

► 7. The impact of Balanced Migration

The population

Balanced Migration would stabilise the population. According to the Government's Principal Projection, the population of the UK will grow from 60 million now to nearly 80 million in 2056. Most of this growth will be in England, which will grow from the present 51 million to 68 million over the same period. However, **Balanced Migration would stabilise the population of England at about 56 million**, as shown in figure 13 on page 29. The population of Scotland would remain broadly stable.

Some may claim that these official projections are too high. However, the Government have a record of underestimating the impact of immigration on our population. They have already been obliged to raise their immigration assumption seven times since 1996. Furthermore, the figures in this paper are based on the Government's central estimate, not its high migration scenario.

Even during the recent era of uncontrolled immigration there has been very little net migration to Scotland, Wales or Northern Ireland. However, the Balanced Migration proposal includes an allowance of 20,000 immigrants permitted to settle anywhere in the UK every year. A proportion of these would, of course, be able to go to Scotland, Wales or Northern Ireland. It is up to the authorities there to provide the necessary incentives. Some argue that high levels of immigration are necessary in these nations to create a competitive economy and provide for an ageing population. However, as noted above (page 33), the recent enquiry by the House of Lords Select Committee on Economic Affairs found no evidence to support these arguments.

The economy

EU workers are not subject to immigration control, so are unaffected by this proposal. Non-EU workers would normally be granted a work permit, limited to four years, provided they had a job offer from an employer.

A number of employers require seasonal workers – especially in industries such as farming (especially horticulture) and tourism. The former is now being met largely by workers from East European members of the European Union under the Seasonal Agriculture Workers Scheme (SAWS) which is being phased out by 2010.

It is important to remember that there is no cheap labour in a welfare state. Employers may benefit but tax payers pick up the extra costs of health, education, policing and so on. If it proved necessary, a renewal of SAWS could be considered, but it would be essential to ensure that foreign workers left at the end of their contracts. This would require the following:

- Checks on arrival and departure should be in place (not due until 2014).
- Employers should take responsibility for their workers' departure.
- Workers should only be admitted from countries that do not have human rights problems.
- Return agreements should be in place with the sending countries.

A highly conditional seasonal worker scheme on these lines would meet the needs of the employer without adding to long-term immigration. The successful implementation of the SAWS scheme for over fifty years suggests that suitable arrangements should be possible.

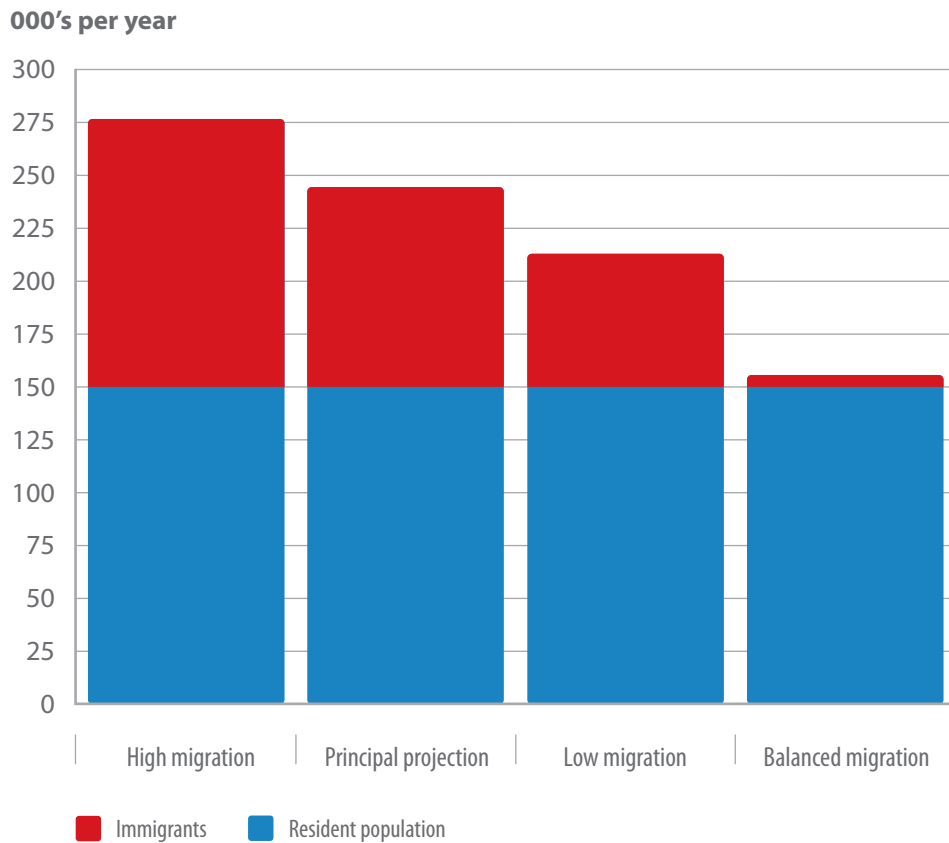
Meanwhile, Britain has over five million people on benefits. We should explore modifications to the benefit rules to encourage some of these people to do this work. This would help them financially as well as beginning to end their dependency on the welfare state.

Housing

Balanced Migration would have a considerable impact in the medium to long term on the demand for public services and housing. On the basis of the Government's forecast, **under a system of Balanced Migration, new household formation would be reduced by more than a third**, substantially reducing the pressure on the housing market and, of course, on the need for greenfield development which the Government has estimated at 40% of the present requirement.

Figure 18 shows the impact that Balanced Migration would have on household formation in England:

Fig.18: Annual housing needs: immigrants and residents 2004-2026



The benefits of Balanced Migration

The main benefit of Balanced Migration is that it would strike the right compromise between the entirely reasonable requirements of industry and commerce for skilled workers and the costs imposed on society by a rapidly growing population.

It would also provide, as the House of Lords Select Committee on Economic Affairs recommended, a “reasoned target range for net immigration” to which immigration policies could be adjusted.

More specifically, it would:

- Stabilise the population of the UK at about 65 million by mid-century.
- Reduce pressure on the environment, schools, transport and the NHS.
- Reduce household formation by about one third, thus easing pressures on housing.
- Encourage British industry and commerce to train British workers.
- Improve the prospects for integrating newcomers to our society.
- Reduce the drain of talented people from developing countries who need their skills more than we do.