The New Conservatives’ plan to cut migration

By Tom Hunt MP
Executive Summary

In recent years, net migration in the UK has skyrocketed. The ONS calculated that net Long Term International Migration (LTIM) for 2022 stood at 606,000 – a long way from the 2019 Conservative Manifesto pledge that “There will be fewer lower-skilled migrants and overall numbers will come down.” In 2019 LTIM stood at 226,000.

The British public voted for a strong approach to migration. They did not vote for mass migration and the social and economic harms it brings. Reliance on cheap international labour drives down wages for British workers and disincentivises businesses from investing skills training or in new technology. Mass migration also contributes to the housing crisis: over half a million more houses a year are estimated to be needed to keep up with current migration trends.

Without swift action to get migration under control, the Conservative Party will further erode the trust of hundreds of thousands of voters who lent the Party their vote in 2019.

Prime Minister Rishi Sunak is rightly taking measures to cut net migration. His proposal to prevent foreign students from bringing dependants with them is a welcome step in the right direction. Likewise, the Illegal Migration Bill promises to tackle the growing number of migrants who enter the UK via dangerous and dishonest means.

But more must be done. In order to meet the Manifesto pledge by the next election, net migration must reduce by approximately 400,000. This paper offers a plan to achieve this.

We recommend that the Government:

1. Close the temporary schemes that grant eligibility for worker visas to ‘care workers’ and ‘senior care workers’. This policy will reduce visas granted by 117,000 between those workers and their dependants, leading to a reduction in LTIM of 82,000.

2. Raise the main skilled work visa salary threshold to £38,000 per annum. This could reduce LTIM by 54,000 migrants per year.

3. Extend the closure of the student dependent route, which allows full access to the job market and is not subject to skill or salary thresholds, to students enrolled on one-year research Master’s degrees. Combined with the Government’s existing proposal, this could lead to a reduction of more than 150,000 visa entry clearance grants per year, reducing LTIM by around 75,000.

4. Close the Graduate Route to students, so as to stop students staying in the UK after graduating for up to two years without a job offer. This should lead to a reduction of around 50,000 in LTIM per year.

5. Reserve university Study Visas for the brightest international students by excluding the poorest performing universities from eligibility criteria. This could lead to a reduction of around 75,000 visas granted, leading to a reduction of 49,000 from LTIM.

6. Continue to monitor the reduction in visa applications under the Humanitarian schemes and introduce caps on future humanitarian schemes should the predicted 168,000 reductions not be realised.

7. Rapidly implement the provisions of the Illegal Migration Bill, leading to a reduction of at least 35,000 from LTIM.

8. Cap the number of refugees legally accepted for resettlement in the UK at 20,000, allowing provision for this to be lifted to respond to an unforeseen emergency, such as a natural disaster or war.

9. Raise the minimum combined income threshold to £26,200 for sponsoring a spouse and raise the minimum language requirement to B1 (intermediate level). Such an income threshold is sensitive to the importance of family ties as it is still exceptionally low. It brings it in line with the current income threshold for main work visas that are based only on one income, rather than a combined income for two people. This should lead to an estimated 20,000 reduction in LTIM.

10. Make the Migration Advisory Committee report on the effect of migration on housing and public services, not just the jobs market, by treating future demand on a par with labour requirements in all studies.

11. Cap the amount of social housing that Councils can give to non-UK nationals at five percent until the number of British families waiting for housing clears.

12. Raise the Immigration Health Surcharge to £2,700 per person, per year.

Alongside the existing endeavours of the Prime Minister and the Home Secretary, and the abating number of refugees coming from Ukraine and Hong Kong, these measures should lead to a reduction of over 400,000 from Long Term International Migration. The policies primarily focus on raising standards for entry into the UK. They seek to raise standards in terms of income requirement, but also in terms of university course quality. They also seek to close existing loopholes that allow dependants to access the UK job market by the backdoor, not subject to the same standards as other applicants.

By committing to these policies now, the Conservative Government will be on track to honour their pledge to cut migration by the next election.
Introduction: We must keep our promises

In 2019, we won our biggest majority in 30 years. One of the key promises that helped deliver that majority was that there would be “fewer lower-skilled migrants and overall numbers will come down”. This led to a realignment of British voters, with a Red Wall emerging alongside our traditional Conservative heartland seats.

Despite these promises, and the years of polling showing that the majority of the electorate believes immigration to be “far too high”, net migration reached 606,000 in 2022. Although the UK’s proactive response to welcoming refugees who fled the war in Ukraine undoubtedly contributed to this increase, it would be dishonest to attribute the increased migration numbers to this cause alone. The UK’s current points-based migration system has been too lenient in its implementation and is not working for the British public. We are now very far from our pledge to get the numbers below the 2019 level. The huge increase in net migration has led to significant demographic, social, and labour market changes for which no one ever voted.

This is no new shortcoming. The British people have been denied proper immigration control for decades by the Westminster elite. Voters backed Brexit in 2016 in the expectation that immigration would be brought down. The breaking of this promise is eroding public trust, especially among our new voters who helped deliver the 2019 majority.

It was encouraging, therefore, when Prime Minister Rishi Sunak acknowledged that legal migration is “too high” and that he wanted to reduce it. The Prime Minister and the Home Secretary were absolutely right recently to introduce new rules that prevent international students on taught Master’s degrees from bringing dependants with them into the UK. The Government estimates that removing this backdoor entrance to our labour market will reduce the number of migrants coming to the UK by up to 150,000 a year. But more can and must be done. The numbers are still simply too high.

Sir Keir Starmer and Immigration

Sir Keir Starmer is hoping to exploit the present situation by promising to control immigration. But Starmer’s track record on immigration clearly demonstrates that introducing any controls on immigration would be quite the 180-degree turn. Sir Keir Starmer does not support immigration control. He has voted against the Illegal Migration Bill. He voted against the Nationality and Borders Act. And he opposed the Rwanda policy that would seek to resettle illegal immigrants away from the UK.

After being called to the bar, Starmer wrote a review of Immigration Law and Practice for an edition of Socialist Lawyer magazine. In his review, Starmer claimed there was a “racist undercurrent which permeates all immigration law, whether implemented by the Tories or Labour.” Why should he be trusted to take action on immigration now?

But even if we were to take Starmer at his word, the policies he has put forward fall woefully short of what is required. Labour politicians have consistently voted against measures for immigration control over the past thirteen years. It was New Labour that first ushered in the era of mass migration in 1998 and opened our borders to EU migration in 2004 without appropriate controls. A return to a Labour government would mean the numbers will only grow ever higher and immigration law will not be properly enforced against the illegal channel crossings.

Mass migration played a leading role in the breaking of trust between Labour politicians and working-class voters. The 1997 and 2001 Labour manifestos did not promise mass migration, and yet ministers proceeded to open the borders anyway. When working-class voters in Labour heartlands started to back populist parties, the Labour Party doubled down. Gordon Brown embodied his party’s dismissal of these widely held concerns when he referred to a Labour supporter as a “bigoted woman” for expressing her worries. By promising yet failing to reduce immigration, we risk the exact same alienation and breaking of trust with the British people.

Failure to control immigration goes to the heart of our present crisis. Mass migration is having destabilising economic and cultural consequences. But it is also having a profound political impact. Outside of the EU, we have the power to control our borders. There is nowhere to hide. It is time for us to keep our word on reducing immigration and regain the trust of the British people.

The next election must happen before January 2025 and will very likely happen sooner than that. There is limited time in which to meet our promises. We need swift action.
A plan to meet our manifesto commitment

According to the Office for National Statistics, net migration in 2022 stood at 606,000 – an increase of 118,000 from 2021.9 Such a number is also a long way from the Conservative manifesto pledge in 2019, which promised “There will be fewer lower-skilled migrants and overall numbers will come down. And we will ensure that the British people are always in control”.9 At the time, net migration stood at 226,000. In order to meet our manifesto commitment, net migration must decrease by 380,000 – and quickly.

But the gross number of migrants deserves attention too. Any discussion around migration needs to focus on the total number of people entering the country. It is this, not just the net number, that creates the demographic, economic and social shifts which concern communities. We should ensure fewer migrants enter the country rather than encourage our own people to leave. A total of 1,076,000 long-term migrants entered the UK in 2022 – an unprecedented number. These migrants comprised the following categories of visa:

<table>
<thead>
<tr>
<th>Category</th>
<th>Long Term Immigration of Non-EU Nationals</th>
<th>Long Term Immigration of EU Nationals</th>
<th>Total</th>
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<tbody>
<tr>
<td>Work visas</td>
<td>235,000</td>
<td>62,000</td>
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<tr>
<td>Study visas</td>
<td>361,000</td>
<td>39,000</td>
<td>400,000</td>
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<tr>
<td>Humanitarian visas</td>
<td>172,000</td>
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<td>Asylum visas</td>
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<td>76,000</td>
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<tr>
<td>Family visas</td>
<td>51,000</td>
<td>8,000</td>
<td>59,000</td>
</tr>
<tr>
<td>Other</td>
<td>29,000</td>
<td>41,000</td>
<td>70,000</td>
</tr>
<tr>
<td>Total</td>
<td>924,000</td>
<td>150,000</td>
<td>1,076,000</td>
</tr>
</tbody>
</table>

Chart 1: Migration to the UK by visa category, including dependants

In order to cut migration, policies must be adopted across the categories of migrant visas. The recommendations laid out below aim to provide a critical path to honouring the manifesto pledge of 2019 and regaining the trust of the British public before it’s too late.

Work visas

Much commentary has been devoted to the numbers of migrants coming as part of the Government’s laudable humanitarian visa programmes for Ukrainians and Hong Kongers with British National (Overseas) status. However, as Chart 2 demonstrates, it is an explosion in work visas that threatens to contribute towards future migration numbers.
Last year, 267,670 visas were granted to various categories of ‘worker’ with a further 155,343 granted to their dependants.\(^\text{13}\) The figures represented a 95% increase in the number of worker visas and 180% increase on the number granted to their dependants compared with pre-pandemic levels.\(^\text{11}\)

Fewer than 30,000 of these visas were granted to special category visas that include the brightest and best foreign talent that the UK seeks to attract. 166,408 went to ordinary worker visas and 70,357 went to temporary workers.\(^\text{14}\) Those workers were allocated an additional 149,957 visas for dependents.

In total, even excluding temporary workers and special categories, the Home Office issued visas for 314,064 workers and their families to live and work in the UK.\(^\text{16}\)

Regular workers sponsored under the skilled worker scheme are required to earn £26,200 per year or £10.75 per hour, whichever is higher – the UK minimum wage is just £10.42, some 33 pence less than the requirement. That places recipients in the 49th percentile of earners.\(^\text{16}\)

It is said that of the 166,408 Skilled Worker visas that the largest group (76,938) go to Health and Care visa applications.\(^\text{17}\) 51% of all visas granted in the Health and Care route were to dependants of main applicants.\(^\text{18}\) Only 1% of visas granted through this route in 2022 were to EEA and Swiss nationals, despite it being the largest category of Skilled Worker visa.\(^\text{19}\) The total number of Health and Care visas granted has grown in almost every quarter since it was first introduced in 2020. Yet compared with 2021, Health and Care visas grew by a sizable 142%.\(^\text{20}\)

Within Health and Care visa applications, 56,900 of these visas go to either care workers or senior care workers.\(^\text{21}\) Visa eligibility for both care workers and senior care workers were introduced as ‘temporary’ measures to address post-pandemic labour shortages. They were added to the Shortage Occupation List ‘in response to pandemic pressures’.\(^\text{22}\) By their designation on the Shortage Occupation List, lower salary thresholds are permitted. For care workers and home carers, the standard salary threshold is lowered to £20,960, or £10.75 per hour, which places them in the 33rd percentile for total income before tax.\(^\text{23}\) Senior care workers, meanwhile, only need to earn £14,880, or £7.63 per hour, placing them in the 9th percentile for income.\(^\text{24}\) Each of these workers brings an average of 1.05 dependents with them. Neither measure has yet been brought to a close, despite the abatement of the pandemic and its associated consequences.
Such low salary thresholds cause long-term harm to the labour market. Reliance on cheaper international labour deflates wages for UK workers. It is particularly concerning that lower income thresholds are permitted for occupations that have a labour shortage, as this only serves to exacerbate the problem of attracting British workers for these jobs. If employers can secure cheap labour from abroad, they will be more likely to support flexible migration policies, and less likely to invest in the training of UK workers who could then demand higher wages. Importing cheap labour from abroad keeps wages low for UK workers, further disincentivising UK citizens from training for those jobs. Dependency on cheaper international workers also increases the number of migrants who are not net-contributors to the UK economy, further bringing down GDP per capita.

Since Brexit, the number of non-EEA migrants coming to the UK as a proportion of all work migrants has risen. EU migration for work fell significantly after 2016, once preferential treatment was no longer shown to EU applicants. Migrant workers from outside of the EU exceeded those from within the EU in 2019. These migrant workers, on average, require a higher income threshold in order to become a net contributor to the UK economy.

Admittedly, there is difficulty in calculating the exact point at which migrants become net contributors to the UK economy given that the profile of no migrant is exactly the same. The Migration Advisory Committee found in 2018 that EEA migrants tend to become a net contributor once their salary reaches £30,000, but the figure for non-EEA migrants is closer to £38,000, owing to them bringing more dependants with them.

Another way of determining the point at which a migrant becomes a net-contributor to the UK economy would be to take GDP per capita and use that as the threshold income for migrant workers. Although some assessments of migration claim that mass migration is good for the economy as it increases GDP, they often fail to assess the impact of mass migration on GDP per capita. Given that migration contributes to population increase, it is not sufficient to say migration is a net positive just because it grows GDP. Pre-pandemic, GDP per capita was about £33,700, meaning that a single migrant would increase GDP per capita if their income was above this, and detract if below it. Of course, this threshold would be higher if the migrant has any dependants. In 2022, over 150,000 visas were granted to dependants of migrants on work visas, with thousands more issued to dependants on other categories of visa. Although the pandemic caused GDP per capita to drop, it has been increasing since.

Raising the salary threshold for work visas to the amount at which a migrant’s taxes paid exceed benefits received will reduce the number of migrants and prevent labour market distortions.

**Chart 4: Migration into the UK for work by citizenship**

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**RECOMMENDATION 1**

Close the temporary schemes that grant eligibility for worker visas to ‘care workers’ and ‘senior care workers’. This policy will reduce visas granted by 117,000 between those workers and their dependants, leading to a reduction in LTIM of 82,000.

**RECOMMENDATION 2**

Raise the main skilled work visa salary threshold to £38,000 per annum. This could reduce LTIM by 54,000 migrants per year.

**Study visas**

Study visas have increased since requirements were introduced for European Economic Area students following Brexit, and also following the introduction of the Graduate Route in 2021, which allows international students to stay in the UK for two years after graduating (or three years after the completion of a PhD) to look for jobs. In 2022, 72,893 extensions were granted to graduates under this scheme. This visa route is not dependent on the applicant having secured a job, nor is it dependent on the applicant securing a job relevant to the degree studied, or with a minimum income. Indian nationals comprised 41% of visas granted through this route in 2022.

A comparable scheme to the Graduate Route had previously been closed by the Conservative-Liberal Democrat Coalition in 2012. At the time, the Post Study Work visa allowed students to extend their stay in the UK by two years in order to work, but was not subject to conditions of having a formal job offer, let alone potential employment, salary requirement, or job skill level. The
The Prime Minister and Home Secretary have rightly taken steps to address this surge in student dependants, with their recent announcement that from January 2024 foreign postgraduate students on non-research courses will no longer be able to bring dependants with them to the UK. The Government’s internal modelling predicts that this will cut migration by 120,000-150,000 based on 2023 numbers. Such a measure is long overdue. There is not a compelling case to permit a year-long Master’s student to bring dependants with them into the UK given that the course is for a mere 12 months, inclusive of breaks for Christmas and Easter holidays. If a Master’s student did have a family, the academic calendar would still allow for that student to travel home.

The majority of Study Visas are used for Higher Education – only 3% of all Certificates of Acceptance of Study used in Study Visa applications in 2022 were used to apply for independent schools, 4% for further education, and 2% for English language schools. These smaller categories of visa are not the primary concern, though more attention should be paid to visas issued for independent education should that fuel independent schools pricing-out hard working British families. In recent years, however, there have been increased applications for Study Visas from students who wish to attend non-Russell group universities. In 2022 non-Russell group universities made up 62% of all Certificates of Acceptance of Study used in Study Visa applications — increasing by 186,679 (+165%) compared with the year ending September 2019. A Study Visa that is blind to the rigour of university courses is also blind to the earning potential, or even employability, of graduates who can then go on to apply for Graduate work visas.

Our immigration policy should not be used to prop up the finances of underperforming universities. As the Home Secretary has previously observed, allowing international students to bring in “family members who can piggyback on to their student visa” aids “propping up, frankly, substandard courses in inadequate institutions.” More needs to be done to ensure universities are fit for purpose and that international students receive an education that warrants the high prices they are charged.

RECOMMENDATION 3
Extend the closure of the student dependent route, which allows full access to the job market and is not subject to skill or salary thresholds, to students enrolled on one-year research Master’s degrees. Combined with the Government’s existing proposal, this could lead to a reduction of more than 150,000 visa entry clearance grants per year, reducing LTIM by around 75,000.

RECOMMENDATION 4
Close the Graduate Route to students, so as to stop students staying in the UK after graduating for up to two years without a job offer. This should lead to a reduction of around 50,000 in LTIM per year.

RECOMMENDATION 5
Reserve university Study Visas for the brightest international students by excluding the poorest performing universities from eligibility criteria. This could lead to a reduction of around 75,000 visas granted, leading to a reduction of 49,000 from LTIM.
Humanitarian routes

The Prime Minister has rightly stood by decisions to recognise a duty to provide safe and legal routes for refugees from Hong Kong, Afghanistan, and Ukraine. The exceptional humanitarian visa schemes established by the Government in response to China’s breaches of the Sino-British Joint Declaration and Russia’s invasion of Ukraine were rightly seen as an appropriate response to the scale of the events and to the UK’s obligations. These schemes are particularly praiseworthy given that they have focussed on housing migrants in alternatives to ‘migrant hotels’. In particular, the ‘Homes for Ukraine’ initiative saw impressive engagement from the UK public and offered more dignified dwelling arrangements. We recognise the success of community sponsorship schemes that ensure refugees only travel when they have accommodation arranged privately. This scheme should be developed for future crises.

Undeniably, the confluence of these schemes last year led to a very large number of additional migrants coming to the UK, contributing to the high net migration figures for 2022. This fed into the changing composition of non-EU immigration; those arriving on Humanitarian Routes increased from 9% in 2021 to 19% in 2022. It should be noted, however, that the number of visa applications under these schemes has already dramatically diminished. This has already been seen with the Afghan Relocations and Assistance Policy scheme, which should be monitored to ensure continued wind-down, but is also taking hold among the BN(O) and Ukrainian schemes too. In the first quarter of this year, just 34,858 applications were made under the Ukrainian and BN(O) visa schemes – a huge reduction in the number of applications. Were these numbers to remain static for the next year and not continue to reduce any further, there would already be a reduction of 172,338 applications compared with last year. It is possible that this will reduce even further. This will lead to a significant reduction in the number of visas granted, even if the approval rate of visa applications were to increase and reach 100%.

Chart 6: Increase in LTIM from Humanitarian Routes. Source: ONS data

Chart 7: Applicants and Visas granted for BN(O) and Ukrainian Visa schemes.

RECOMMENDATION 6

Continue to monitor the reduction in visa applications under the Humanitarian schemes and introduce caps on future humanitarian schemes should the predicted 168,000 reductions not be realised.
Asylum

The Prime Minister’s pledge to “stop the boats” will – if achieved – reduce the number of asylum seekers entering the UK. In 2021, there were 28,526 illegal channel crossings. This increased to 45,728 in 2022. This year, the number could be as high as 85,000, which would surpass the total number of asylum applications received in 2022 (74,751).46 The majority of those who enter the country illegally go on to claim asylum – in 2022 90% of small boat arrivals claimed asylum or were recorded as having entered the country illegally go on to claim asylum or were recorded as having entered the country illegally.47

The Prime Minister and Home Secretary should continue their efforts to “Stop the Boats”. A no-tolerance approach to illegal crossings will serve as a deterrent to further small boats. To this end, a focused continued on rapid detention and offshoring of illegal migrants is vital.

The UK Government should be prepared to proceed with the Illegal Migration Bill without amendments, using a Parliament Act to pass the Bill if necessary. Although the Labour Party and Peers in the Lords hamper the Bill’s implementation, the Government has the political power to clamp down on illegal migration if they want to.

The Government should appeal to the UK Supreme Court the Court of Appeal’s recent decision that Rwanda is not a safe third country for migrants. The Prime Minister was right to assess that “Rwanda is a safe country. The High Court agreed. The UNHCR have their own refugee scheme for Libyan refugees in Rwanda. We will now seek permission to appeal this decision to the Supreme Court.”46 Countries across the west are seeking to deport illegal migrants to safe third countries – the UK is not alone in this endeavour. Illegal migrants should face repercussions for their criminal activity and be excluded from the benefits of participation in British life.

Until illegal crossings drastically reduce in number, the UK’s asylum system will continue to suffer immense pressure. There were over 166,000 cases in the asylum backlog at the end of 2022 – more than double the 70,000 figure for 2020.48 The number of cases waiting for more than six months for a decision has also more than doubled since 2020, and increased by almost 10 times since 2016.49 In short, it is taking longer to respond to asylum applications at a time when the number of new applications is on the rise.

It is encouraging that the Illegal Migration Bill will introduce a cap on the number of refugees legally accepted for resettlement in the UK. The Government has said they will determine a cap “set by Parliament in consultation with local authorities to determine our capacity, and amendable in the face of humanitarian emergencies”.50 A cap of 20,000 would offer a number that, excluding Hong Kongers and Ukrainians, exceeds the total number of people granted asylum or resettled in the UK in any given year since 2002.51 This cap could then be lifted in order to respond to an unforeseen emergency, such as a natural disaster or war. The UK can afford to be generous with granting asylum to those who enter via legal routes if a zero-tolerance approach is adopted for illegal crossings.

**RECOMMENDATION 7**

Rapidly implement the provisions of the Illegal Migration Bill, leading to a reduction of at least 35,000 from LTIM.52

**RECOMMENDATION 8**

Cap the number of refugees legally accepted for resettlement in the UK at 20,000, allowing provision for this to be lifted to respond to an unforeseen emergency, such as a natural disaster or war.

Family visas

Family visas contributed an estimated 59,000 migrants to long-term immigration in 2022. 76% of family visas granted were to partners, with the other 24% being for children and other dependants.54 The highest number of family visas granted in 2022 went to Pakistani nationals, with 8,496 (or 18%) of the total number granted. Second to this were Indian nationals with 3,376 visas granted. Americans were the third largest nationality, with 2,153 visas granted.55 Although there were 14% fewer family visas granted in 2022 compared with 2019, reforms could be made to reduce this number further.56

Reforms to migration policy in 2012 introduced a requirement that any British citizen or settled person wishing to sponsor a spouse must have a combined minimum income with that spouse of £18,600. This minimum income threshold increased to £22,400 if a child was also seeking a family visa, and £2,400 for each child thereafter.57 10 years on and these minimum income requirements have remained unchanged. Raising the income threshold will help ensure that migrants and their families are net contributors to the UK economy rather than detractors.

Although raising the requirement for combined income would lead to some families being denied visas, keeping the threshold as low as it currently is does not serve the interests of the families themselves. An income of £18,600 before tax would place a single person in the poorest 24% of the population. The economic outlook for two people depending on such an income is not encouraging. Mandating a higher combined income will help ensure that migrants enjoy a good quality of life while in the UK.

The Government should also look to raise the language requirement that qualifies for a family visa. Currently, to receive a family visa most adult applicants must demonstrate a basic knowledge of English. If it is a person’s first visa application, they must pass to at least level A1 on the Common European Framework of Reference for Languages scale.58 In essence, this is a very low level understanding of English, requiring the applicant to merely “interact in a simple way provided the other person talks slowly and clearly and is prepared to help”.59 Such language barriers impede meaningful integration into the local community as well as limiting potential earnings of such family members – this is neither in the interest of the local community nor of the migrant family.
RECOMMENDATION 9
Raise the minimum combined income threshold to £26,200 for sponsoring a spouse and raise the minimum language requirement to B1 (intermediate level). Such an income threshold is sensitive to the importance of family ties as it is still exceptionally low. It brings it in line with the current income threshold for main work visas that are based only on one income, rather than a combined income for two people. This should lead to an estimated 20,000 reduction in LTIM.\textsuperscript{30}

If the above recommendations were taken together, these policy changes could see net legal migration cut to 163,000 – comfortably below the 2019 manifesto commitment. By making a commitment to these policies now, combined with the measures introduced by the Illegal Migration Bill, the Government will be on track to honour their 2019 manifesto pledge and have the hope of regaining the trust of the British public. Significant advances will also be made to reversing the social and economic harms ushered in by the unprecedented migration levels seen in recent years.

The primary rationale on which many of the policies depend concern raising standards for entry into the UK – both in terms of income but also in terms of university course quality – and closing loopholes that allow dependants to access the job market by the back door, not subject to the same standards as other applicants.

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>LTIM Reduction</th>
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<tr>
<td>Close care worker temporary scheme</td>
<td>82,000</td>
</tr>
<tr>
<td>Raise skilled worker salary to £38,000</td>
<td>54,000</td>
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<tr>
<td>Close student dependents route</td>
<td>76,000</td>
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<td>Close the Graduate Route work visa</td>
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<tr>
<td>End study visas for poorest performing universities</td>
<td>49,000</td>
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<td>Status quo of Ukraine/Hong Kong scheme</td>
<td>81,000</td>
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<tr>
<td>Implement Illegal Migration Bill</td>
<td>34,000</td>
</tr>
<tr>
<td>Raise income and language threshold for families</td>
<td>20,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>443,000</strong></td>
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Mass migration does not guarantee prosperity: demographics, labour and public services

It is common to find the economic and cultural dimensions of immigration studied separately. Some people focus on the cultural change brought about by immigration. Others prefer to engage with the economic transformation that has followed the country’s dependency on cheap labour. But the truth is that economics and culture are intimately connected, especially when it comes to immigration.

Individuals are not atomized, rational, autonomous beings. They are relational in outlook, informed by attachments to family, friends, and community. Mass migration can lead to immediate cultural changes in people’s neighbourhoods, but the economic consequences also affect cultural life. For example, mass migration placing downward pressure on wages does not just affect the average standard of living. It prevents low and mid-skill workers from being able to start or support families. The spread of low-wage, insecure work has undermined people’s ability to live full lives. Conservatives should not ignore the fact that economic well-being has an inevitable and substantial impact on cultural well-being.

Still, there are some on the libertarian right who claim that immigration control needlessly restricts the labour market and is contrary to the Conservative Party’s commitments to freedom and economic growth. Organisations like the Adam Smith Institute promote an open borders policy that increases the numbers of both low and high skilled workers to raise the country’s overall growth rate.\textsuperscript{62} They couldn’t be more wrong. Immigration in the UK is a higher proportion of the population size than in the United States and other European competitors. And yet, historian Adam Tooze has identified a “deconvergence” of the UK from the G7, with declining performance relative to our peers and competitors.\textsuperscript{61} Open Borders are not needed for economic success. OBR predictions for the economy, for instance, assume future net migration numbers of 245,000 – significantly lower than the ONS’ 606,000 for 2022, and yet not much higher than the promise of the 2019 Manifesto.\textsuperscript{64}

Even though immigration can produce around 0.5 percent increase in growth, it does not improve GDP per capita because the population is also increasing.\textsuperscript{48} Since the financial crisis, growth in GDP per capita has been falling even as net migration has continued to increase. This has a profound impact on wages and productivity that does not show when only examining GDP growth. Although it is difficult to establish the precise impact of immigration on GDP per capita since there is no uniform impact from migrant workers, – owing to factors such as age, income, dependants etc., – it is insufficient to say that immigration is a positive just because it contributes to GDP.

In many ways, the UK’s dependency on importing foreign labour is a fundamental part of why it is trapped with a low skill, low wage, low productivity economy. Instead of investing in new technologies or training existing workers, employers are incentivised to continue to rely on cheap labour. It is no coincidence that UK productivity growth ran at 0.4 percent per year on average between 2008 and 2020, during which time immigration...
numbers continually increased. This is below the OECD average of 0.9 percent. ONS data shows that the pandemic has not altered this trend, with labour productivity only being 2.1 percent higher in the last quarter of 2022 than in 2019 on average. Since the financial crisis, real wage growth has stagnated and left workers potentially worse off by as much as £11,000 per year. Successive governments correctly identified low productivity as the cause but consistently failed to address one of the key drivers of low labour productivity: mass migration.

There is also the impact of imported cheap labour for the wages of specific sectors of the economy. Immigration contributed two-thirds of the 18 percent growth in the size of the UK workforce between 1994 and 2019, especially in low wage sectors such as hospitality and food production. While evidence suggests that wages on average are not affected significantly by rising immigration, it does apply strong downward pressure on the wages of low-wage workers. In 2015, the Bank of England found that a 10 percent increase in immigration reduced wages in the semi-skilled and unskilled services sector by as much as 2 percent. Employers are all too willing to demand ever higher numbers of imported cheap labour if it can help them avoid increasing the wages of all their employees.

When faced with these facts, liberal commentators continue to argue that there are low skill jobs that domestic workers simply will not do and therefore should be done by foreign workers. Putting to one side the surprising national chauvinism of this view, those jobs only exist precisely because policymakers allow employers to continue supporting them. This approach has led to the UK being too focused on service sectors with low productivity while neglecting sectors with far greater potential for productivity growth such as manufacturing and construction. Innovation as concerns productivity stalls as a result. Employers in high productivity sectors should be encouraged to create jobs that domestic workers will take on. Ending mass migration would help facilitate this shift, leading not only to better living standards and increased tax receipts for public services, but also to more opportunities for people to get jobs in which they can have pride and a sense of self-worth.

The truth is that one of the most effective ways of boosting economic metrics across the board in the UK is for the UK to have a tighter labour market. Rebalancing supply and demand can help raise wages for low skilled workers and improve the labour productivity of our businesses. The addict will always cry out for more, but breaking cheap labour dependency will improve the long-term economic health of the UK and its workforce. It will drive innovation in low productivity sectors too. Attracting high skilled workers to help the flourishing of British industry and centres of excellence does not require an open borders policy. Instead, a targeted immigration policy is needed that forces businesses to innovate and employers to create jobs with decent wages for ordinary working people.

How We Should Respond to an Ageing Society

In the UK there are four workers for every retiree, which will decrease to three by 2041. At 1.6 births per woman, the UK is well behind the 2.1 replacement rate. Pensions, welfare, social care and healthcare spending are climbing ever higher, demanding more from the working-age population. Increasingly, age emerges as a key dividing line in UK politics between the more conservative elderly and the more progressive young. Confronted by the demographic time bomb of falling fertility rates and rising life expectancy, the libertarian right, allied with the cultural left, believe that higher levels of immigration is the only answer. But focusing on imported labour is a distraction from other policy tools the Government could use to tackle this situation more effectively and sustainably.

The truth is that immigrants also get old and often adapt to domestic birth-rates. Immigrants tend to arrive in their 20s or 30s, making minimal impact on the median age. In ageing societies, such as Italy, rapidly growing immigration numbers have not slowed the rising rate of median age. Large grey populations are also increasing in developed countries with low levels of immigration such as Japan. Decades of mass migration has not stopped the UK from becoming an ageing society either. It is young people, not migrants generally, who are needed to help change such trends. The Government must pioneer in helping younger generations attain better paid jobs, more affordable housing, and generous family support if it wishes to solve the challenges posed by an ageing society. Importing migrants will only paper over the cracks for so long.

Cheap Labour Stops Investment in Our Workforce

Dependence on imported cheap labour has prevented the upskilling of domestic labour for decades. Promoting vocational and technical education does not just help tackle skills shortages, but also provides pathways to economic success and prosperity for non-graduates who have been left behind by globalisation. The era of mass migration and higher education expansion went hand in hand under New Labour. It is time to bring it to a close. Some progress has been made with T-Levels and the Lifelong Loan Entitlement, but more must be done. This is not a nostalgic cry for the jobs of yesteryear, but a call to arms for the jobs of tomorrow. Non-graduates deserve a chance to get the skills they need to thrive in new industries, and home-grown talent is the only long-term solution to filling the ‘Occupation Shortage List’.

It is wrong to turn towards importing cheap labour when there are between 5 and 6 million economically inactive citizens in the UK. Many ‘missing workers’ are in Northern cities such as Middlesbrough, Hult, and Blackburn. This has been a major consequence of the pandemic; since the pandemic there has been a 20 percent increase in long-term sickness and deteriorating mental health that impacts on people’s ability to work. A job does not just have economic value – it also has cultural value, being a source of pride and self-worth. More than 700,000 people on sickness benefit want to work with support from the welfare system and more than 20% of welfare claimants with ‘No Work Requirements’ want to work. It is both morally right and economically efficient to help them move back into work rather than importing cheap labour through migration.

Taking the Pressure Off Public Services and Housing

Studies have shown that the fiscal impact of mass migration is between +1 percent and -1 percent of GDP, hardly filling the Treasury coffers. EEA migrants tend to have a more positive contribution than non-EEA migrants. The point at which a migrant becomes a net contributor
depends on their age, family, and skills. For example, a 20-year-old with no dependents can earn over £10,000 per year to become a net contributor whereas a couple with two children would need to earn over £45,000 per year. The growing number of migrants with dependents has placed considerable pressure on public services, especially as they do not settle evenly across the country.

Mounting pressure on our public services, such as schools and the NHS, has only been growing, and as many as 60 percent of voters believe immigration is placing too much pressure on our public services. They would not be wrong. In England, Wales, and Northern Ireland, there were 7 million new GP registrations by migrants between 2010 and 2020. Taxpayers who have paid into the system throughout their working lives feel short-changed by how mass migration is straining public services. It is weakening the essential solidarity needed for popular consent for state services.

In particular, migrants to the UK pay such a small Immigration Health Surcharge that any serious medical complication would be left for the British taxpayer to subsidise. Most visa applicants have to pay £624 per year in order to be covered by the NHS, with students only needing to pay £470 each year. Health and Care visa applicants and their dependants, however, are exempt from paying the Immigration Health Surcharge altogether. Although this exemption was introduced to acknowledge the contribution of healthcare workers during the pandemic, it is a frivolous expense that costs the taxpayer while benefiting migrant workers who do not necessarily work for the NHS. The 2022 budget for the Department of Health and Social Care stood at £180 billion – that's £2,700 per person. If migrants are not going to cost British taxpayers for their healthcare, their Health Surcharge should be raised accordingly.

Housing is another problem. While planning reform is urgently needed and long overdue, immigration contributes significantly to the overheating of the housing market. The Centre for Policy Studies estimates that 616,000 new homes a year will be needed to keep up with demand caused by immigration. The Government's housing targets have been ripped to shreds just as immigration reaches record highs.

Immigration is also impacting the capacity of councils to provide social housing to those born in Britain. Locals perceive migrants as jumping the queue when it comes to social housing, as they are seen as displacing those who have lived in the area for far longer. There is evidence to support this perception. Around 1.2 million families are waiting for social housing in Britain, with about 10 percent of the homes that become available going to non-UK nationals. In certain parts of the country, however, that proportion is much higher; in London, 40 percent of social housing goes to non-UK nationals. Although the needs of migrants ought not to be ignored, the number of migrants entering the UK with such needs should be limited until councils provide adequate social housing for British families.

Ensuring Integration Into the Local Community

David Goodhart from Policy Exchange said in 2018 that “too many people coming too quickly into a society makes it difficult to retain a sense of cohesion and stability.” The social and demographic changes ushered in by mass migration pose a serious challenge to the successful and meaningful integration of migrants. Integration is not a one way process – it requires effort from both the migrant and the local community around the migrant. Neighbours, employees, colleagues and other local workers all participate in the integration process. Studies show that integration occurs across various dimensions of life, be that employment, social interaction, or by participating in local community life. Although a good job and proficiency in English do not guarantee integration, they certainly help.

The ease of migrants integrating into the local community should not be taken for granted. Nor should the willingness of locals to welcome the migrant. At a time when public services, housing, and wages suffer strain from the effects of mass migration, the warm welcome of the public should not be assumed. ‘The Casey Review: a review into opportunity and integration’, conducted by Dame Louise Casey and published in 2016, found that “a number of local authorities raised integration issues related to the relatively sudden emergence of new communities in their areas.”

The resistance of local councils to large influxes of migrants continues today. Ipswich has seen a four-fold increase in the town’s foreign-born population in the past generation, so it is no stranger to the effects on migration. Yet at the end of last year, Labour-run Ipswich Borough Council sought a High Court injunction to prevent a town centre hotel from housing more migrants. The Borough Council claimed the use of the hotel as a migrant hostel was damaging the town and that any more migrants housed there would put “unsustainable” strain on local services. The reception of large numbers of migrants in the past does not mean an unreserved acceptance of mass migration in the future.

In addition to the above recommendations, the government should:

RECOMMENDATION 10

Make the Migration Advisory Committee report on the effect of migration on housing and public services, not just the jobs market, by treating future demand on a par with labour requirements in all studies.

RECOMMENDATION 11

Cap the amount of social housing that Councils can give to non-UK nationals at five percent until the number of British families waiting for housing clears.

RECOMMENDATION 12

Raise the Immigration Health Surcharge to £2,700 per person, per year.
Conclusion

The ballooning of immigration in recent years stands in direct contradiction to the Conservative Party pledge made in 2019 to reduce migration. Tougher measures on immigration are overwhelmingly popular, and the 2019 approach to immigration undoubtedly contributed to the vast majority the Conservatives won. The British public voted for fewer migrants, not more. They did not vote for the wage deflation ushered in by mass migration and the artificially low salary thresholds migrants are permitted to use as their entry to the UK. They also did not vote for using migrants to fill job shortages to the neglect of training British people for British jobs.

In order to restore the trust of the nation, migration needs to come down – and fast. The steps taken by the Prime Minister and the Home Secretary to this end are praiseworthy but cannot stop there. Stopping the boats and stopping the backdoor entrance to our country by clamping down on student dependants need to set the course for further action. The Conservatives need to achieve (or at least be on course to achieve) a reduction of around 400,000 in LTIM if they are to save face by the time of the next General Election. This paper has outlined some relatively simple steps to aid that process, building on the good start made by the Prime Minister in recent weeks. Given that these policies would likely lead to more than 400,000 being cut from LTIM, there would be flexibility for the Government to remain generous in welcoming legal refugees should the war in Ukraine lead to more migrants, or should another unforeseen emergency occur, and yet still be on track to meet its Manifesto pledge.

At the core, these policies focus on reforming the UK’s migration system so that quality and integrity are valued. They aim to ensure quality wages for both migrants and British workers. They aim to prevent underperforming universities from relying on international students to fund poor quality degrees. They also seek to ensure the integrity of the UK’s migration system by ensuring applicants do not exploit the system by using visas to bring dependants into the country, and by taking a zero-tolerance approach to illegal crossings.

Taken together, these policies will help the Government honour its pledge, restore the confidence of the British public, and make sure the social and economic fabric of our country is not further damaged by unprecedented levels of migration.
Appendix

Data limitations were encountered due to the different data sets available and the differences between them. The Home Office publishes the number of visas issued to applicants. The ONS uses this data and models it based on other factors such as nationality, so as to provide an estimate for Long Term International Migration.

For this paper, after calculating a reduction in the number of visas issued, it was necessary to then assess the impact of that reduction on LTIM. For this, a multiplier was used. This was calculated by dividing the ONS number for LTIM by the number of visas issued, separated according to category of visa. While such a method brings with it increased uncertainty in the estimates, it provides an attempt to best match the reduction in visas with its impact on LTIM.

<table>
<thead>
<tr>
<th>Category</th>
<th>Visas Issued</th>
<th>ONS LTIM</th>
<th>Multiplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study visa main applicants</td>
<td>485,758</td>
<td>315,000</td>
<td>0.65</td>
</tr>
<tr>
<td>Study visa dependants</td>
<td>135,788</td>
<td>85,000</td>
<td>0.63</td>
</tr>
<tr>
<td>Family visas</td>
<td>48,107</td>
<td>59,000</td>
<td>1.23</td>
</tr>
<tr>
<td>Humanitarian</td>
<td>264,742</td>
<td>172,000</td>
<td>0.65</td>
</tr>
<tr>
<td>Asylum</td>
<td>89,398 people (represented by 74,751 applications)</td>
<td>76,000</td>
<td>0.85</td>
</tr>
<tr>
<td>Work visas, including dependants</td>
<td>423,013</td>
<td>297,000</td>
<td>0.70</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Reduction</th>
<th>Calculation</th>
</tr>
</thead>
</table>
| Close care worker temporary scheme     | 82,000    | 56,900 (care+senior care workers)  
56,900 * 1.05 (dependants) = 59,745  
56,900 + 59,745 = 116,645  
116,645 * 0.7 (ONS multiplier) = 81,652 |
| Raise skilled worker salary to £38,000 | 54,000    | 76,938 of 166,408 are skilled health and care workers  
166,408 - 76,938 = 89,470  
Assume main workers in top 51% of earners (income of £26,200). An income of £38,000 places in top 28% of earners. Therefore, 46% reduction (23% difference, with each % equal to 2% of workers)  
89,470 * 0.46 = 41,156  
147,656 (dependants) / 166,408 (main) = 0.89 dependants brought per person on average  
41,156 * 0.89 (dependants) = 36,629 (dependants brought)  
41,156 + 36,629 = 77,785 reduction  
77,785 * 0.7 (ONS multiplier) = 54,450 LTIM reduction including dependants |
<table>
<thead>
<tr>
<th>Measure of Migration Reduction</th>
<th>Estimate</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Close student dependents route</td>
<td>76,000</td>
<td>Reduction of 120,000-150,000 based on next year’s numbers. 120,000(lower end estimate) x 0.63(ONS multiplier) = 75,600</td>
</tr>
<tr>
<td>Close the Graduate Route work visa</td>
<td>47,000</td>
<td>72,893(graduate visas granted) x 0.65(ONS student multiplier) = 47,380</td>
</tr>
<tr>
<td>End study visas for poorest performing universities</td>
<td>49,000</td>
<td>484,358(total CAS applications) x 0.62(percent of non-Russell Group) = 300,302 300,302 x 0.25(poorest performing quartile) = 75,076 75,076 x 0.65(ONS student multiplier) = 48,799</td>
</tr>
<tr>
<td>Status quo of Ukraine/Hong Kong scheme</td>
<td>81,000</td>
<td>There will be 139,432 applicants if the year remains static based on Q1 2023. 139,432 x 0.65(ONS multiplier) = 90,631</td>
</tr>
<tr>
<td>ImplementIllegal Migration Bill</td>
<td>34,000</td>
<td>40,302(illegal applicants &amp; dependants on applicants) x 0.85(ONS multiplier) = 34,257</td>
</tr>
<tr>
<td>Raise income and language threshold for families</td>
<td>20,000</td>
<td>£18,600 puts earner in 24th percentile. £26,200 puts earner in 49th percentile. Each percentile increase leads to a reduction of 1.3% of visas (100/75 = 1.3). 25(percentile change) x 1.3 = 32.5% reduction 48,107(family visas) x 0.33(reduction) = 15,875 15,875 x 1.23(ONS multiplier) = 19,526</td>
</tr>
</tbody>
</table>

LTIM reduction.
The New Conservatives’ plan to cut migration

1. See Appendix.


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10. It should be noted that the above figures are taken from ONS data that is based on an experimental methodology, and all estimates are individually rounded to the nearest thousand (the total does not add exactly owing to this rounding). ONS data uses Home Office data of visas granted, which is much more granular than that provided by ONS itself, and makes ‘long-term arrivals’ predictions based on administrative and survey data. As such, there are limitations when it comes to forecasting to what extent any policy change will cut migration according to the ONS categories. The policy recommendations in this paper rely on both ONS and Home Office data, with the methodology used for the predicted impact of the policies explained in the Appendix.

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The New Conservatives' plan to cut migration

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