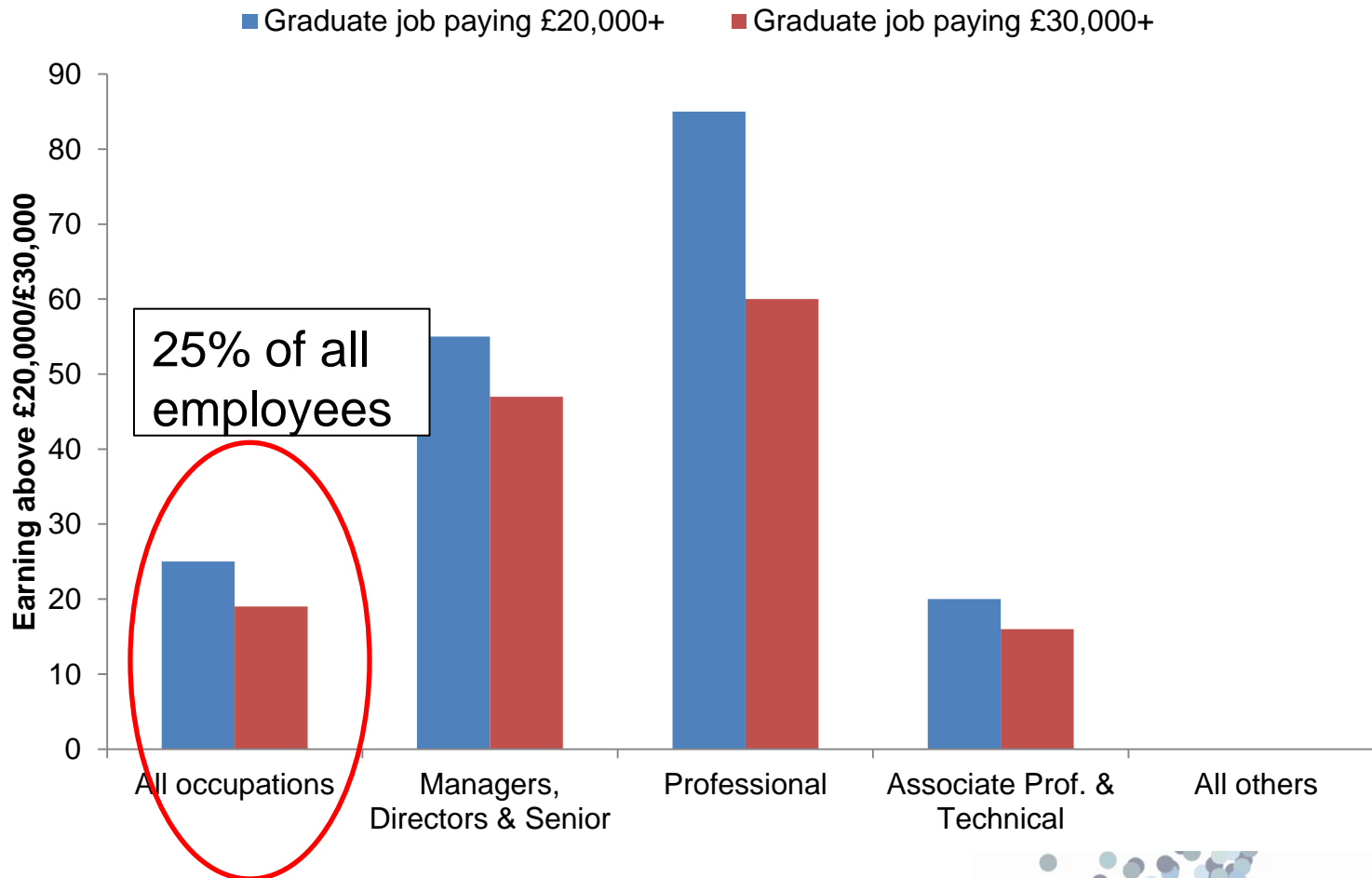
# Potential implications of admission criteria for EU nationals coming to the UK

- What share of employees in the UK would meet current Tier 2 work visa requirements?
- What is the implication for the EU referendum debate?
- Look at share of employees that were in graduate jobs paying at least £20,000/£30,000 per year.
- All for 2015.

# Occupational categories, skilled jobs and salaries of employees in the UK

Occupational category	Mean salary (£)	Share in graduate level occupations (%)
Managers, Directors and Senior Officials	44,000	63%
Professional	37,000	100%
Associate Professional and Technical	32,000	23%
Administrative and Secretarial	19,000	0
Skilled Trades	25,000	0
Caring, Leisure and Other Service	14,000	0
Sales and Customer Service	13,000	0
Process, Plant and Machine Operatives	23,000	0
Elementary	12,000	0
All occupations	26,000	30%

# % in graduate level occupations & earning at least £20,000/£30,000



# By industry category...



# Distribution of workers across occupations, by place of birth

Occupational category	EU (%)	Non-EU (%)	UK (%)	All (%)
1 Managers, Directors and Senior Officials	7	10	11	10
2 Professional	17	25	19	20
3 Associate Professional and Technical	11	11	14	14
4 Administrative and Secretarial	8	8	11	11
5 Skilled Trades	12	8	11	11
6 Caring, Leisure and Other Service	9	11	9	9
7 Sales and Customer Service	4	7	8	8
8 Process, Plant and Machine Operatives	12	7	6	6
9 Elementary	22	13	10	11
All occupations	100	100	100	100

# Distribution of workers across industries (%) (%), by place of birth

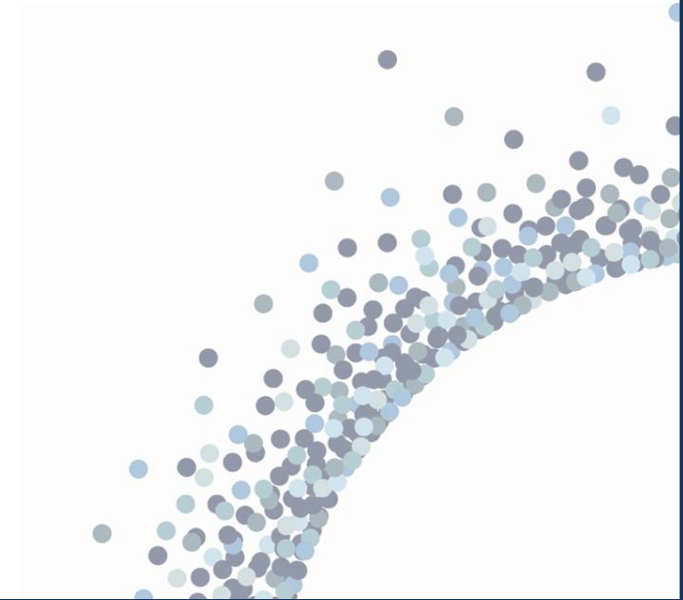
Industry sectors	All EU	Non-EU	UK	All
Agriculture, Forestry and Fishing	1	0.3	1	1
Energy and Water	1	1	2	2
Manufacturing	15	6	10	10
Construction	8	4	8	7
Distribution, Hotels and Restaurants	22	22	18	19
Transport and Communication	10	13	9	9
Banking and finance	18	18	17	17
Public administration, Education and Health	21	30	31	30
Other services	5	5	6	6
Total	100	100	100	100

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# Overall

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- In 2015, only 19% of people born in EU countries and working employees in the UK were in a skilled job earning more than £20,000.



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# What about family unification?

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- Could become more difficult for EU nationals if admission requirements were imposed.
  - In 2015, 53% of EU nationals working in the UK as employees earned less than £18,600.
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# What about students?

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- More difficult to understand.
  - EU students currently pay the same fees as UK domiciled students; they do not need visas and therefore can study at any institution even if it is not a licensed sponsor of international students.
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# More information

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For more information:

[www.migrationobservatory.ox.ac.uk/projects/brexit](http://www.migrationobservatory.ox.ac.uk/projects/brexit)

Press contact:

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