



**Immigration - the Rational Debate
North West Focus Group: Regional Economy and Jobs Market
Friday 18th January 2013**

This report is particularly relevant to...

Trade unions and employer associations – so that we might obtain their assessment of future needs for migration and an assessment of impacts on employment levels, wages and conditions.

Organisations involved in regional planning, based on geographical areas or across sectors – so that they can also be engaged in order to obtain better assessments of what the implications of their work is likely to be for migration into and out of the region.

Organisations involved in the planning of public services, with social housing, health and education being to the forefront – so that trends from the 2001 and 2011 Censuses can be used to track real-time changes at the level of cities and neighbourhoods to improve the capacity to plan for future needs across all these areas.

Elected representatives in local government and the Region's MPs and MEPs – so that we might improve the quality of evidence and information in the region and seek to raise the quality of political conversations about immigration. We hope to work closely with the North West Regional Strategic Migration Partnership to open and broaden the discussion with our democratic representatives in order to achieve a more rational debate about these issues.

Background

Migrant Workers North West has been operating since 2006 to signpost employers and workforces within the region towards support services available to help the integration of migrants within our communities, to provide a website of relevant resources, to establish a voluntary code of

minimum standards relating to the employment of migrant workers, and to provide appropriate training.

The organisation recognises both the benefits that migrants bring to our economy as well as the tensions that exist around the subject. MWNW believes that there needs to be a properly informed debate which might help to shape future government policy aimed at dealing with those tensions.

We therefore welcome the call by Shadow Immigration Minister, Chris Bryant, for a "coalition of the rational" to debate immigration issues properly over the next couple of years.

As part of that debate, MWNW - in conjunction with the Migrant Rights Network nationally - is hosting a series of Focus Group debates during 2013 on each of the following topics...

1. Regional Economy, Education and the Jobs Market; and
2. Health and Social Care, Housing and Social Cohesion, Law & Order.

The conclusions will be produced on a co-ordinated basis so that reports from different regions of the UK should appear at roughly the same time - and then be submitted to the All-Party Parliamentary Group on Migration, as well as similar national forums.

Fact Box

Initially funded by the North West Development Agency, the organisation *Migrant Workers North West* has, since 2006, been successfully able to... signpost migrant workers and their employers to the various support services available to them across the North West (and other parts of the UK); establish a first-class website to help co-ordinate these services (www.migrantworkersnorthwest.com); persuade 150 of the Region's leading employers to sign our Minimum Standards Charter, which now covers over 250,000 directly employed workers plus countless additional contractors; and provide training to Public, Private and Third-Sector employers about their legal responsibilities and "best practice" on migration-related issues.

NW Migration, Regional Economy and Jobs Market – Summary Report

This summary provides a sample of the Focus Group's key findings...

- that any public policy debate should be set against an honest engagement with the public, to explain that resolving divisions about migration requires more honesty than simple pledges to "cap"

immigration levels and should, instead, focus on a commitment to meaningful forward planning and skills strategies which objectively anticipate future needs and likely trends so far as migration and the labour market is concerned;

- that the needs to recruit migrant labour in each sub-region's industrial sectors must be gauged on a case by case basis, dependent on local demographics;
- that students should be excluded from the overall immigration figures and separate figures published about foreign-student numbers in the UK; and that the Home Office and its Immigration Ministers should comment as carefully about the inward income generation importance of foreign students as the Department for Business, Innovation and Skills would do about inward investment opportunities;
- that there should be an adequate skills audit and training plan to meet the future needs of the Health and Care Sectors; and that there should be an urgent re-assessment of the current cap on levels of non-EU immigration, particularly as they relate to skills shortages in these sectors;
- that some priority be given, within overall ESOL provision, to job-specific ESOL training, as well as community-based ESOL to meet the needs of groups with lower labour market participation rates, and in line with the aspirations of Action for ESOL;
- that ACAS should produce a guide setting out minimum standards for the employment of migrant workers, possibly based on the successful model developed by Migrant Workers North West and similar documents from Business in the Community – with the guide also distributed by agencies like the GLA and institutions like the EU; and
- that, in the absence of a region-wide strategic planning mechanism (such as the North West Development Agency) the two main city regions (Merseyside and Greater Manchester) should at least be encouraged to work together on economic investment planning and particularly on labour force development.

Introduction

The North West Focus Group discussion coincided with the release of a MORI poll conducted for the think-tank British Future whose report (*State*

of the Nation: Where is Bittersweet Britain Heading?) shows that immigration is regarded by the public as the biggest single issue facing our society. The report confirms that there is concern about the perceived "national" situation, even where there is little local impact. But the poll also shows that, whilst over half of those surveyed believed immigration to be a significant cause of division, there is also an overall tolerance of those who come here.

<http://www.britishfuture.org/national-conversations/britain/new-report-where-is-bittersweet-britain-heading/>

Against this background, the event was introduced by Don Flynn, Director of the Migrant Rights Network, who confirmed that the day's purpose of the day was to gather evidence and experiences which would feed and getting these into the national policy debate.

Statistics

Carlos Vargas-Silva (Senior Researcher, University of Oxford Migration Observatory) presented an analysis of the 2011 Census Data, with particular emphasis on migration statistics and the North West.

The key points which arise from the Census, supplemented by data from the Annual Population Survey, the Labour Force Survey and the International Passenger Survey show that...

- the number of foreign-born people of working age in the UK increased from 4.6 million in 2001 to 7.5 million in 2011;
- the share of foreign-born people in the population increased from 9% in 2001 to 13.4% in 2011;
- the most common non-UK countries of birth for residents of England and Wales in 2011 were India, Poland and Pakistan – although the biggest change arises from those born in Poland, who have increased from 58,000 in 2001 to 579,000 in 2011;
- compared to the early 2000s, the presence of foreign-born workers has grown fastest in relatively low-skilled sectors and occupations;
- London has 15% of the total population of England but 41% of the foreign-born;
- in the North West, 8.2% of the population were foreign-born in 2011;

- from the total number of the foreign-born population in the North West in 2011, 56% are in Greater Manchester, 18% in Lancashire, 14% in Merseyside, 9% in Cheshire and 3% in Cumbria;
- the available statistics show the nature of immigrants on the basis that they are either “non-British” or “foreign-born” – so that the latter figures include, for example, those with UK passports born abroad (such as the children of forces personnel returning from service abroad);
- there are about 577,000 foreign-born persons in the North West, according to the 2011 Census - while other data sources put the number of non-British at about 343,000, and in many cases, these two groups overlap; and
- the hourly rate for those who have been in the country for 10-20 years is higher than that for more recent arrivals – which may indicate that longer-stay migrants have integrated effectively.

It was noted that the Oxford Migration Observatory’s website includes a function allowing researchers to create their own charts from the available data (www.migrationobservatory.ox.ac.uk).

Fact Box

Evidence from the Greater Manchester Local Enterprise Partnership shows that the city region has is the largest economy in the UK outside London and the South East, with annual GVA of over £50 billion. It also has 56% of the North West's 577,000 foreign-born residents - 30% of those within the city of Manchester itself.

Keynote Speech

The Focus Group was addressed by Kate Green MP (Stretford & Urmston since May 2010), the Shadow Spokesperson for Women and Equality, and Vice-Chair of the All-Party Parliamentary Group on Migration.

There is a serious mis-match between... the public perception of migration; public policy on the subject; and the reality. In Stretford and Urmston Constituency there have been varying patterns of immigration to the area at different periods. However, they are all linked by the fact that migrant groups are disproportionately in poverty. The “rational debate” needs to look at the “cost” of inward migration, including the possible pressure on services, compared to the contribution that migrants make to GDP and the

economy. There also needed to be honesty in the debate, with politicians accepting that migration is a fact of modern life. In addition, we should be concerned about family and social cohesion. Proposed changes to family visit visas could create serious problems and a parliamentary inquiry is currently investigating the family migration rules introduced last year. It is clear that strong families mean strong communities and the current policies might themselves be undermining social cohesion. There was a balance-sheet to be considered – on the one hand, issues of forced marriage, the exploitation of young people as carers, the need to anticipate numbers of school places, the realistic levels of future migration from the EU, potential increased care costs for the elderly, housing availability; on the other, the net benefits of foreign students to the economy, both during and after their studies, the arrival of new skills, cultural gains, the ability of migrants to fill vacancies that can still not be filled by indigenous workers, meeting recruitment challenges that continue to exist in the health and social care sectors, the potential savings to the public purse from those migrants who come here to work and take virtually nothing from the system, the strong messages that a positive approach to migration sends to potential foreign inward investors, a positive part of our foreign policy.

It should be possible to work out precisely what our labour needs might be in areas like Greater Manchester over, say, the next ten years in sectors like Health and Social Care, to assess to what extent we can train indigenous workers to fill those gaps and to plan for an appropriate level of migrant worker requirement. Similarly, a strategic planning approach to people and skills requirements should be built into major infrastructure projects – for example, the projected developments at Trafford Park and the Carrington sites.

In summary, the country must become better at... objectively anticipating its needs and likely trends so far as migration and the labour market is concerned; ensuring service planning and preparation, using scenario planning techniques; driving up standards of employment for all; finding solutions to the chronic shortage of affordable housing; and raising education standards.

Migration and the North West's Key Sectors

Participants were provided with the experience of Migrant Workers North West in relation to the following sectors...

Hospitality Sector (Cumbria)

In May 2010, a "Good Migration" Conference had taken place at Carlisle Racecourse. One of the key speakers had been Viv Cuthill, Researcher at

Lancaster University, who had presented the paper entitled: *Global Welcome? Migrant Workers, Service Cultures, Tourist Places*.

http://www.nwtwc.org.uk/uploads/Microsoft_Word_-_Good_Migration_PaperViv_Cuthill_Lancaster_University.pdf

The research had been undertaken in Cumbria (South Lakes) and the important things about this research were, first, the significance of migrant workers to this crucial part of Cumbria's economy. And, second, the fact that the Hospitality Sector is frequently quoted now as an area where, it is alleged, we could easily "solve" the immigration issue - based on an argument that these are low-skilled jobs that could readily provide work for local and indigenous young and unemployed people. In the research estimates from employers put the number of hospitality migrant workers in Cumbria at 50-60% of the workforce in 2009. But this was not because migrants were taking jobs that UK workers would be willing to do - it was precisely the opposite. In addition, there was a declining population. A slow drift of young people out of the Cumbria area.

There was a key issue in this - that the needs to recruit migrant labour in each sub-region's industrial sectors must be gauged on a case by case basis, dependent on local demographics.

It was noted that work in the hospitality sector is frequently seasonal and therefore attracts mobile young migrant workers in areas like Cumbria and Blackpool who generally contribute to development while making few demands on local services. In Liverpool, however, there are plans to develop the hospitality sector mainly in the areas of conference centres and year-round tourism, so that the profile of workers recruited is likely to be different.

It was agreed that this analysis might be tested with Christopher Davy, Chairman of the British Hospitality Association National Executive Committee.

Further Education Sector and International Students (all sub-regions of the North West)

Various MWNW events have studied the positive contribution made to the UK economy by international students. The Russell Group of Universities claim, for example, that overseas-student numbers must be maintained because educating non-EU citizens is "a major UK export industry" that brings in £2.5bn a year in fees. But an article in the *Independent*, in October 2012, set out the argument that new visa regulations in force since April mean students are facing tougher questions about their destination, limits

on their ability to work and harder questions on their English-language capability. The article also quotes the University of East Anglia Vice-Chancellor, Professor Edward Acton, who said that "negative vibes" towards international students and academics were putting people off applying. The university had already had one "near genius" mathematician unable to take up a post because of visa restrictions. "The regulations said we couldn't appoint him if anybody within the EU could do the job," he said. "There was – but they didn't take into account a stellar Russian who could get you a Nobel Prize." These concerns were echoed by Nicola Dandridge, Chief Executive of Universities UK - who are campaigning to exclude students from immigration figures. She has serious concerns about ill-considered comments by Mark Harper, Immigration Minister, who says "too many institutions were selling immigration not education" but provides no meaningful evidence of this. Nicola Dandridge confirms that this sort of wild allegation "plays very badly internationally" against the UK's FE sector with devastating effects for the economy and the reputation of the UK as a whole.

The *Independent*, followed up its report in January this year, quoting the London School of Economics' estimate that Britain could lose out on nearly £8bn in income – £2.3bn lost to the economy and £5.66bn in lost fees revenue.

There were key issues in this - that students should be excluded from the overall immigration figures; and that the Home Office and its Immigration Ministers should comment as carefully about the inward income generation importance of foreign students as the Department for Business, Innovation and Skills would do about inward investment opportunities.

It was noted that a decline in international student numbers could have an adverse effect on the mini-Silicon Valley developing at Warrington and Daresbury and should be analysed in this light. In addition, the positive aspects of international students as workers needed to be assessed. It was agreed that some specific case studies should be examined, including the impact of international student numbers within specialist establishments like the Fleetwood Nautical Campus and the Royal Northern College of Music.

Health and Care Sectors

Over recent years, MWNW has run several events in conjunction with employers and unions in the Health and Care Sectors. Members include NHS Care Trusts (Pennine Care, Salford, Stockport, East Cheshire, etc); Housing Groups (St Vincents and Vicinity Housing); Local Councils (Liverpool, Cumbria, Cheshire East, Blackpool); Voluntary Sector providers

(Merseyside Local Solutions, Homeowners Ltd); and private sector organisations like Meridian Healthcare.

Those employers have constantly confirmed their reliance on migrant labour to maintain their services, largely due to the lack of skilled and available indigenous workers and a lack of targeted training funds available to correct that situation.

In July 2012, the UK Commission for Employment and Skills quoted the Migration Advisory Council figures from 2010 which confirmed the continuing reliance of both sectors on migrant labour. In 2008, for example, 18% of health care professionals were non-UK born; nurses were still needing to be actively recruited abroad; in Social Care, 11% of workers were born outside the UK; and in residential care, the figure is 20%. These figures seem broadly consistent with figures for the North West.

But in May 2012, Home Secretary Theresa May announced that more than 40,000 skilled migrants a year will lose their right to work beyond 5 years in Britain, unless they earn more than £35,000 per year in a move towards creating a temporary “guest worker” migrant labour force in the UK. Many of those affected will be those who would otherwise have filled labour shortages in the health sector. This means that the UK can no longer compete, as other countries (Australia, Canada, New Zealand, the United States and Japan) offer more favourable terms to skilled health and social care workers.

There was a key issue in this: that there should be an adequate skills audit and training plan to meet the future needs of the Health and Care Sectors; and that there should be an urgent re-assessment of the current cap on levels of non-EU immigration, particularly as they relate to skills shortages in these sectors.

It was noted from the NHS Care Trusts that there is still a considerable problem arising from the number of nurses leaving Britain to work abroad, including the United States. In addition, representatives from Sodexo at Wythenshawe Hospital confirmed that over 30% of their staff were migrants and believed that these jobs were still not attractive to indigenous workers. Whilst there is still considerable unemployment in the area, pay within the sector is not high enough to attract local applicants.

Focus Groups

The Focus Group discussions sought input from participants representing each of the Region’s sub-regions – Cheshire, Merseyside, Greater Manchester, Lancashire and Cumbria, with the process facilitated by Sue Lukes, a director of the national organisation, MigrationWork CIC.

The groups focused on additional data that we might need to better inform the debate; on any specific opinions that the public might hold and need addressing in the sub-regions; and on how Government headline messages and policy should develop around migration-related job market issues, based on their own experiences of the issue and any specific matters relating to their own areas.

The key issues and proposals raised were:

Additional Data Needed

- that a list of North West ESOL providers might be compiled, including comparison of costs, venues, levels of teaching;
- that there should be a factual explanation of the contribution made by foreign students to the economy, both in relation to fees and inward income, but also to other aspects such as the local economy (for example, the impact of students on Liverpool City Centre);
- that there should be a detailed examination of any possible correlation between the economic success of the Greater Manchester economy and the high levels of migration within that sub-region – and all groups stressed the importance of noting the substantial sub-regional variations in levels of migration;
- that there needs to be an updated assessment of migrant-related qualification issues, particularly the recognition of migrants' vocational and educational qualifications, and the way in which a failure to recognise them fully in the UK might add to indirect discrimination problems;
- that there should be a detailed examination of any visa problems being experienced in recruitment for global companies like BAe at Samlesbury and Wharton;
- that there also needs to be an examination of whether the technology economic zones at Samlesbury and Wharton are planning ahead on future skills and migration needs; and
- that there needs to be an assessment of future labour, training and possibly migration needs on Merseyside, particularly in relation to the future port and waterfront developments, as well as its health and social care sectors.

Public Opinion

- that there was recognition of the special place held by the Greater Manchester sub-region, so that its level of migration - with 56% of the North West's migrants overall, and 30% of the region's migrants within Manchester city itself - demonstrates its role as the powerhouse of the Region, illustrating the need for local planning of migration as part of the general planning for all needs, with housing and other local services needing to be a key part of this;
- that there was confirmation from each sub-region that there is still widespread 'mythology' about the numbers of migrants, who they are, and the extent to which migrants might be "undercutting jobs and pay", or "an on-cost to public services" - so that local authorities need to take responsibility for building a sense of a shared and diverse future in their areas, and use the tools available for this;

Fact Box

Eurocities is due to produce a toolkit on how cities can work to enhance public perception of migrants and diversity in early 2014, and the AMICALL project is due to produce a handbook of promising practices in this area in the first half of 2013. These will help make it clear that tensions can be reduced, and real advantages gained, by promoting a sense of shared belonging. This places local authorities at the centre of such work, which is the best hope for reducing and challenging negative stereotypes and myths about migration.

- that each sub-region also reported fears about a possible impending invasion from Bulgaria and Romania, largely fuelled by media and political speculation about this, whilst the weight of actual evidence shows that the predicted huge rise in A8 migration did not occur in 2011, partly because of the then economic situation (which has not improved subsequently in the UK) and also because A8 migrants who wanted to leave then had the option of all other EU countries as well;
- that it was also noted that migrants from Bulgaria and Romania have not historically tended to go in large numbers to northern Europe and there was no significant belief this will change since, it was believed, where communities from these countries have already settled it is

likely that migrants arriving after the end of 2013 will go to join them and be absorbed into pre-existing communities and structures, as happened with A8 migrants in 2011;

- that, in Lancashire, whilst opinions about migration are divided, there seems to be a more positive perception about the situation locally than regionally and nationally – despite the fact that, in a recent Lancashire Citizens’ Panel Survey, 37% of those questioned agreed that “migrant workers have preference in the allocation of social housing”;
- that the Asian community base in Lancashire has been significant arising from its involvement in the textile industry and the use of redundancy payments for the establishment of small businesses;
- that deprivation issues for migrants are often particularly severe since they frequently move into already marginalised areas;
- that the various “citizen panel surveys” operated by various local authorities in the North West might be used to test public opinion on key migration issues, and also to prepare local communities for future migration developments;
- that there is still considerable public confusion between opinions on “refugee and asylum seekers” and on “migrant workers”;
- that, in Merseyside, despite the existence of the Black and Chinese communities, and previous waves of Irish and Welsh immigration, the historically less diverse industrial base has provided fewer niches for more recent migrants and a much lower level of migrant entrepreneurs; and
- that, due to high levels of public sector cuts and job losses, there were growing levels of close co-operation between Merseyside and Greater Manchester – for example, the shared regional call centre for Fire and Rescue Services based in Warrington, that had some exceptional success in defining specific home safety problems amongst migrant families and businesses.

Policy Issues

- that Government should re-instate the Migration Impact Fund – previously established to help ease pressure on housing, schools, hospitals and community services and make it clear to the public that

this is, and always has been, funded entirely through a levy on migrants themselves, rather than the taxpayer;

Fact Box

The Migration Impact Fund began operation in 2009. It was conceived as a way to gather funds from non-EU migrants – paid for via an increase in visa application fees – which would be put towards projects aimed at easing "migration related pressures" on public services. Projects funded under the £35 million allocation for 2009/10 included local projects led by police, education providers, local authorities and work with advice providers but all targeting specific issues related to migration and helping to support community cohesion. It was scrapped by the incoming Coalition Government without consultation.

- that some priority be given, within overall ESOL provision, to job-specific ESOL training, as well as community-based ESOL to meet the needs of groups with lower labour market participation rates, and in line with the aspirations of Action for ESOL;

Fact Box

Action for ESOL (English for Speakers of Other Languages) was formed at the beginning of 2011 to fight funding cuts then being proposed in the Government's skills strategy, which would have had a devastating impact on the most vulnerable ESOL learners, predominantly women. The Government subsequently announced a temporary U-turn, although central funding for ESOL continues to be set only on a year-by-year basis. This makes forward planning particularly difficult for best practice providers like Wirral Metropolitan College who are able to use these funds in an 'area facing significant integration challenges' for learners who are unemployed, in receipt of state benefits, and intending to look for work either currently or in the future. Wirral College, and similar institutions, also provide an innovative range of courses aimed at meeting both 'skills for life' and 'job-related' language needs. Their courses are delivered not only within the college itself but also in community venues and workplaces - most recently for the Booker Group and amongst taxi drivers - but all focusing on migrant workers and their needs. It is obviously crucial that employers support these workers by giving them the opportunity to attend.

- that there should be a review of the current Gangmaster Licensing Authority and the Seasonal Agricultural Workers Scheme to ensure that they are still “fit for purpose” in both controlling the number of non-UK workers employed in the agricultural and related sectors, and also in dealing with their possible exploitation;
- that ACAS should produce a guide setting out minimum standards for the employment of migrant workers, possibly based on the successful model developed by Migrant Workers North West and similar documents from Business in the Community – with the guide also distributed by agencies like the GLA and institutions like the EU;
- that all new economic developments with a public sector involvement should be required to conduct early skills and recruitment strategy audits to properly anticipate training needs – with a view to maximising the potential employment of indigenous workers – and potential levels of migrant labour;
- that, in the absence of a region-wide strategic planning mechanism (such as the North West Development Agency) the two main city regions (Merseyside and Greater Manchester) should at least be encouraged to work together on economic investment planning and particularly on labour force development; and
- that any public policy debate should be set against an honest engagement with the public, to explain that resolving divisions about migration requires more honesty than simple pledges to “cap” immigration levels and should, instead, focus on a commitment to meaningful forward planning and skills strategies which anticipate future needs and likely trends so far as migration and the labour market is concerned.

Next Steps

It was noted that Focus Group report would be circulated to all attendees and partner organisations.

The report is intended as a stimulus to more discussion amongst stakeholders and policy-makers in the region. Building on the data which has emerged from the 2011 Census we should aim to add more to our understanding the way in which migration interacts with the regional economy, its impact on labour markets, and the implications this will have for the provision of the major public services, as well as the policies that will be needed to ensure social cohesion and integration.

In particular we will be looking for opportunities to engage with business and labour movement stakeholders – the trade unions and employer associations – to obtain their assessment of future needs for migration and an assessment of impacts on employment levels, wages and conditions. Organisations involved in regional plans, based on geographical areas or across sectors, also need to be engaged in order to obtain better assessments of what the implications of their work is likely to be for migration into and out of the region.

We are also hoping for inputs into this discussion from organisations involved in the planning of public services, with social housing, health and education being to the forefront. With trends in population being clarified to a high degree by the 2001 and 2011 Censuses we should be looking for further improvements in tracking real-time changes at the level of cities and neighbourhoods to improve the capacity to plan for future needs across all these areas.

In aiming for an improvement in the quality of evidence and information in the region we are also seeking a raising of the quality of political conversations about immigration amongst elected representatives in local government and the region's MPs and MEPs. We hope to work closely with the North West Regional Strategic Migration Partnership to open and broaden the discussion with our democratic representatives in order to achieve a more rational debate about these issues.

If further discussion can be promoted with stakeholders over the coming months it is hoped that we might aim for a further similar event taking place, probably in the early Autumn, to consider both the latest analysis of the 2011 Census and the impact of migration on the region's Health and Social Care, Housing and Social Cohesion, plus Law & Order. It was agreed that this event should examine the "best practice" of local authorities (possibly Liverpool and Manchester) in dealing with these issues, and should also involve the Institute of Directors and North West Universities. It was noted that, following this second event, a meeting might be arranged with the Region's MPs, Council and Party Leaders to launch the findings.

Finally, it was noted that the Migrant Rights Network would arrange similar Focus Group discussions in other parts of the UK, with the various report findings compiled as a possible presentation to the All-Party Parliamentary Group on Migration.

Footnote

Migrant Workers North West wishes to formally thank all participants, partner organisations and speakers for their support, and particular gratitude to Unison for hosting the event.



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