



## What does the 2015 election mean for migration to the UK?

The return of the Conservative Party to government in 2015 will affect the migration debate in a number of ways, with new policy announcements in areas ranging from enforcement to skilled non-EU migration.

Among several issues that are likely to be prominent in the UK debate on immigration during this parliament are the Tier 2 cap and income settlement thresholds; the future design of the net-migration target (including an ongoing discussion about whether students should be included); and the referendum on the UK's continued membership of the EU.

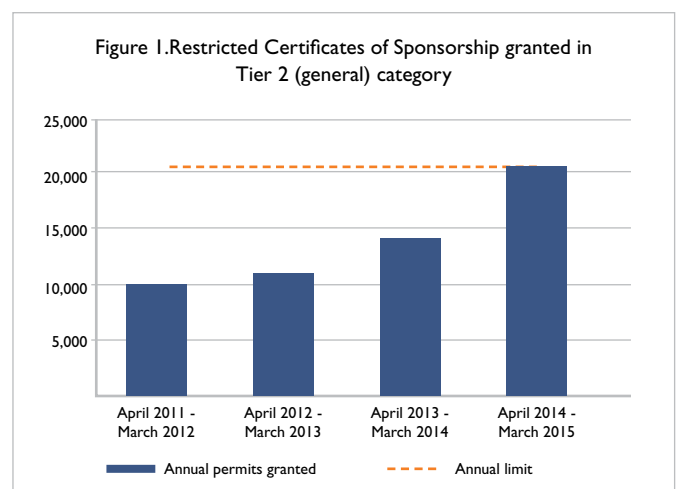
The discussion below summarizes some key points of the discussion for the Tier 2 cap and the role of students in the net-migration target.

### The Tier 2 cap

In April 2011, an annual cap of 20,700 Tier 2 visas was introduced. The impact that the cap was likely to have was the subject of much speculation. However the level at which it was set meant that the number of employers applying to bring non-EU workers to the UK initially remained well below the limit. Between April 2011 and March 2013, monthly applications were often less than half of the available certificates. As a result, the cap did not prevent a single person from entering the UK over the course of the last parliament.

That has now changed. In June 2015 the number of applications exceeded the cap for the first time. In addition, the UK Government has announced that it will further restrict the use of the Tier 2 route, including increasing the salary thresholds. It has also requested further advice on how to reduce non-EU skilled migration from the Migration Advisory Committee.

Figure 1. Restricted Certificates of Sponsorship granted in Tier 2 (general) category



### International students and the net-migration target

Students who arrive or leave for more than 12 months are counted as migrants in the same way as those who come and go for other reasons. Some commentators have argued that students should not be seen as contributors to net migration and that there should not be a policy target to reduce their numbers.

Three main arguments are typically advanced in favour of taking students out of the target.

- Students are temporary.
- The public does not consider students to be 'immigrants'.
- Students bring economic benefits by paying tuition fees and spending money.

By contrast, two main arguments are typically advanced in favour of keeping students in the net migration target.

- Residents who are temporary still contribute in the short run to demand for services.
- Some students are not temporary, and instead stay on to work and settle permanently.

Taking students out of the target would involve calculating a new level of non-student net migration from the International Passenger Survey. The most obvious way to do this is to calculate net migration of all people who do not arrive as students, by removing students from inflows and removing former students from outflows.

The standard measure of net migration, including students, is total inflows (i.e. line 1 of Table 1) minus outflows (line 2). For 2014, this means 592,000 - 300,000 = 292,000. (This is slightly lower than the widely reported headline figure of 318,000 for 2014, which is based on the same dataset but includes some adjustments made by the ONS, for example to account for asylum applicants.) If we take total non-student immigration (line 7) minus total non-student emigration (line 8), we get 404,000 - 235,000 = 169,000 in 2014. This is 123,000 lower than the net migration figure that includes students (line 6). If only non-EU students are removed, the estimate of non-student net migration is 201,000 - a reduction of 91,000.

Table 1: Inflows and outflows of students and other groups, 2012-2014, all citizenships (thousands)

		Removing students of all citizenships			Removing non-EU students only		
		2012	2013	2014	2012	2013	2014
1	All inflows	462	485	592	462	485	592
2	All outflows	298	295	300	298	295	300
3	Net migration from IPS	164	190	292	164	190	292
4	Inflow students	175	171	188	139	122	135
5	Outflow former students	67	72	65	49	50	44
6	Difference between inflow and outflow	108	99	123	90	72	91
7	Total inflows without students	287	314	404	323	363	457
8	Total outflows without students	231	223	235	249	245	256
9	Net non-student migration	56	91	169	74	118	201

**About the speakers:**

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