THE IMPACT ON IMMIGRATION OF THE EU EXPANSION TO EASTERN EUROPE

Summary
1. The Home Office estimate of between 5,000 and 13,000 immigrants per year from the new Eastern European members of the EU fails to take account of the new circumstances. It is even lower than the number (20,000) who attempted to enter Britain in 2001. All such estimates come down to guesswork but 40,000 a year would be more plausible. If the Roma (Gypsies) start to migrate to the UK, the total could be much higher.

Detail
2. On 10 June the Home Office published a report commissioned by the Immigration and Nationality Directorate (IND). It contained forecasts of net migration from the ten new East European members to the present member countries of the EU, particularly the UK and Germany. Estimates for the UK ranged from 5,000 to 13,000 net immigrants per year from the date of accession in May 2004. [1]

3. MigrationwatchUK has now examined the report and has concluded that it is simply not credible. There are six major reasons for this;

i. Statistical Method
The absence of a series of directly relevant data means that the statistical forecasts rely on assumptions in a mathematical model of the past behaviour of migrants from entirely different countries in quite different circumstances. This and other points are spelt out by Professor Mervyn Stone, a member of the Advisory Council of Migrationwatch, in a technical paper which can be found on the Civitas website http://www.civitas.org.uk/pdf/EUmigration.pdf He finds that "the Report's low predictions of net migration for the UK are not based on any convincing modelling of historical data series. The forecasts are found to be nothing other than matters of lay judgement that can be made without appeal to mathematical or econometric expertise."

ii. Labour Markets
The study took inadequate account of the fact that, unlike Britain, the other major economies of the EU have decided to impose restrictions on labour migration from the new East European members for a transitional period of up to seven years.
Survey data shows that Germany and Britain are the most favoured destinations. But, if work in Germany will be illegal (with consequently reduced wages) and if unemployment there remains at the current level of about 4 million, we can expect a significant fraction of the migrants to choose Britain.

iii. Benefits
No account is taken of the fact that these new citizens of the European Union will be entitled to full social security benefits on arrival in Britain provided that they show an intention of taking up residence. Free education and health care will be also available - the latter to a much higher standard than is currently available in Eastern Europe. The study makes a number of comparisons with the enlargement of the European Union to include Portugal, Spain and Greece but benefits were, at that time, not immediately available to new citizens.

iv. Minorities
In Eastern Europe, unlike in Southern Europe, there are a number of minorities who consider themselves to be persecuted. The most notable are the Roma of whom about 1.6 million live in Hungary, Slovakia and the Czech Republic. Some have already sought asylum in Britain. Others have arrived illegally. In response, the British Government introduced special measures at Prague Airport to cut off the flow; these remain in force today but will end on accession. As from May 2004 all citizens of these countries will have the immediate right of entry, residence, work and benefits in Britain.

v. Farm Policy
The report notes that nearly half of Poland’s 40 million population rely on agriculture and that the productivity of this sector is only 5% of that of the UK farming industry. Clearly, this represents a huge pool of hidden unemployment. The report recognises that the extension of the Common Agricultural Policy to Eastern Europe will place these farmers under still greater economic pressure which could lead to an increase in migration potential? . This does not appear to have been factored in to their calculations.

vi. Recent Experience
The report notes that there is no run of statistics on which to base an estimate for the future, partly because the Iron Curtain prevented movement for many years. But the authors seem not even to have looked at recent experience. In 2001 the number of travellers from the ten candidate countries who were refused entry at British ports and removed was 14,750. A further 3,500 were admitted on work permits. Thus, allowing for dependants of the latter, nearly 20,000 came, or attempted to come, to Britain in 2001. This total is already well above the highest estimate in the report.

4. We have considered whether we can propose an alternative estimate. Various estimates of total migration from Eastern European candidate countries to the EU published so far have put the likely flow over the next ten years at between 700,000 and 2.6 million. It would not therefore, be unreasonable to take a mid-point of 1.5 million or 150,000 per year. The question then is what proportion might come to Britain. A Price Waterhouse Coopers study in 2001 found that 10% of those wanting to move from Poland and 8% of those wishing to move from the Czech Republic preferred the UK as a destination. Given that the German labour market will be largely closed and that there is already high unemployment there, it would not be unreasonable to expect 20% to choose the UK.
(This is also the proportion of the population who speak English well enough to take part in a conversation.) This gives 30,000 a year on the basis of our mean estimate. If 30% is added for dependants, the overall figure would be about 40,000 a year.

5. The really wild card is the Roma question. A UN study last year found that 80% were unemployed and one in five were permanently hungry. The governments of Eastern Europe have been urged to pass laws to outlaw discrimination. It is, however, hard to say what impact this will have on the lives of the Roma and how they will perceive the alternative of migrating to Western Europe, particularly Britain. This is not a question that is amenable to mathematical calculations.

Conclusion
6. Any forecasts are highly questionable for such changed circumstances. However, the Home Office upper estimate of 13,000 is both highly theoretical and divorced from the realities of the new situation after accession. It is almost worthless. A more realistic "back of the envelope calculation" suggests 40,000 a year. A major factor will be the reaction of the 1.6 million Roma in the candidate countries to the new opportunities which they will enjoy.

27 July, 2003

NOTES

1 Home Office Online Report 25/03 "The impact of EU enlargement on migration flows"