National Insurance Numbers and Immigration figures for Eastern Europeans

Summary

1. Official figures for Eastern European net migration could have been underestimated by more than 50,000 a year in each of the last five years. If so, this would mean that net migration from the EU is actually running at about 220,000 year and that the EU is now the largest source of foreign migration to the UK. It would also mean that total net migration to the UK is currently running at about 375,000 a year.

Analysis

2. The huge discrepancy between the number of National Insurance numbers (NINOs) issued to EU nationals and the official figure for EU immigration has led to concerns that the figure for EU immigration and therefore net migration might, in reality, be considerably higher than previously thought.

3. To work legally or claim benefits in the UK requires a NINO. The EU8 countries of Eastern Europe, including Poland, joined the EU in 2004. Figure 1 below shows the gap between official statistics for EU8 immigration and the number of NINOs issued to people from these countries.
Only those who come to the UK for one year or more are considered (long-term) immigrants so part of the gap is explained by migrants who come for shorter periods of time. Fortunately, the International Passenger Survey (IPS) can cast some light on this gap. The survey asks departing passengers how long they stayed in the UK and what was their main reason for visiting. However, even assuming that everyone coming as a short term migrant for employment or study applies for and is issued with a NINO, the resulting combined total is still less than the number of NINOS actually issued as shown in Figure 2.

1 EU8 short term migrant for more than a month for employment or for more than three months for study. [http://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/bulletins/shortterminternationalmigrationannualreport/2015-05-21](http://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/bulletins/shortterminternationalmigrationannualreport/2015-05-21)
5. In the light of the 2011 census results, the Office for National Statistics (ONS) confirmed in 2013 that they had underestimated EU8 immigration between 2004 and 2008 because the International Passenger Survey (IPS) had failed to cover adequately the points of arrival favoured by Eastern Europeans. Figure 2 also shows that, despite the changes introduced as a result of that discovery, a gap of about 70,000 has persisted over the period 2009 to 2013.

6. Figure 2 goes only up to mid-2013 because the most recent short term migration data is to mid-2013 with the figure for 2014 due in May. (The lag is because the figures are based on passengers leaving the UK at the end of their visit rather than when they arrive.)

7. It could be that both short-term migration and immigration have been underestimated to some degree. Alternatively, it could be that the ONS immigration figure is actually correct and that it is the short term migration that the ONS are underestimating.

8. However, a comparison of the net migration (immigration minus emigration) figures with the population estimates for migrants born in the EU8 and living in the UK does suggest that EU8 immigration has been underestimated (different data sources are not expected to match completely but they provide a very useful cross-check, see Annex A). Between 2010 and 2015 the population born in the EU8 and living in the UK increased by an average of 90,000 a year but during the same period estimated net migration from the EU8 averaged only 40,000. This suggests that EU8 net migration has been undercounted by 50,000 a year in the last five years.

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9. An alternative way to view the data on the population of EU8 migrants is to look at their year of arrival in the UK. At the end of 2015 there were an estimated 438,000 living in the UK who had arrived between 2010 and 2014, yet the official estimate of long-term immigration over this period was actually 65,000 less than this figure at 373,000.

10. If the figure for immigration was accurate the opposite would be expected. It would be expected that the immigration figure would be greater than the increase in the population living in the UK to take account of those who had arrived and then subsequently emigrated during this period\(^3\). This is further evidence of a significant undercount of immigration and therefore net migration.

11. There is an even greater discrepancy between the figure for immigration and the number of NINOS issued to Romanians and Bulgarians (EU2).

Figure 3: NINOS issued and the immigration figure for EU8 nationals

12. One of the explanations suggested by the ONS for the very large discrepancy from 2014 is that many of the applications for NINOs were not made by recent immigrants but by migrants who had already been in the UK for some time\(^4\). This was because restrictions on the right for EU2 nationals to work were not fully removed until January 2014. If this were the case, it would simply mean that EU2 immigration has been underestimated during the period 2007 and 2013, and that the IPS had done a poor job of identifying long-term immigrants from these countries as they arrived in the UK.

13. It is not yet possible to estimate the numbers for Romania and Bulgaria as the first estimate of short term migration since transitional controls were lifted will not be available until 26 May 2016. However, any undercount of Romanian and Bulgarian long-term immigration and therefore net migration would be

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\(^3\) For example someone who arrived in 2011 and then left in 2013

\(^4\) [https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/methodologies/differencesbetweeninternationalpassengersurveyandnationalinsurancenumberstatisticsasshowninthemigrationstatisticsquarterlyreport](https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/methodologies/differencesbetweeninternationalpassengersurveyandnationalinsurancenumberstatisticsasshowninthemigrationstatisticsquarterlyreport)
in addition to the 50,000 estimate for the EU8 countries (paragraph 7). It would mean that the true figure for all Eastern European net migration could be considerably higher.

14. The latest official figure for total net migration is 323,000 for the year ending September 2015 with net migration from the EU at 172,000 and non-EU net migration at 191,000. (British net emigration was 40,000). If EU net migration is indeed being underestimated then the true figure could be about 220,000 a year making it the largest source of foreign migration to the UK. If this turns out to be correct total net migration could be running at 375,000.

25th April 2016

Annex A – IPS data and population data

Migration figures are based on the International Passenger Survey carried out at airports and other points of arrival/departure from the UK.

Short-term migrants are those moving between countries for less than 12 months.

Immigrants are people coming to the UK for one year or more.

Emigrants from the UK are those leaving for one year or more.

The net migration is the figure for immigration minus the figure for emigration.

Population by country of birth figures come from the Labour Force Survey which is also produced by the Office for National Statistics. Due to sampling variation individual estimates may vary from the true population value. To help address this, an average of two four year increases was taken\(^5\).

<table>
<thead>
<tr>
<th>EU8 born population in 2010</th>
<th>EU born population in 2014</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>884,000</td>
<td>1,269,000</td>
<td>385,000</td>
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<table>
<thead>
<tr>
<th>EU8 born population in 2011</th>
<th>EU born population in 2015</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,008,000</td>
<td>1,337,000</td>
<td>329,000</td>
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\(^5\) All figures are from Q4 of the relevant year from the Labour Force Survey.
The average four year difference in the population of EU8 born migrants living in the UK 357,000 or ~90,000 a year.

Official estimates of EU8 net migration for 2011 to 2015

<table>
<thead>
<tr>
<th>Year</th>
<th>Net migration</th>
</tr>
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<tbody>
<tr>
<td>2011</td>
<td>40,000</td>
</tr>
<tr>
<td>2012</td>
<td>30,000</td>
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<tr>
<td>2013</td>
<td>44,000</td>
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<tr>
<td>2014</td>
<td>48,000</td>
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<tr>
<td>2015</td>
<td>42,000</td>
</tr>
<tr>
<td>Average</td>
<td>40,800</td>
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Annex B – EU14 Migration and NINOS

The picture is entirely different for migrants from the EU14, the older members of the EU. Until 2011 the number of NINOs issued was less than the combined estimated inflow of long-term EU14 immigrants and all those coming for one month for employment or three months for study. This changed in mid-2011 but the gap that developed was only 20,000 in mid-2013.

Figure 4: NINOS issued and combined short and long term inflow for EU14 nationals

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6 EU8 net international, Office for National Statistics
7 Year ending O3 2015
The explanation may be connected with the change in the composition of migrants from the EU 14. Until 2011 only around half of EU14 long-term immigrants came to the UK primarily for work (compared to 75% of EU8 migrants). Work-related immigration for EU14 nationals has increased in the last few years and it may be that the means of travel to the UK have also changed and are now more similar to those taken by Eastern Europeans. If indeed it is the IPS that is undercounting, the locations of the surveys might be one of the factors.