



20 Bogus Arguments for Mass Immigration

Miscellaneous: MW 269



1. Introduction

This paper outlines the many myths that are put forward by the mass immigration lobby in support of the current levels of immigration and dispels each myth in turn.

2. 'Immigration provides great economic benefit'

For many years the Labour government claimed that immigration added £6 billion a year to GDP. However, the House of Lords Economic Affairs Committee¹, reporting in April 2008, said that what mattered was GDP per head. They concluded that:

"We have found no evidence for the argument, made by the government, business and many others, that net immigration generates significant economic benefits for the existing UK population"

In January 2012 the Migration Advisory Committee² went further. They said that even GDP per head exaggerated the benefit of immigration because:

"It is the immigrants themselves rather than the extant residents who are the main gainers"

1 House of Lords Select Committee on Economic Affairs, The Economic Impact of Immigration, April 2008, URL: <http://www.publications.parliament.uk/pa/ld200708/ldselect/ldeconaf/82/82.pdf>

2 Migration Advisory Committee, Analysis of the Impacts of Migration, January 2012, URL: <http://www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/workingwithus/mac/27-analysis-migration/01-analysis-report/analysis-of-the-impacts?view=Binary>

They suggested that the GDP of residents should be the main focus. They recognised that the resident population would gain via any “dynamic effects” of skilled immigration on productivity and innovation, remarking that “these exist and may be large, but they are elusive to measure”.

In their annual Fiscal Sustainability Report, the Office for Budgetary Responsibility concluded in August 2013:

“In our attempt to summarise the vast literature on the impact of immigration on the labour market and productivity we have not found definitive evidence on the impact of immigrants on productivity and GDP. Most of the literature seems to indicate that immigrants have a positive, although not significant, impact on productivity and GDP”³

As regards EU migration, a study by the NIESR in 2011 found that the potential long-run impact of EU8 migration (Poland et al) on GDP per head was expected to be “negligible”⁴ ranging from 0.17% to -0.17%. However, this result relied upon an upward ‘age adjustment’ on the assumption that migrants tended to be of working age and thus to be “net contributors to the government coffers”. Subsequent research on the fiscal contribution of migrants to the UK suggests that this assumption may well be unsound (see 3. below)

3. ‘Immigrants are not a problem as they work hard and pay tax’

Some of the limited research in this area had found that there might be a small positive fiscal impact to immigration. Nonetheless, according to the House of Lords Economic Committee “the fiscal impact [of immigration] is small compared to GDP and cannot be used to justify large-scale immigration”.

However, the presumption of even a small fiscal benefit has been comprehensively overturned by a UCL study published in 2014 which found the fiscal impact of migrants in the UK between 1995 and 2011 was in fact a net cost of between £115 and £160 billion that is between £19 and £26 million per day.⁵

The same study claimed that East European migrants contributed £5 billion to the Exchequer between 2001 and 2011. However that calculation was based on the assumption that they paid, from the moment of their arrival, corporate and business taxes at the same rate as lifelong UK residents. Correcting for this brought the contribution close to zero.

3 Office for Budget Responsibility, Fiscal Sustainability Report, July 2013, URL: http://budgetresponsibility.org.uk/wordpress/docs/2013-FSR_OBR_web.pdf, p. 148.

4 NIESR, Labour Mobility within the EU – The impact of enlargement and the functioning of the transitional arrangements, NIESR Discussion Paper No. 379, April 2011, URL: http://www.niesr.ac.uk/pdf/270411_143310.pdf

5 Christian Dustmann and Tommaso Frattini, ‘The fiscal effects of immigration to the UK’, The Economic Journal (2014), URL: <http://www.cream-migration.org/files/FiscalEJ.pdf>

4. 'Migrants are less likely to claim benefits'

Figures from the DWP show that migrants to the UK are less likely to claim out-of-work benefits. But large amounts of the total benefits bill are paid to people in work, in particular tax credits and housing benefit. Research shows that some migrant groups are much more likely to be claiming these key benefits than the general population.⁶

5. 'Britain is only the 39th most crowded country in the world'

93% of immigrants go to England so England is what matters in this context. England is the second most densely populated country in the EU with 417 people per square kilometre, after the Netherlands (with 500 people per square kilometre) and excluding islands such as Malta.

Excluding island states and city states like Singapore, England is the eighth most crowded country in the world, just behind India and nearly twice as crowded as Germany and three and a half times as crowded as France.

6. 'The public are not really as opposed to immigration as they seem'

The British Social Attitudes Survey has found that 77% of the public wish to see immigration reduced, 56% by a lot.⁷ The majority of first and second generation migrants agree, with 60% answering that migration to the UK should be reduced.⁸ The public are not, of course, opposed to immigrants but they are opposed to immigration on the present scale. Public opinion is exceptionally clear on this issue, despite repeated efforts by the immigration lobby to obscure it..

6 Drinkwater S and Robinson C (2013) "Welfare participation by Immigrants in the UK" International Journal of Manpower, Vol 34 Issue 2, pp100-112. Migration Watch UK, Economic Characteristics of Migrants in the UK, July 2014, URL: <http://www.migrationwatchuk.org/briefing-paper/1.42>

7 British Social Attitudes Survey 2014 Edition, URL: <http://www.bsa-31.natcen.ac.uk/read-the-report/immigration/introduction.aspx>

8 British Social Attitudes 2013, Attitudes to Immigration, January 2014, URL: <http://www.natcen.ac.uk/media/205569/immigration-bsa31.pdf>

7. 'Population projections are unreliable'

Projections become less reliable as the length of the projection period increases. However, over the last 50 years, the ONS have been accurate to +/- 2½% in their projections over a 25 year period.

In 2014, the UK population was recorded at 64.6 million. The ONS project that if net migration runs at 165,000 per year the population will rise to 74.3 million by 2039 and about 68% of the projected increase in the population over the period mid-2014 to mid-2039 is due to immigration either directly or indirectly i.e. the children of future migrants.⁹

However net migration is currently around twice that level. Over the last 10 years it has averaged 240,000 a year; if it continues at that level the UK population will reach 70 million in 2023 and 80 million by 2046.

8. 'The government should abandon the immigration target because EU and British migration cannot be controlled'

The net migration target was an extremely useful tool for focusing government policy without which net migration today would be considerably higher. The government have retained the target although as an ambition rather than a promise.

The failure to meet the target was largely due to EU migration which doubled over the course of the Parliament and now represents nearly half of net foreign migration. This makes it imperative that the government seeks some practical solution to EU migration in any future renegotiation.

9. Immigration is an unstoppable global phenomenon so it's futile to try and control it

Some commentators argue that population pressures in Africa and the Middle East mean mass migration is an unstoppable force and so governments should just get out of the way and let it happen. It is argued that because of increasing global conflict, economic migration trends and the right of family reunion, governments which pledge to reduce immigration have found it very hard to deliver on their promises. But migration isn't an irresistible force like the tides. It can be deliberately promoted as an act of policy, as happened especially under the Labour governments between 1997 and 2010, or it can be controlled, given the right enforcement infrastructure, investment and political will. Many nations around the world show that it is possible to control frontiers effectively while also benefiting from immigration policies that both favour skills and promote integration.

⁹ ONS, National Population Projections, 2014-based statistical bulletin, October 2015, URL: http://www.ons.gov.uk/ons/dcp171778_420462.pdf

10. 'The NHS would collapse without immigrants'

It is surely obvious that no one is suggesting that they should be expelled. In fact, even at the peak of arrivals, medical staff were never more than 5% of immigration. The reason they were needed is that we failed to train our own staff. Other countries in Europe have only 5% (Italy), 10.5% (Germany) and 15% (France) of foreign qualified doctors, while the UK has 35%, according to the OECD.¹⁰

11. 'Migrants do not take social housing'

It is often said that migrants do not significantly occupy social housing. However, priority for social housing is given to those considered most in 'need'. So whilst most migrants do live in private rentals, official data shows almost 10% of social housing in England is occupied by non-UK nationals.¹¹ In London this figure is around 20%.¹² These are migrants who have not been here long enough to become British citizens or who have chosen not to do so.

12. 'Immigrants are needed to pay our pensions'

This is a ludicrous argument which even the Labour government dropped. The reality is that immigrants themselves grow older so that there would have to be a continuing and increasing inflow of immigrants to have any long-term effect. The Turner Commission¹³ on pensions put it like this:

"Only high immigration can produce more than a trivial reduction in the projected dependency ratio over the next 50 years"

They calculated that even net migration of 300,000 a year (net migration is presently even higher) would produce only a temporary effect unless still higher levels of immigration continued in later years.

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- 10 OECD, International Migration Outlook 2015, URL: http://www.keepeek.com/Digital-Asset-Management/oecd/social-issues-migration-health/international-migration-outlook-2015/changing-patterns-in-the-international-migration-of-doctors-and-nurses-to-oezd-countries_migr_outlook-2015-6-en#page6
- 11 English Housing Survey, Household Report 2009-10, URL: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6718/1937206.pdf
- 12 Hansard, 17 May 2012 Column 247W, URL: <http://www.publications.parliament.uk/pa/cm201213/cmhansrd/cm120517/text/120517w0001.htm#12051754000420>
- 13 Pensions Commission, Pensions: Challenges and Choices, The First Report of the Pensions Commission, 2004, URL: <http://image.guardian.co.uk/sys-files/Money/documents/2005/05/17/fullreport.pdf>

13. 'Immigration will help pay off Britain's debt'

The claim is that without immigration public sector net debt will rise to 187% of GDP by the middle of the century, up from 74% today.¹⁴ This is based on the misleading Office for Budget Responsibility's Fiscal Sustainability Report¹⁵ of 2013 in which they compare the impossible scenario of 'natural change' (which would require no movement in or out of the country), against more reasonable estimates of net migration over time.

But the OBR conclusions are based on the false assumption that migrants outperform the UK born because they are more likely to be of working age. This assumption ignores the fact that migrant groups have very different outcomes in the labour market. In fact, our analysis shows that the numbers of non-UK born in the labour market with relatively weak economic characteristics compared with the UK-born outnumber those with stronger economic characteristics by around two to one.¹⁶

Moreover, the OBR fails to take into account the cost of additional infrastructure spending for the larger population and, in any case, the OBR admit themselves that immigration only delays the problem of debt since immigrants also grow old.¹⁷ It is well recognised that immigration is not a sustainable solution to an ageing society unless immigration is allowed to continue indefinitely and, indeed, increase continuously.¹⁸

14. 'Immigration has no effect on jobs'

The Migration Advisory Committee reported in January 2012 that 100 additional non-EU migrants might be associated with a reduction in employment of 23 native workers over the period 1995-2010.¹⁹ (This faded over 5 years; for EU workers the coefficients were similar but the results were not statistically significant). There is considerable anecdotal evidence of job displacement in key sectors such as construction, transport, hospitality and retail.

15. 'Immigration makes no difference to wages'

A report by the Bank of England, published in December 2015²⁰, found that increasing migration caused downward pressure on wages and had particularly driven down pay in sectors already experiencing low wages, including catering, hotels and social care. In this semi/unskilled services sector, a ten percentage point rise in the proportion of immigrants was associated with a two percent reduction in pay.

14 Polly Toynbee, 'Britain's booming population is a blessing, not a curse', Guardian, 8 August 2013, URL: <http://www.theguardian.com/commentisfree/2013/aug/08/booming-population-birth-rate-great-opportunity>

15 OBR, Fiscal Sustainability Report, July 2013, URL: http://budgetresponsibility.org.uk/wordpress/docs/2013-FSR_OBR_web.pdf

16 Migration Watch UK, Economic Characteristics of Migrants in the UK in 2014, July 2015, URL: <http://www.migrationwatchuk.org/pdfs/Economics-MW367.pdf>

17 Migration Watch UK, Immigration and Public Debt – Comment on the OBR's Sustainability Report 2013, August 2013, URL: http://migrationwatch.co.uk/pdfs/BP1_36.pdf

18 Migration Watch UK, Office for Budget Responsibility: Immigration and Public Debt, 19 July 2012, URL: http://migrationwatch.co.uk/pdfs/BP1_32.pdf

19 Migration Advisory Committee, Analysis of the Impacts of Migration, January 2012, URL: <http://www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/workingwithus/mac/27-analysis-migration/01-analysis-report/analysis-of-the-impacts?view=Binary>

20 Stephen Nickell and Jumana Saleheen, Bank of England, Staff Working Paper No. 574. 'The Impact of Immigration on Occupational Wages: Evidence from Britain.' December 2015. URL: <http://www.bankofengland.co.uk/research/Documents/workingpapers/2015/swp574.pdf>

The report's findings were contrary to claims of many academics and commentators who have argued that there was not any real evidence that immigration had a negative effect on wages overall and that if there were any negative impact, it was on the wages of previous migrant workers or concentrated at lower pay levels and outweighed by a positive impact elsewhere.

16. 'Britain is a nation of immigrants'

Census data shows that in 1851 the UK had a very small foreign born population, with just 100,000 people (1.5% of the population) born overseas. By 1951 this figure had reached 4.3% of the population.

Then, in just ten years from 2001 to 2011, the foreign born population of England and Wales increased by nearly three million to 7.5 million or from 9% to 13% of the population.²¹

17. 'Curbing immigration would prevent the Nobel winners of the future migrating to the UK'

There is no evidence to back this up. The first Nobel prizes were awarded in 1901 with the first Nobel Prize being awarded to a Briton the following year. Since the inception of the Nobel Prize, there have been 97 winners from Britain. Of those 97, 20 were born abroad, of which seven had British heritage i.e. their parents were British. Of the remaining 13, five came to the UK as refugees and the remaining eight came to the UK to continue with their academic careers with the exception of one who came to study his undergraduate degree in the UK. Therefore, not one Nobel Laureate would have conceivably have been prevented from coming to the UK as a result of the kind of immigration controls implemented since 2010.

18. 'Immigration is vital for our economic recovery'

Yes. But this need not conflict with immigration control.²² International companies are free to post senior staff in and out of Britain as they choose and there are plenty of routes for high net worth individuals such as entrepreneurs and investors to come to Britain. Companies can also apply for work permits for skilled workers although this number is capped at 20,700. There is also a labour market of 500 million EU citizens from whom companies can recruit with no restriction.

19. 'Foreign students are an important sector of the economy'

Yes, provided they are genuine. The government has placed no restriction on the number of genuine students that can come to the UK for study. Genuine students will usually go home at the end of their course and will not add to net migration. Bogue students do not go home. That is why strong measures

21 ONS Infographic, 2011 Census shows non-UK born population of England and Wales continues to rise, December 2012, URL: <http://www.ons.gov.uk/ons/rel/census/2011-census/key-statistics-for-local-authorities-in-england-and-wales/sty-non-uk-born-population.html>

22 Migration Watch UK, 'Britain is open for Business', October 2013, URL: http://www.migrationwatchuk.org/pdfs/BP1_35.pdf

are being taken to tighten up the issue of student visas.²³ The latest immigration figures suggest that the number of non-EU students leaving Britain is only about one third of the average number who arrived in the previous five years.²⁴

20. 'Foreign students are being deterred from studying in the UK'

Applications for study at University have increased by 18% between 2010 and 2014. What has fallen is the number coming to study at below degree level. This is to be expected since the government has cracked down on widespread abuse, largely in this sector. Interviews have been rolled out, deterring bogus applicants, and 750 bogus colleges have so far been closed down. EU students have fallen but these students are not subject to immigration control, rather they have been deterred by an increase in tuition fees to a maximum of £9,000 per year.

Updated 10th February 2017

23 Migration Watch UK, 'Students: Genuine or Bogus?', July 2012, URL: http://www.migrationwatchuk.org/pdfs/BP2_19.pdf

24 ONS, LTIM Statistics, May 2014, URL: <http://www.ons.gov.uk/ons/re/migration1/migration-statistics-quarterly-report/may-2014/provisional-13q4.xls>