From boom to bust in British immigration policy

A series of measures to slash immigration have been announced by the government making it harder for employers to hire overseas staff. **Alan Manning** looks at what the changes mean for would-be immigrants and their families and discusses whether the government's hard-line approach is likely to achieve its political objectives.

Seemingly panicked by net migration figures of 745,000 for 2022, the government has announced a series of measures to reduce immigration. The rise in net migration far above pre-Brexit levels has largely arisen from policy changes on work and student migration made by the government in the past few years. Those policies led to much higher immigration than intended because the government made some classic mistakes in migration policy. Visas were introduced in response to lobbying from interest groups and with a particular purpose but in practice came to be used in a different way to that intended, albeit one that is totally legal under the rules.

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Five times in his speech announcing the changes, Home Secretary James Cleverly described what has happened as the result of "abuse" of the system. It is despicable to label migrants as "abusers" of the system when everything they have done is legal under rules set by the government. It is, perhaps, the British government that has abused its responsibility to do due diligence when introducing changes it now seeks to reverse.

What are the proposed changes?

Restricting student dependants

Already announced is a ban on students on taught Masters programmes being able to bring dependants from January 2024. That is a reaction to the explosive growth in the number of international students (many bringing dependants) since the introduction of

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the Graduate Visa in 2021 granting unrestricted work rights for two years post-graduation to students and their dependants. That 2021 decision was against the recommendation of the Migration Advisory Committee (MAC) to proceed with caution in expanding post-study work rights. The impact of this policy may not be as big as anticipated as some of the dependants may now seek to enrol as students themselves; the work rights are sufficiently valuable to make this an attractive strategy for many.

Reformed Shortage Occupation List

On the skilled worker visa, the government proposes to end or reform the Shortage Occupation List which allows employers to pay lower wages if the job is deemed in shortage. Currently, some employers are allowed to employ migrants at wages barely above minimum wage in some cases while in others the minimum salary threshold is well below the going rate. This decision was also against MAC advice: it was always perverse to think that an appropriate response to a shortage of labour would be to allow employers to pay lower wages.

Raised salary threshold for skilled worker visas

The earnings threshold for the skilled worker visa is to be raised from the current £26,200 to £38,700. Whole swathes of jobs will be eligible for a skilled worker visa on paper but not in practice because these salary levels are completely unrealistic in many occupations. However, the impact on numbers may be small because the government has exempted workers in health and care from these requirements, and much of the rise in work visas has been in these sectors. There also seemed to be a rushed announcement later that evening that teachers on national pay scales will also be exempt and one wonders whether university staff will also end up exempt. The government seems keen on raising minimum salary thresholds but not in jobs where it is itself the employer either directly or indirectly.

Restricting dependants of care workers

In 2022, the government made care workers eligible for work visas at salaries barely above the minimum wage. There has been extraordinary growth in the use of this route; in the year ending September 2023, 100,000 visas for care workers were issued to

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migrants who brought 120,000 dependants with them. The government now proposes to end the right to bring dependants for care workers. Some have argued these changes will make it impossible to recruit care workers. I doubt that is the case; the world is so unequal there is no shortage of workers prepared to do these jobs, even on worse terms. The government continues to do little to improve pay and conditions in the sector or to address the increasing reports of exploitation of migrant care workers.

Removing the right to bring dependants is likely to reduce numbers. This restriction is unusual for work visas with a path to settlement, although it is common in temporary work migration schemes. I think it likely that many migrant care workers are looking to settle permanently in the UK and will try to find a way to do that within the new rules. It may be that we see both partners applying for care worker visas and having children while in the UK rather than before they arrive. Or, they might seek to wait for family reunification until the worker has indefinite leave to remain. Though that has become more difficult because of what is perhaps the most dramatic change: the rise in the minimum income requirement to be eligible for a family visa.

The rise in the minimum income requirement for family visas

Since 2012, a minimum income of £18,600 is required to be eligible for a family visa to bring your spouse to the UK. The government now wants to increase that to £38,700. Those without a job and the vast majority of workers will no longer be eligible to marry a foreign spouse. That is a very dramatic change but one that will not make much difference to overall net migration statistics because the number of family visas issued to partners in the year to September 2023 was 65,000 compared to 335,00 work visas and 486,00 study visas.

On work and study there are well-organised lobbies and government departments that typically oppose more restrictive immigration. The Treasury is often against restrictions because the short-term impact on the public finances of granting more work and study visas is generally positive even if the longer-run effects are less positive. But for family visas, the impact on public finances is probably negative and there are no powerful lobbies. So we end up with a very restrictive policy that can have dramatic effects on individual families even as the numbers affected remain low.

About one-third of family partner visas are issued to migrants from South Asia where the

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practice of marrying a foreign spouse remains common (about 40 per cent of married British-born Pakistanis and Bangladeshis have a migrant partner). On paper, the rise in the income threshold will make it all but impossible for the practice to continue. But the 2012 rule change had a much smaller impact than anticipated, perhaps because there is also a "cash savings" route to eligibility: instead of having a minimum income through work, you can have the equivalent in savings. Extended families can pool resources to establish eligibility. The savings requirement is likely to rise but there may remain ways for some families to become eligible this way. But, for others, the impact of this change is likely to be draconian; be very careful who you fall in love with.

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From boom to bust

What we are seeing in recent UK immigration policy is wild swings from boom to bust as the government has been unable to think ahead. Yet stability is what is most needed so that businesses and families can make plans without fear of governments suddenly changing the rules. And the irony of the current changes is that they are being introduced as an attempt to win over voters but it is too late to have much impact on the net migration figures that will be published before the next election. There are reasons to think net migration will be lower than the current record levels even without changes in policy as immigration from Ukraine and Hong Kong falls and student emigration rises, but net migration is still likely to be above 500,000 at the general election. The latest possible figures will be for the year to June 2024; almost all the students who will arrive in that period are already here and the new proposals are only set to take effect in the spring. So much of what is proposed has the purpose of sounding tough but may not have much effect over a timeframe relevant for the government's political fortunes. The same could be said for the Rwanda policy but that is a topic for another blog.

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