

Bevan Foundation response to Changes to freedom of movement after Brexit – the implications for Wales

The impact of the Immigration White Paper in Wales

1. The Bevan Foundation was pleased to have the opportunity to give evidence to the External Affairs and Additional Legislation Committee in May, and we welcome the decision to undertake this important Consultation. We feel it is now a matter of urgency that the Welsh Government gather as much evidence on the possible impact of the end of free movement and the proposed changes to the immigration system and ensure that the concerns of stakeholders across Wales are listened to.
2. The changes to EU immigration have significant implications for people and organisations in Wales, affecting not only the approximately 80,000 EU nationals resident in Wales and 6,000 EU students but also affecting their families, communities and employers. Although we do not necessarily disagree with the proposal to end the distinction between EU and non-EU workers, we feel that the changes outlined in the Immigration White Paper, and the recent proposal to end free movement on Brexit Day could have serious implications for some sectors in Wales who rely on workers from the EU who fall outside of Tier 2, namely construction, manufacturing, tourism, hospitality and social care.
3. The Welsh Government must challenge this latest policy announcement, to ensure it lives up to the strong stance it has previously taken on protecting the rights of EU Citizens already living in Wales.
4. Given its importance we hope that the Welsh Government will act on the messages from stakeholders that we have engaged with throughout our project and ensures that going forward UK Immigration Policy reflects the economic and social needs of Wales. We believe that there is a case for regional variations, and during the course of our work we have found that this is largely supported by stakeholders who feel that given that immigration policy has strong links with other devolved policy areas including economy and skills, health and social care, education and community integration, there is a strong case for having a Welsh migration policy.

In-migration is vital for Wales to sustain its population

5. In our briefing paper [‘Demographic trends in Wales: How migration influences Wales’ current and future population](#), we found that in recent years Wales’ population growth has relied largely on in-migration, and looking ahead to 2037 without some

level of internal and/or international migration Wales' population is projected to decrease. Further, even with in-migration the number of people of working age is projected to drop, while the number of older people in Wales is set to rise significantly.

6. There are two key issues:
 - The number of people of working age is projected to drop significantly by 2037, even if migration is at a high level.
 - The number of older people is projected to rise significantly by 2037, with the lowest proportion of older people in the population occurring with high migration.
7. This creates a worrying prospect whereby an ageing population is putting pressure on social care services and the NHS and there are fewer working people who can support these services financially or by being part of the workforce.
8. It is clear that although migration is a complex issue, Wales' future population growth relies on people coming into Wales from within and outside the UK.

A £30,000 salary threshold would prevent people migrating to Wales

9. Based on our research and discussions with stakeholders we strongly believe that a minimum £30,000 salary threshold would have a significant negative impact in Wales. While welcoming the removal of the cap on Tier 2 and adding medium skilled workers with qualifications between Level 3 and 5 on the Regulated Qualifications Framework into Tier 2, this would have little benefit as a £30,000 threshold would effectively act as a barrier as it does not reflect the lower salary levels in Wales.
10. In 2017, the average gross salary in Wales for full-time workers was £26,024, £2,734 lower than the UK average. Salaries for some medium - to highly skilled jobs in Wales are below the £30,000 threshold, for example the salary for a Band 5 staff nurse in Wales in 2017/18 ranged from £22,129 to £28,747. So keeping the £30,000 earning threshold in place could reduce the number of medium- to higher-skilled workers, especially EEA workers, into these harder to fill jobs.
11. While we believe that proceeding with a £30,000 salary threshold would damage the economy in the short-term, as aforementioned it could also have longer- term repercussions, particularly in terms of population growth in Wales.

International students will find it harder to stay in Wales after graduating

12. Higher education representatives who took part in our symposium last October were particularly concerned that increasing restrictions on international students and staff will reduce the already declining numbers of students coming into Wales. Maintaining Wales' ability to attract, recruit and retain the "brightest and best" students and staff in higher education is crucial.
13. For international students, there will be no cap on numbers and students will be able to stay in the UK for 6 months after gaining a bachelor's or master's degree during which time they can seek skilled work and apply to remain in the UK if they successfully meet the skilled worker requirements. However, the £30,000 salary threshold would mean that it is highly unlikely that students would be able to live and

work in Wales after graduation given the average graduate salary in Wales is much lower.

A temporary workers route will negatively affect community integration

14. The temporary workers route may solve some short-term economic pressures but does not offer any solutions in terms of the projected population decrease.
15. Importantly, this transitional measure for lower-skilled workers could increase the churn of migrants, as they stay in Wales for a shorter period, which could have negative implications for integration and community cohesion. The higher the turnover of people, the less opportunities there are for migrants to integrate into the communities they live.

Going forward

16. Given the challenges that will result from ending free movement and the proposals set out in the Immigration White Paper we call on the Committee to consider the following actions.

A Wales – specific Shortage Occupation List (SOL) could respond to the needs of the Welsh economy

17. The recent review of the Shortage Occupation List (SOL) by the MAC concluded that it would not change the current composition of the SOL to address specific Welsh needs as many of the occupations where MAC received evidence of shortages in Wales, were also shown to be in shortage in the UK as well. For this reason, they have been placed on the UK wide SOL rather than specifically for Wales.
18. Much of the evidence received from the devolved administrations focussed on lower-skilled and medium skilled occupations and occupations that were highlighted in the evidence, were similar to those in the UK. The review did not recommend placing any of these on the Wales SOLs, but positively it recognised that this could be an option for future shortages.
19. One of the objectives of SOL is to prioritise migrants in some jobs over others, therefore in the event this cap is removed the SOL may not be as important in the future. On this basis MAC recommends a review which examines whether it should be discontinued or replaced with a system which gives preferential treatment to those coming to work in shortage occupations.
20. It is important that the Welsh Government continues to push for a system that takes into account the needs of the Welsh economy. It is encouraging that the MAC has suggested that there could be some regional variations and we believe the ability to define its own ‘permitted occupations’ is crucially important if Wales is to meet the shortages and demands in certain sectors of the economy. Ideally this would include jobs with salaries which are below the £30,000 threshold.

Provide more training around registering under the EU Settlement Scheme

21. We strongly believe that the Welsh Government should be doing all it can to assist EU nationals resident in Wales to register under the scheme. It is vitally important that people do this to ensure they can access healthcare and benefits in the future.

22. Although we have not completed much primary research on this issue, during some recent discussions stakeholders in some areas have said there is a lack of support available, and many of those who are currently supporting EU migrants do not have the necessary training to support people through the application process.
23. The Welsh Government needs to ensure that advice and support is offered in all Local Authorities and local stakeholders are aware of who they can signpost people to. It may be helpful if stakeholders who currently provide support to EU migrants are offered some basic training (level 1) and more advice is available to local stakeholders about where and who they can signpost people to. On undertaking a basic internet search there doesn't appear to be much in the way of advice about where to go to access support in Wales. There needs to be a directory available for people applying and stakeholders.
24. We urge the Welsh Government to pay particular attention to supporting those more vulnerable EU citizens within our communities, including older people who may not realise they have to do it and/or not have access to the internet, those without the relevant documentation and survivors of domestic abuse who may not have the confidence to register or have the relevant documentation.
25. Overall, we believe that public facing bodies such as Local Authorities, schools and colleges, GP surgeries and libraries all need to play a role in signposting people, so need to have the relevant information and training in which to do this.

Wales would benefit from its own Student Visa

26. Alongside a lowering of the salary threshold we feel a separate Welsh student visa, could offer students in Wales a longer period in which to find work in a shortage or skilled role.

The MAC should include a Welsh-based expert

27. Given the important role that MAC now plays we feel Welsh Government should take a particular interest in its composition and make a case for the inclusion of a Welsh expert who understands the devolved context, and will be better placed to reflect the future interests and concerns in Wales.

Wales should have its own national Integration Strategy

28. We strongly believe that Wales needs an Integration Strategy which takes account of this issues that would arise in the event a temporary worker scheme is implemented.
29. Thinking of the issues around population decline, we need migrants who come to Wales to stay and settle we believe that an Integration Strategy will be key to ensuring that will happen.
30. The Bevan Foundation is currently working on developing recommendations for an Integration Strategy which includes all migrants not just those from the EU and Refugees and Asylum Seekers, and will report on this in the first half of next year.

Keep the debate around regional variations open

31. In his first statement as Prime Minister Boris Johnson announced a review into an 'Australian-style' points system. Although the debate around the 'Australian-style'

system typically focuses on the points system, it also involves devolving some decision-making powers so different states may try and attract particular skills.

32. Stakeholders who took part in our symposium highlighted the regional migration programs in Australia and the Provincial Nominate Program (PNP) in Canada that are implemented alongside the national system¹ and felt that these provides a good model for Wales, because they would allow the Welsh Government to design its own criteria and nominate people to migrate to Wales who may not meet the eligibility criteria under Tier 2, including lower skilled migrants.
33. Given MAC's previous dismissal of the case for regional variations, this could present an opportunity to reengage with this important debate in Wales and nationally.

¹ Sumption, M (2014) [Giving cities and regions a voice in immigration policy: Can national policies meet local demand?](#)