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Housing and immigration - an update

1. Every few years the government publishes projections of households in England. These inform the governments plans for house building.
2. The last set of projections was published in 2000 and was calculated on 1996-based projections of the population [1]. They showed a projected increase in the number of households of 3.8 million between 1996 and 2021 from 20.2 million to 24 million an increase of 19%.
3. The population projections on which the household projections were based assumed a net migration rate of 65,000 per year. The document included a sensitivity analysis for different population projection assumptions which showed that, over the 1996 2021 period, a further 450,000 households could be expected to be formed based on an additional 40,000 net migration per year. The authors of the original report have confirmed to Migration Watch that increases above this 40,000 a year level will generate approximately pro rata increases in household levels.
4. In fact in the seven years (1996-2002 inclusive) for which data is currently available net migration to the UK has averaged 127,000 [2] (and to England alone slightly higher at 132,000).
5. On 30th September, 2004 the Government Actuary updated their population projections to take account of revised mid-year population estimates issued by the ONS and to exclude an annual downwards adjustment of 27,000 which arose out of unexpected 2001 census results [3]. The Office of National Statistics (ONS) and the Government Actuary's Department (GAD) had concluded that the adjustment could no longer be justified. This adjustment had previously been included in population projections with migration giving an assumption for net migration and other changes of 103,000. The assumption for migration is now for a net inflow of 130,000 per year.
6. It can therefore be seen that both the actual net migration figures since 1996 and the future projections of net migration are double the assumptions made in the household projections.
7. In terms of numbers this will create the need for nearly 750,000 homes (households and homes are not the same thing but approximate to each other) over the 1996-2021 planning period as a result of the increase/projected increase in migration [4].
8. The total number of homes required in this planning period resulting from net migration will be in the order of 1.5 million. This equates to about one-third of the total new homes required in the planning period [5].

9. In Migration Watch's view the population projections make very conservative assumptions about migration. Net migration in the past 5 years has averaged 158,000 and the government's immigration policies promote and encourage further increases in migration. Additionally the GAD's assumptions make no allowance for failed asylum seekers who remain in the UK (and the vast majority do) nor for illegal immigration.

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NOTES

- [1] Office of the Deputy Prime Minister Housing Statistics Projections of Households in England 2021 at www.housing.odpm.gov.uk/statistics/publicat/household/project/02.htm
- [2] Source MN29 - International Migration ISSN 0140-900X published by the ONS. Table 2.2
- [3] See GAD news release, 2003 based population projections, at <http://www.gad.gov.uk/News.asp>
- [4] That is an additional 65,000 a year net migration gives $65/40 \times 450,000$ households = 731,000
- [5] The number of households/homes required will increase to about 4.53 million of which 1.46 million are due to migration = 32.2%