THE IMPACT OF THE RECESSION ON MIGRATION IN THE UNITED KINGDOM

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This article sets out to explore in brief what the available statistics say about the impact of the 2008-2009 economic recession on international migration to and from the UK. In short, statistics suggest that economic migrants responded to the recession in the way that one might expect, with a reduced inflow and increased outflow of long-term migrants coming to work in the UK, in particular within the EU free market, although these changes did not quite translate into a net reduction in this group despite the domestic economic conditions. For non-EU migrants, the dominance of non-work-related flows meant that the recession did not influence them in the same way and the resultant reduction in overall net migration was only slight.

A Short History of Recent Migration to the UK

Although the United Kingdom has seen a great deal of international migration over the course of the last century, for much of that period the numbers leaving were often as great or greater than the numbers arriving, resulting in low or negative net migration, as measured by the international definition relating to people changing their normal place of residence for a period of 12 months or more.

Following two decades of reduced inward migration and low or negative levels of net migration, immigration to the UK began to grow in the 1980s; perhaps reflecting the global growth in international travel, the numbers began to escalate from the mid-1990s (see Chart 1). Although some of this growth was in temporary migration, the number of emigrants did not keep up, resulting in a sharp rise in net migration.

The new migrants to the UK came from across the globe. In previous decades, large numbers of migrants had come from Ireland and the Caribbean. In the 1990s, the largest numbers came from the former British colonies in south Asia and Africa. Other countries such as China and the Philippines also supplied large numbers. Beginning in 2004, a significant new influx began from the Eastern

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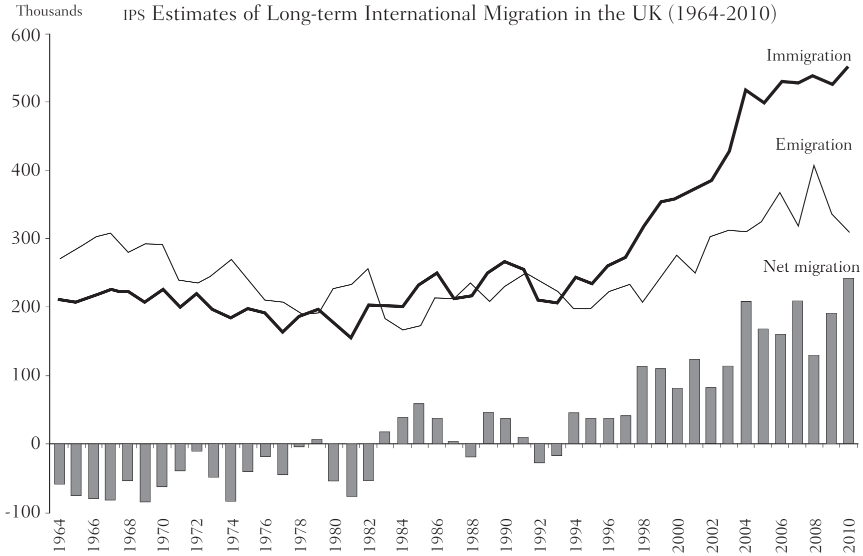
CHART 1
LONG-TERM INTERNATIONAL MIGRATION IN THE UNITED KINGDOM



SOURCE: ONS (2011c).

TABLE 1
TOP TEN FOREIGN NATIONALITIES RESIDENT IN THE UNITED KINGDOM (2012)

			United Kingdom thousands
	Nationality	*Estimate*	*CI +/-*
1	Poland	700	36
2	India	348	26
3	Republic of Ireland	314	24
4	Pakistan	180	18
5	United States of America	158	17
6	Lithuania	140	16
7	Germany	131	16
8	Italy	129	16
9	France	123	15
10	Portugal	111	15

SOURCE: ONS (2013).

European countries that had recently joined the European Union (often referred to as "the new accession states" or "A8 nationals"), particularly Poland. Polish nationals comprise the largest foreign nationality currently resident in the UK, whereas prior to the Polish accession that position was held by people originating from India, a large proportion of whom subsequently gained British citizenship. Just under half (47 percent) of the UK's foreign population is made up from the top 10 foreign nationalities (see Table 1).

TABLE 2
NET MIGRATION BY COUNTRY OF LAST AND NEXT RESIDENCE (2000-2012)

thousands

	2000	*2001*	*2002*	*2003*	*2004*	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*	*2011*	*2012*
European Union	**-14**	**-11**	**-38**	**-23**	**28**	**48**	**65**	**88**	**21**	**54**	**73**	**79**	**67**
European Union 15	-14	-11	-38	-23	-14	-11	-8	2	-9	26	18	27	33
European Union A8	–	–	–	–	47	59	69	88	23	18	43	41	31
European Union Other	–	–	–	–	-7	0	4	-1	8	11	12	11	3
Rest of Europe	28	13	19	0	5	3	4	2	-2	2	-1	-5	7
Old Commonwealth	**-1**	**11**	**-8**	**-12**	**2**	**-9**	**-34**	**-29**	**-18**	**-32**	**-7**	**-23**	**-19**
Australia	-18	-1	-15	-23	-16	-12	-28	-27	-26	-27	-10	-22	-20
Canada	2	-3	-5	5	-4	-5	-4	-2	-1	-3	0	1	1
New Zealand	1	1	-6	-8	-7	-8	-9	-7	-4	-6	2	-6	1
South Africa	15	14	17	14	28	15	7	6	14	4	1	5	1
New Commonwealth	**79**	**74**	**73**	**86**	**122**	**101**	**106**	**103**	**94**	**109**	**124**	**103**	**58**
Africam Commonwealth	23	25	36	34	39	26	16	19	23	23	15	12	10
Indian sub-continent	42	40	36	47	81	70	85	77	63	78	99	93	43
Other Commonwealth	14	10	2	5	2	4	4	7	8	8	11	-1	4
USA	-10	-3	-9	3	2	1	-6	4	5	4	-3	-1	7
Rest of the Americas	6	2	4	2	2	-1	3	2	2	4	5	2	2
Middle East	15	21	21	19	18	8	6	12	9	11	10	9	10
Other	55	65	91	73	68	56	55	51	51	46	52	50	44
All countries	158	171	153	148	245	206	198	233	163	198	252	215	177

NOTE: Figures may not sum due to independent rounding.
SOURCE: House of Commons Library (2014).

The United Kingdom is one of the most significant recipient nations for foreign migrants within Europe. In 2011, for example, the number of long-term migrants arriving was the highest in the European Union. The net migration figure was only higher in Germany and Italy (see Table 3). The situation in Germany has changed greatly over recent years, and its 2011 figure was the highest for a decade. Many German migrants are also temporary seasonal workers. In the UK, however, like Italy and, to a lesser extent, Spain until the most recent period, the numbers of migrants leaving have been considerably fewer than those arriving, resulting in high levels of net migration (see Table 3).

Differences in migration patterns are one obvious explanatory factor for differences in the demand for migrants since some countries have a history of low-skilled migration, for example, or high numbers of asylum seekers. Another factor that may be significant is population growth, and specifically whether a country is able to refresh its labor force from its own citizens. A comparison of fertility rates across the EU suggests two very different groups of countries (see Chart 2). One, which includes France, Sweden, Netherlands, and the United Kingdom, has a fertility rate well above the European average, and closer to a replacement rate (although currently only Ireland is at or around replacement levels).[1] However, this "higher fertility" group comprises less than one-third of the EU member states, with other countries showing much lower fertility rates of between 1.3 and 1.6 (see Chart 2). Although there has been a general recovery in European fertility rates since their low point in the late 1990s, for the majority of countries, fertility rates are nowhere near the levels required to offer replacement of the current population. For many countries in Europe, this therefore implies a potential gap in their labor force, which migration might help to fill. For France and the United Kingdom, for example, this pressure would not apply to the same extent as in other large recipient nations.

How Do We Define a Recession and When Was the Most Recent One?

An economic recession is generally identified as a period of temporary economic decline during which trade and industrial activity are reduced, technically defined by a fall in real GDP in two successive quarters. For the UK, the most recent sustained recession occurred between spring 2008 and summer 2009. Although the UK has not strictly been in a sustained recession since then, the recovery has been somewhat hesitant as the Chart 3 shows.

Compared to the rest of Europe, the UK experienced recession earlier and began to recover from it earlier. Although the recovery has shown some positive

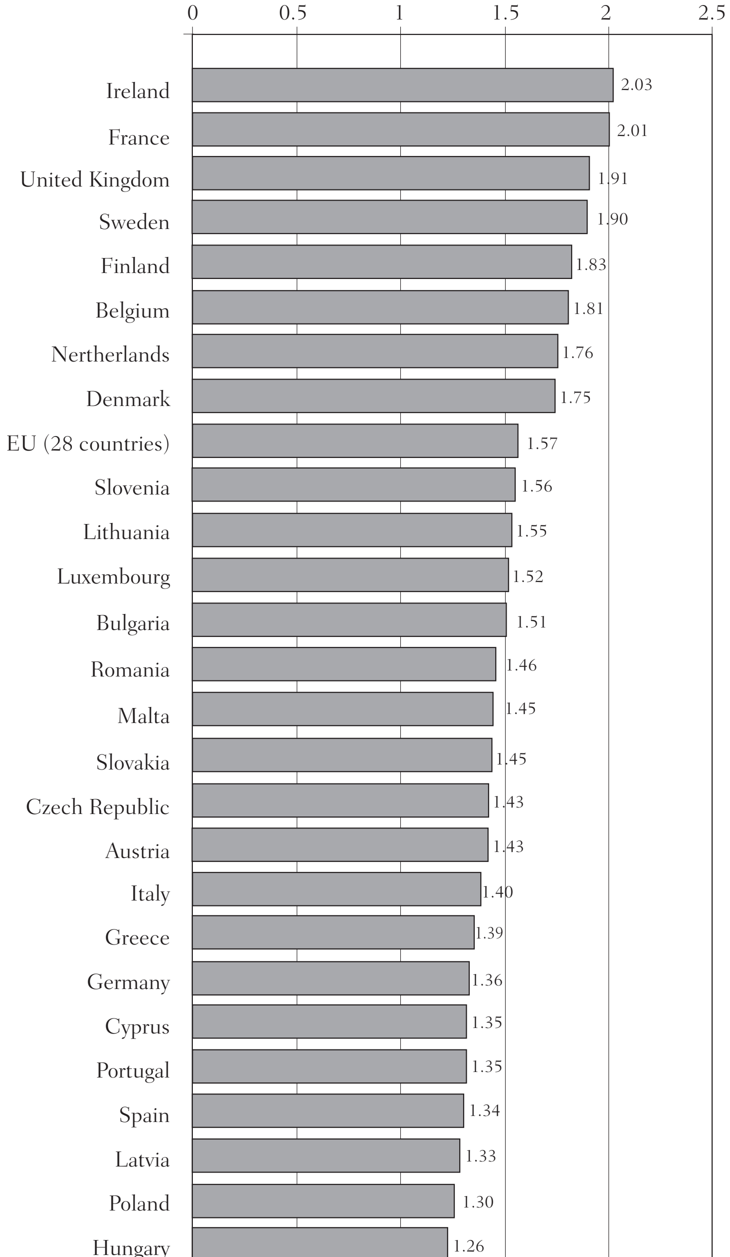
[1] The replacement fertility rate is around 2.1 births per woman in developed countries, but it can be higher in developing countries where child mortality rates are higher.

TABLE 3
IMMIGRATION AND NET MIGRATION IN THE EUROPEAN UNION (2011)

2011	*Immigration*	*Net Migration*
EU (27 Countries)	1 701 500	460 000
United Kingdom	566 044	215 341
Germany	489 422	240 377
Italy	385 793	303 332
Spain	371 331	(37 703)
France	319 816	54 000
Poland	157 059	(108 739)
Belgium	144 698	77 223
Netherlands	130 118	25 917
Greece	110 823	(15 161)
Austria	104 354	36 473
Sweden	96 467	45 288
Ireland	53 224	(33 829)
Denmark	52 833	11 240
Finland	29 481	16 821
Hungary	28 018	12 918
Czech Republic	27 114	(28 796)
Cyprus	23 037	18 142
Luxembourg	20 268	11 004
Portugal	19 667	(24 331)
Lithuania	15 685	(38 178)
Slovenia	14 083	2 059
Croatia	8 534	(4 165)
Latvia	7 253	(23 127)
Malta	5 465	1 659
Slovakia	4 829	2 966

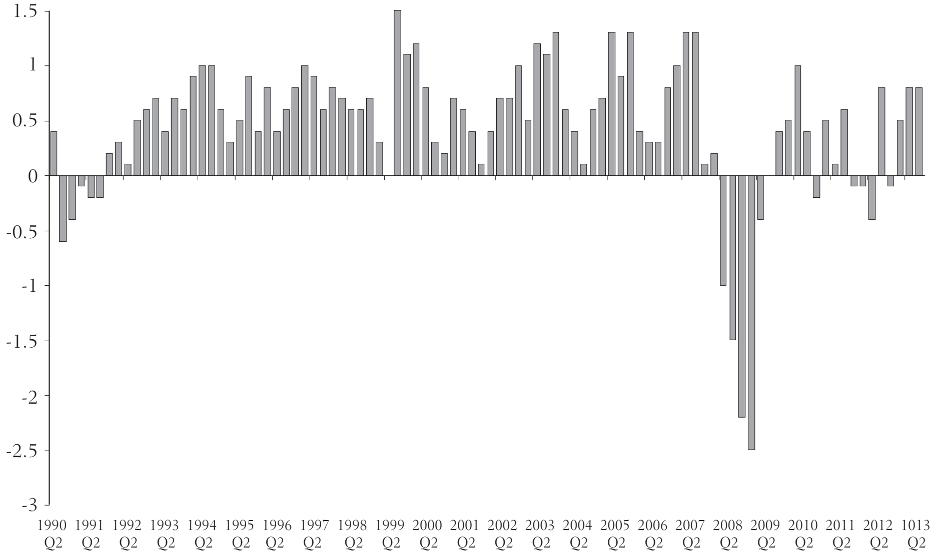
SOURCE: Eurostat Statistics Database (n.d.a).

CHART 2
EU NATIONAL FERTILITY RATES (2011)



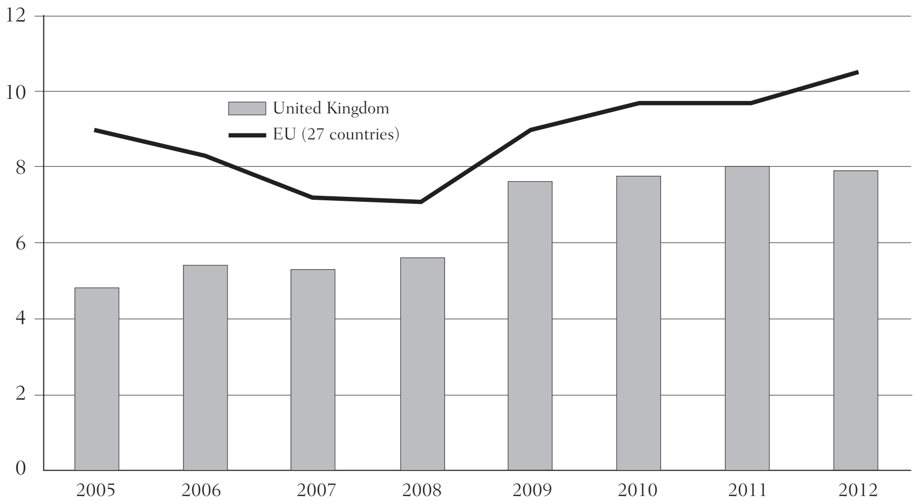
SOURCE: Eurostat Statistics Database (n.d.b).

Chart 3
Quarterly Changes in Gross Domestic Product, United Kingdom (1990-2013)



Source: ons (n.d.a)

Chart 4
Unemployment Rates in United Kingdom and European Union (2005-2012)



Source: Eurostat Statistics Database (n.d.c)

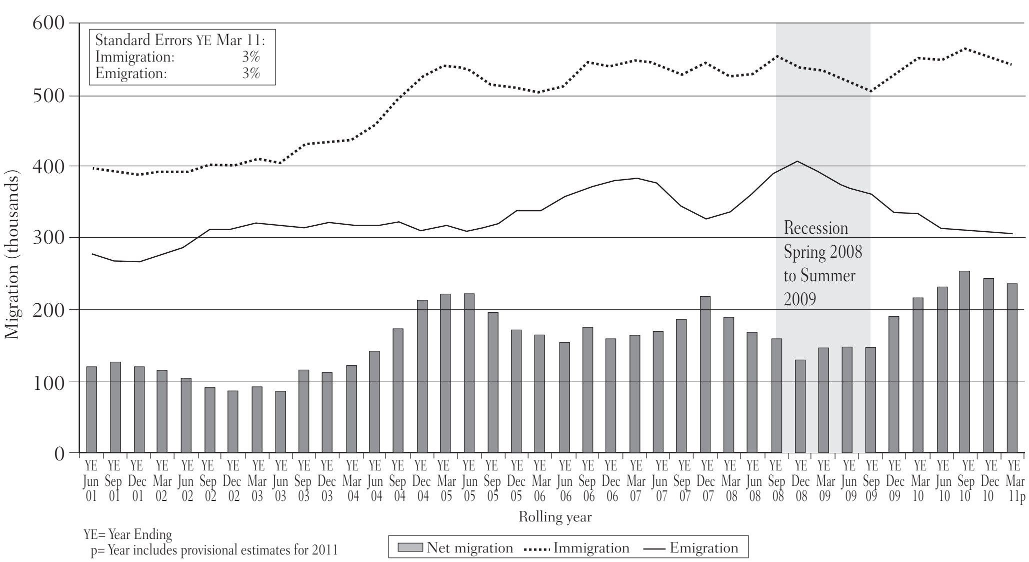
GDP growth in recent quarters, as in previous recessions, it has taken longer for this to translate into falls in unemployment; in fact, unemployment rates, both in the UK and the rest of Europe, rose considerably following the recession (from May 2008 to about mid-2009) and have remained relatively high since then (see Chart 4, previous page).

The relationship between GDP changes, unemployment levels, employment, and hence the demand for labor is not straightforward. Generally, it is thought that a recovery in GDP may not immediately translate into a growth in employment, since companies respond initially through making more use of existing workers, overtime, and other temporary adjustments. Only once there is greater confidence in the recovery do we tend to see a rise in jobs and labor market recovery.

What Happened to Migration during the Recession?

The main migration statistics for the UK are produced by the Office for National Statistics based on its International Passenger Survey. They identify migrants according to international definitions, that is, as persons who change their normal place of residence for more than a year. The estimates are produced for a rolling four quarters (one year), and the estimates best corresponding to the start of the

CHART 5
LONG-TERM INTERNATIONAL MIGRATION IN THE UNITED KINGDOM (2001-2011)



SOURCE: ONS (2011a).

recession in spring 2008 would be the long-term migration statistics for the year ending September 2008, that is, the four-quarter estimate the midpoint for which is closest to the month or quarter when the recession began.

We would expect economic conditions to have a strong impact on the number of migrants coming to the UK to take up employment or to look for a job. The UK has a relatively flexible labor market that might make international labor migrants particularly responsive to economic conditions, more so than in a more heavily regulated labor market. The demand for migrant workers will also vary between different sectors and occupations. Other factors that may influence migration will include the existing relationship with the country of origin, such as the existing stock of migrants or a large Diaspora (and therefore family and other reasons that might suppress mobility), relative global economic conditions, and the availability of jobs in other countries, the attractiveness of the education sector, affordability (for example, due to movements in the currency exchange rate), and an ability to speak the same language. However, it is undoubtedly the case that the need for migrant labor, how it varies across sectors, and how it change depending on the state of the economy are "highly contested" (Ruhs and Anderson 2010).

For total long-term migration to the UK, the period of the recession coincided with a sharp fall in immigration but an even sharper fall in emigration, so that, overall, net migration rose slightly. That is, in a period when the economy was contracting and unemployment rising, more people were still coming to reside in the UK than were leaving to go elsewhere. It is worth noting that the onset of recession coincided with the introduction of a new Points-Based System, which may also have had some impact on migration flows. However —and not withstanding this point—, as the recession ended in the fourth quarter of 2009, immigration recovered and began to rise again, but emigration did not, resulting in a further steep rise in net migration.

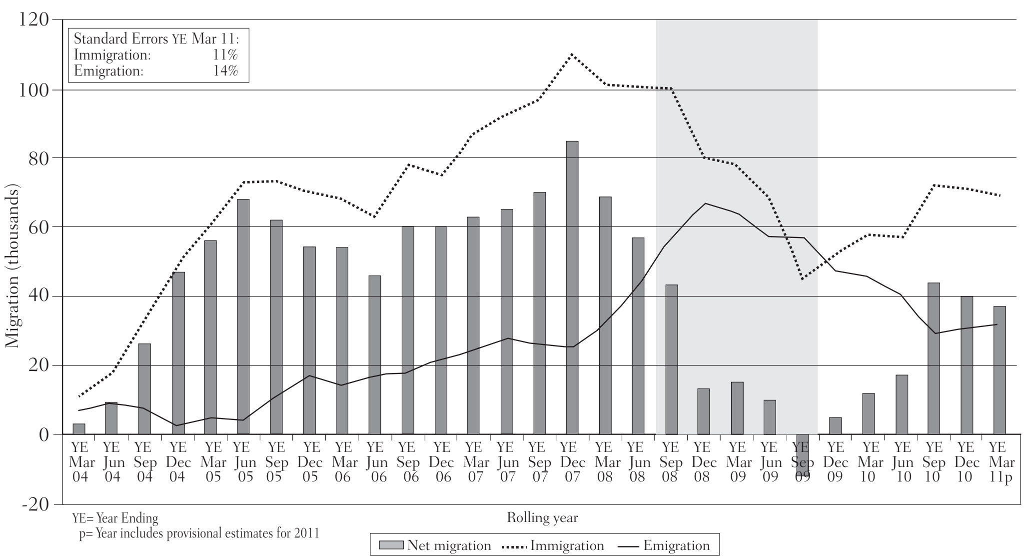
Around half of this hike in net migration could be accounted for by a fall in British emigration. In the year ending September 2008, an estimated 173 000 British citizens left the UK to go abroad for more than a year, but two years later (in the year ending September 2010), the number of British emigrants had fallen to 122 000. This change alone would add around 50 000 to the net migration figure, which rose from +160 000 to +254 000 over the same period.

There appears to be some relationship between unemployment levels and the emigration of British citizens in recent years, in that rising unemployment has been associated with lower levels of emigration. This may appear at first to be counterintuitive in that, if economic conditions weaken we might expect to see more people move abroad to look for work. However, it could be that when people lack economic security their first priority is to obtain some stability at home rather than seek work abroad. Or, it could also be a response to the global nature of the recession and the lack of new job opportunities in countries where British citizens might have otherwise moved to work. Whichever driver is dominant, the lack of a swift recovery in the UK labor market and labor market conditions in key destination countries has meant that the emigration numbers for British citizens have remained low.

However, the next biggest contribution to the uptick in net migration both during the recession and after it was from the inflow of foreign citizens. The net migration of non-British citizens rose from +253 000 to +296 000 between the year ending September 2008 and the year ending September 2010. If the dominant driver were economic, this finding might appear surprising.

We can see the expected impact of the economic conditions most clearly in the numbers for the new European nationals arriving in the UK (that is, the eight most recent accession states, sometimes referred to as the "A8"). These countries were admitted to the European Union in 2004 and gained freedom-of-movement rights, although in many countries these rights were initially restricted for up to seven years (although in the UK, unlike most other EU states, they were not).[2] Most of the

Chart 6
Long-term International Migration to the UK of Citizens of the Eight New EU Accession States



Source: ons (2011b).

[2] Nationals of Bulgaria, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, Slovenia, and Slovakia could face temporary restrictions on working in another EU country, but for no more than seven years after their countries joined the EU (Bulgaria and Romania joined on January 1, 2007; all the others on May 1, 2004). In practice, only the Bulgarian and Romanian accession had work restrictions imposed in the UK.

migrants from these countries were relatively young and in the years immediately following the accession came to the UK in relatively large numbers in search of work.

The numbers of these new European arrivals may have peaked just before the recession, but they fell rapidly during the recession and then began to grow again, in response to the slight improvement in economic conditions, but perhaps also as a result of families being formed by the first waves of arrivals. The inverse effect can be seen in emigration by A8 nationals, with the result that by the end of the recession period, for the first time since their accession to the EU and for only one set of estimates (those for the year ending September 2009), the number leaving was greater than the number arriving and the net migration of A8 nationals was therefore negative.

For migrants from outside the European Union coming to the UK the picture was different. They did not have the freedom-of-movement rights enjoyed by EU nationals and their ability to take jobs was restricted. The low-skilled immigration route for work by foreign nationals from outside the EU (Tier 3 of the Points-Based System) had been closed since its introduction in 2008. Aside from certain shortage occupations and those family members or students with rights to work, the main routes to come to the UK to work were heavily regulated. For these reasons, as the table below shows, according to the International Passenger Survey, the proportion of non-EU, long-term migrants arriving for work was considerably smaller than for European migrants, amounting to just 18 percent of the total inflow in the year ending March 2011. The largest group of non-EU migrants coming to the UK to stay for a year or longer was now made up of students rather than workers, a change in the pattern of migration that occurred at the same time as the recession took hold.

TABLE 4
PROPORTIONS OF OLD EU, NEW-ACCESSION EU AND NON-EU IMMIGRANTS TO THE UK COMING TO WORK, ACCOMPANY OR JOIN SOMEONE, OR TO STUDY
(Year Ending March 2011)

Place of Origin	*EU15*	*A8*	*Non-EU*
All reasons	72 000	69 000	307 000
Work-related	50%	68%	18%
Accompany/Join	4%	6%	18%
Study	40%	14%	58%
Other	6%	12%	5%

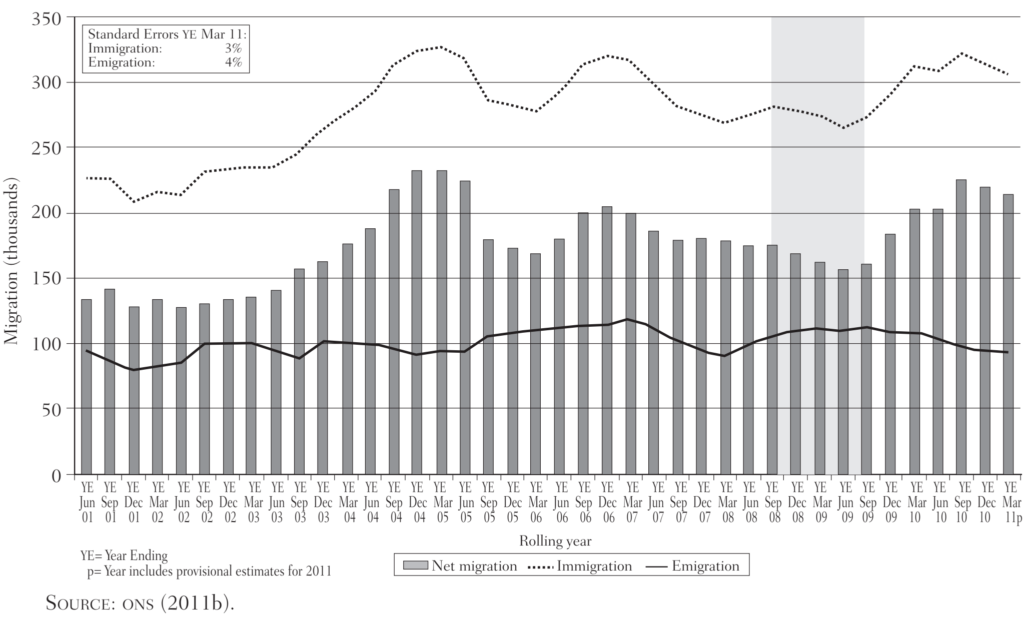
SOURCE: ONS (2011b).

Nonetheless, there were still considerable numbers of low-skilled workers coming to the UK, as family members alongside the skilled workers applying through the UK's Points-Based System, or as students with rights to take on a limited amount of work, and whose number we might therefore expect to be affected by economic conditions.

For non-EU migrants, there was a reduction in immigration during the recession and a slight rise in emigration, but the changes were not as large as had been seen in more normal periods, and the net result was only a slightly lower net migration figure for non-EU citizens, falling to roughly the same level it had been four or five years earlier, and from which the recovery post-recession appeared to be swift.

However, as mentioned above, the motives and make-up of non-EU migrants was significantly different from the European migrants. EU citizens migrating to the UK were primarily coming to work, and it is therefore unsurprising that their numbers were significantly affected by the recession. Non-EU foreign nationals, however, came to the UK for a wider variety of reasons. More than two-thirds (68 percent) of the new European state nationals arriving in the UK in the latest year came to work, compared to only 18 percent of the non-Europeans. A further 18 percent of non-EU migrants came for family or relationship reasons. However, by far the largest group was made up of those who came to study.

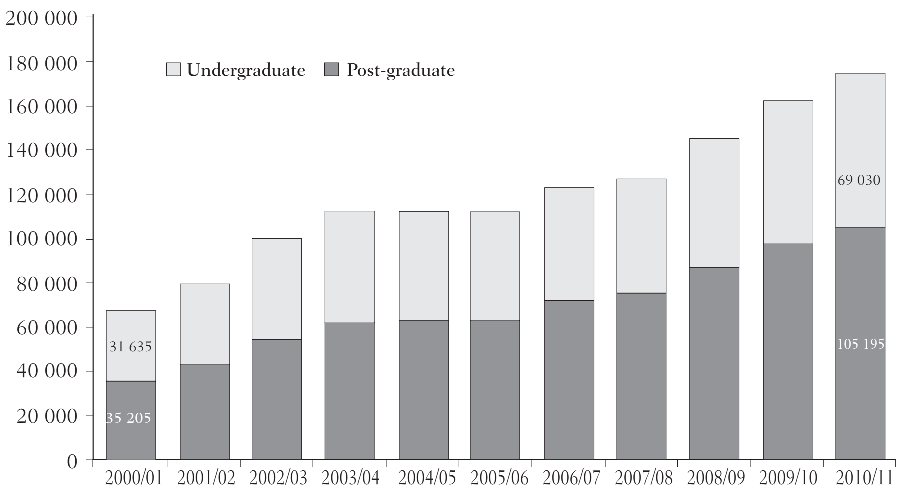
CHART 7
LONG-TERM INTERNATIONAL MIGRATION TO THE UK OF NON-EU CITIZENS (2001-2011)



SOURCE: ONS (2011b).

The growth in the number of student migrants to the degree that they now outnumber work migrants to the UK is a recent phenomenon. However, it has been rapid. The number of undergraduates arriving from non-EU countries at UK universities more than doubled from just under 32 000 at the start of the last decade to 69 000 in 2010-2011; for post-graduates, numbers tripled over the same period from 33 300 to 105 000 (HESA, 2000, 2010). Similar data is not available for the non-higher-education sector, but visa data would seem to suggest a growth in the further education and private education sectors, also.

CHART 8
NON-EU ENTRANTS TO HIGHER EDUCATION, UNITED KINGDOM
(2000-2001 TO 2010-2011)

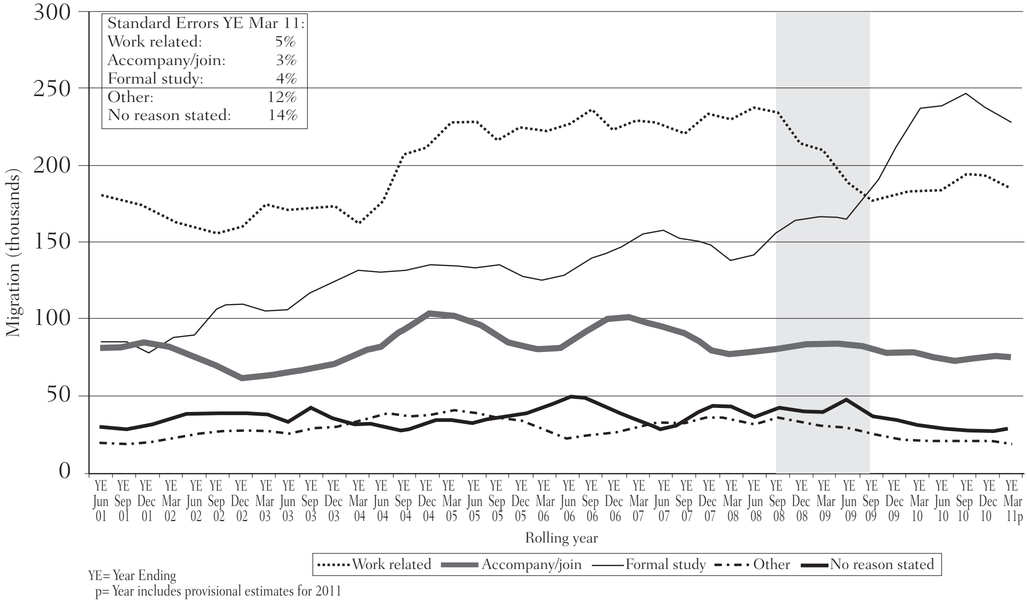


SOURCE: HESA (n.d.).

Although there has been long-term growth in the number of foreign students coming to the UK for most of the last decade, it was only during the recent recession that their number overtook the numbers of foreign migrants coming to the UK to work. At the start of the last decade, almost twice as many long-term migrants came to the UK to work compared to those who came to study (163 000 compared to 84 000 in the year ending December 2000). By the end of the decade, the numbers of those who came to work had risen (to 193 000 by the year ending December 2010), but the numbers of those who came to study were greater, at 236 000.

As a result of this change in the composition of foreign migrants, it is not surprising that the impact of the recession was much greater for the Europeans exercising

CHART 9
LONG-TERM INTERNATIONAL MIGRATION IN THE UNITED KINGDOM
BY REASON FOR MIGRATION



SOURCE: ONS (2011b).

their freedom-of-movement rights to work than it was for non-European migrants, the majority of whom were now coming to the UK to study.

Migrants coming for family or marriage were by-and-large not affected by the economic conditions. Those coming to study (predominantly the non-Europeans) continued to grow in number, most sharply at the formal end of the recession. One might hypothesize that when job opportunities are scarce, it makes sense to try to improve one's skills and education to make oneself more attractive to future employers once they start to recruit again or simply to make productive use of one's time. There is also evidence that some of the rise in student numbers came from low-skilled migrants, whose route into the UK had been closed by the latter half of the decade, and who were using the student route to obtain entry into the UK and, once there, work rather than study.[3] Whatever the motivation, foreign student numbers grew rapidly over this period, the growth only ending when the government began to take more stringent action against some of the educational establishments that

[3] According to the Labour Force Survey in 2009 more than half (53 percent) of undergraduates reported working for more than the permitted 21 hours per week (Home Office 2010, 17).

appeared to be providing inadequate provision for their students or were using the cloak of study to facilitate their employment.

What Happened to Foreign Workers During the Recession?

The impact of the recession on migrants who came to work can be clearly seen in the IPS measure of migration. Prior to the start of the recession (year ending June 2008), immigration for reasons related to work —either to look for a job or to take up the offer of a definite job— peaked at 239 000. By the end of the recession (year ending September 2009), that number had fallen by more than a quarter (26 percent) to 177 000. Thereafter, it has remained broadly level, with only a small increase to 191 000 in the year ending September 2010.[4]

An alternative measure is provided by the Labour Force Survey (LFS), also produced by ONS, which is used to estimate the employment levels of all workers aged 16-74. The LFS does not actually measure migration directly, only stocks of workers (and non-workers) among the adult population at different points in time, but it might be reasonable to assume that the changes in the estimated levels of migrants in the LFS might equate to a net change in the flow of migrants between the relevant time periods, as indicated by the IPS. In practice, for a variety of methodological reasons the comparison is not exact.

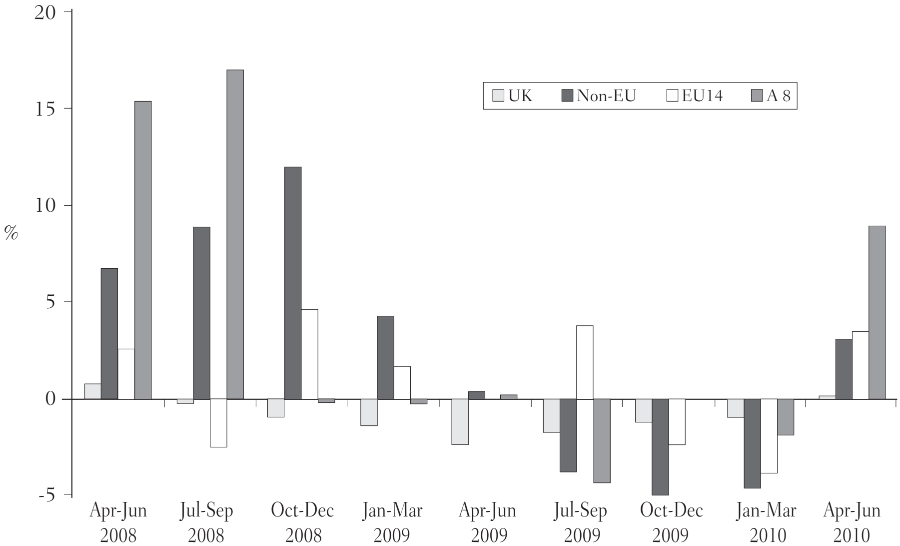
The LFS publishes data on a quarterly basis (rather than the rolling four quarters used in the IPS), so the peak prior to the recession was in the April-June 2008 quarter, when the total number of foreign nationals with employment was estimated to be 2.3 million. When using non-seasonally adjusted LFS data, it is important to compare one quarter with the same quarter in earlier years, rather than the preceding quarter, to avoid mistaking seasonal changes for an underlying trend. At the turn of the century, in January-March 2000, the LFS estimated there were just over one million foreign national workers in the UK; by the end of the decade, there were just under 2.3 million, a 107-percent increase, compared to just 1.2 percent for native workers. Almost half the increase came after the accession of the new European states, whose numbers rose from 29 000 in January-March 2000 to just under half a million 10 years later.

The LFS tends to be a popular data source among economists because of its importance for measuring labor market activity and, as a measure of certain

[4] ONS changed their method for aligning IPS and LTIM tables during 2012 which means that the most recent published statistics have been prepared on a slightly different basis. Numbers quoted here are based on comparisons of the statistical tables produced prior to this adjustment. Although consistent comparisons are not available in the latest data, the trends are very similar.

CHART 10
CHANGE IN EMPLOYMENT FOR UK, EU, AND NON-EU CITIZENS IN THE UNITED KINGDOM (2008-2010)

Percentage change in total employment, compared to the same quarter the previous year



SOURCE: ONS (n.d.b).

aspects of employment, it is the only source available. However, it is a less than perfect measure of international migration.

According to the LFS, over the course of the recession, the numbers of foreign national workers appear to grow (albeit by a lower rate than previously). The decline in foreign nationals with jobs did eventually arrive, six months after it hit UK nationals, according to the LFS.

The LFS data are reported in two different ways for migrants: one measures numbers of people who were born outside the UK and the other, people who are foreign nationals. Those born abroad will include a large proportion who have since changed their nationality and become British citizens. These long-term migrants are no longer "foreign" nor come under immigration control, and so the more appropriate statistic to use from the LFS to look at trends in migration will normally be that for foreign nationals. This is also the basis for the IPS estimates.

The fluctuations in employment levels shown in the LFS seemed to be more extreme for foreign workers. Some of this could in part be due to the variability in the quarterly survey results for groups (such as foreign nationals) with only a relatively small representation in a survey aimed at measuring changes in the population as a whole. This could be true for the IPS, given that this survey aims to measure all of the flows across the UK border, the largest volume of which belong to British travelers and short-term visitors, but the effects might be accentuated in the LFS because it is designed to estimate stocks of workers rather than their migratory flow.

However, the main difference between the LFS and the IPS is due to the coverage of the two surveys. Specifically, the LFS includes all migrants including short-term migrants, whereas the IPS records migrant movements according to the international definition, that is, "a person who moves to a country other than that of his or her usual residence for a period of at least a year (12 months), so that the country of destination effectively becomes his or her new country of usual residence" (UN Statistics Division 2013). Although a more restrictive definition of a migrant, this is a more robust measure of migrant movements because the inclusion of short-term migration in the LFS estimates for foreign nationals will tend to blur the underlying longer-term changes in migrant behavior and make it harder to identify trends clearly. This criticism will also apply to the other measure sometimes used to estimate numbers of foreign nationals: new registrations for national insurance numbers produced by the Department for Work and Pensions (and this source has the additional constraint of only recording those migrants who are working). For this reason, the IPS tends to be the most reliable measure of changes in long-term migration. Further information on the differences between the LFS and IPS is provided in Appendix A and in the paper written by Ker, Zumpe, and Blake for the Office for National Statistics (2009).

Nevertheless, the LFS data can provide additional insights into the foreign workforce in the UK, and the contrast between foreign and native workers can appear stark.

According to the LFS data the recession came to the foreign workforce in the UK later than for the native population, but when it did come, it hit harder (falls of 2-4 percent per quarter, compared to 0-2 percent for native workers). However, its effects lasted only three quarters, whereas for native workers, the drop in employment lasted for six or seven (see Table 5).

Although the timing and extent of changes might be distorted by the coverage issues already mentioned, the pattern revealed by the LFS would seem to reflect the greater flexibility in the foreign workforce, which is one of their potential attractions for employers, particularly *vis-à-vis* Europeans who could return to their home country more easily when times were hard —and it may be worth noting in this respect that Poland was the only economy in Europe to have positive GDP growth in 2009. However, for employment-related migration, the pattern also appears to be true for non-Europeans.

Is This Response to the Recession as Expected?

Before the end of the recession, Dobson and colleagues published a short paper (Dobson, Latham, and Salt 2009) that looked at the experience of past recessions to see what that might suggest for migration during the current one. Their paper asks the question whether "buffer theory," which provides a theoretical description of how migrants might be used by an economy to provide greater flexibility, portrays what actually happens in the real world. Drawing on Böhning and Maillat (1974), the paper describes buffer theory as the idea that society might "bring in temporary workers when labor shortages existed, who would then go home during economic downturns." Dobson and her colleagues found that, in practice, this did not really occur in Europe in the 1960s and 1970s, nor did it occur specifically in the UK. In the three earlier recessions they looked at, although there was indeed evidence of "a fall in numbers of foreign migrants entering the UK, albeit for a limited period, . . . there is no evidence of a significant upturn in outflows, contrary to what buffer theory would suggest. In fact, the reverse is true" (13).

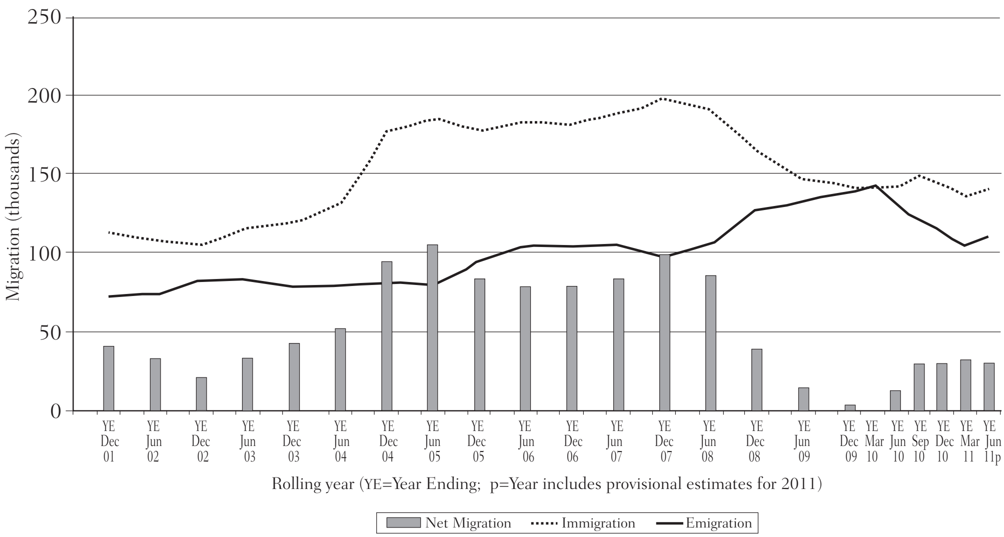
Table 5
Change in Employment Compared to Same Quarter Previous Year
(percent)

	Total	*UK*	*Non UK*	*Non-EU*	*EU14*	*A8*
Apr-Jun 2008	1.2	0.7	7.4	6.7	2.5	15.4
Jul-Sep 2008	0.4	-0.1	7.7	8.9	-2.5	17.0
Oct-Dec 2008	-0.3	-0.9	7.7	12.0	4.6	-0.1
Jan-Mar 2009	-1.2	-1.5	2.6	4.2	1.6	-0.2
Apr-Jun 2009	-2.2	-2.4	0.2	0.3	0.0	0.2
Jul-Sep 2009	-1.8	-1.7	-2.2	-3.8	3.8	-4.3
Oct-Dec 2009	-1.4	-1.2	-3.6	-5.3	-2.4	0.0
Jan-Mar 2010	-1.2	-0.9	-3.9	-4.7	-4.0	-1.9
Apr-Jun 2010	0.4	0.0	4.4	3.1	3.5	8.9

Source: ons (n.d.b).

Drawing on Hatton (2005), Dobson, Latham, and Salt, posit several reasons why this might be anticipated. Firstly, unemployment can be shown to tend to reduce immigration (Hatton estimated a 1 percent rise in unemployment might cause a reduction in net migration of around 5 000 per annum). This is, of course, broadly what happened in the current recession, although the net impact is complicated by the different flows of migration. However, immigration for work reasons certainly fell substantially, and emigration rose, as the chart below shows, looking at the migration patterns for non-British nationals for work-related reasons alone. The net migration of foreign workers fell from just under +100 000 in the year ending December 2007 to +3 000 in the year ending December 2009.

Chart 11
Long-term International Migration by Foreign Citizens Coming For Work-related Reasons, United Kingdom (2001-2011)



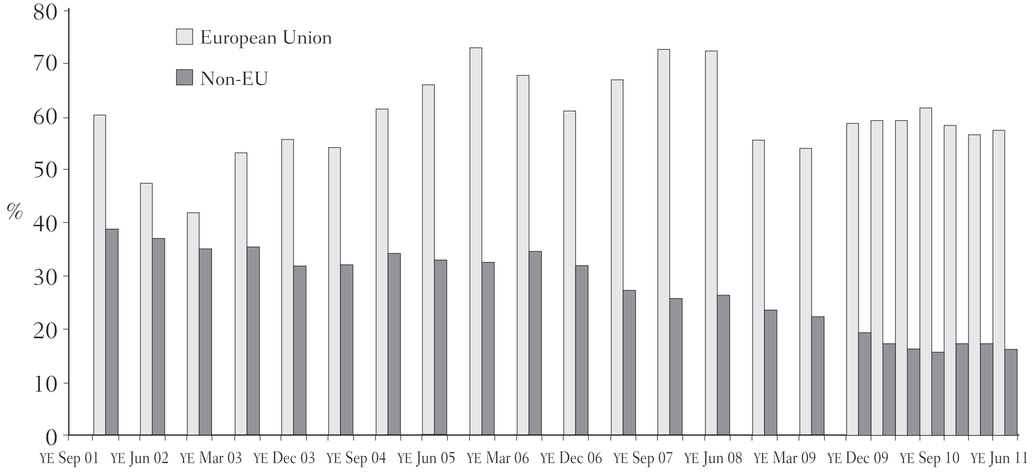
Source: ons (2011b).

It is also the case that people classed as "labor migrants" will not only be driven by economic factors. Some of those who come to the UK to work will form relationships or a family and seek to settle, for example. Previous research (for example, Hatton 2005) had found that worsening economic conditions in the UK also tend to lead to falls in emigration by UK citizens. The impact of this was relatively modest in the past, but that was not the case during the current recession, as has already been noted.

However, the most significant reason for the recession in the UK having only a relatively modest impact on migration trends overall was due to the changed composition of the migratory flows to the UK, and specifically the significant rise in student migration over this period. The expected impact on work-related migration did occur within the European free market —that is, for EU nationals. However, work migration represented less than one-fifth of non-European migration to the UK, whereas by the year ending in December 2009, students represented 55 percent of the non-Europeans coming to the UK, rising to 60 percent just one year later.

The reasons for such a strong rise in foreign students are not clear. British universities were active in recruiting foreign students, but evidence also exists of growth in non-compliant student migration, in particular to colleges of further education whose delivery of a high-quality educational service was not confirmed by official inspection. In addition, it is possible that some of the hike in foreign student numbers was linked to the depreciation of the currency and a resultant reduction in the cost of education in the UK —the U.S.-dollar-value of the pound sterling fell by almost one-third between spring 2008 and spring 2009, and against the euro by around one-sixth over the same period.

Chart 12
Proportion of EU and Non-EU Migrants Coming to the UK For Work (2001-2011)



Source: ons (2011b).

However, as the above chart shows, unsurprisingly, work has for a long time been more important as a reason for migration inside the European Union than for migrants from outside the EU. As a result, for European migrants the recession had the anticipated effect, the labor market worked as anticipated, and, to a significant extent, buffer theory could be said to have applied.

For non-European migrants the position is very different. Legal routes to work in the UK had become scarcer over the latter half of the last decade, primarily as a result of the introduction of the Points-Based System, which to a large degree closed the legitimate route for low-skilled workers, and then due to further tightening of entry requirements for other routes under the Coalition Government elected in May 2010. As a result, the last decade saw the proportion of non-EU immigrants to the UK coming to work fall from just under 40 percent at the start of the decade, to around 32 percent in 2005-2006 and then fall sharply to 16-17 percent in 2010-2011. The reduction was in absolute terms also, with an estimated 100 000 non-EU workers arriving in the year ending December 2006, dropping to around half that number three or four years later. The difference was more than made up by numbers of student arrivals from outside the EU.

Appendix A

Differences between the LFS/APS and IPS/LTIM data

	Stocks: LFS and APS data	*Flows: IPS and LTIM data*
Sampling frame	Includes all private households. Excludes most communal residencies.	The IPS samples passengers as they arrive in or leave the UK through ports (by air, sea, and the Channel Tunnel). Adjustments made for those known to be missed (e.g., asylum seekers).
Timing of the survey	Data collected throughout each quarter in the case of the LFS, and throughout four consecutive quarters in the case of the APS.	Single, point-in-time interview. Collected throughout the year.
Definition of a migrant	A migrant is defined as someone whose country of birth is non-UK or whose nationality is non-British. Length of time in the UK is currently not used to define a migrant in the LFS.	The UN definition is used to define a migrant: "Person who moves to a country other than that of his or her usual residence for a period of at least a year (12 months), so that the country of destination effectively becomes his or her new country of usual residence" (UN Statistics Division 2013). Therefore anyone staying/going for less than 12 months is excluded.
Nationality	As stated by respondent. If respondent has dual nationality, the first one given is recorded in the survey.	Citizenship is taken from the passport shown at the time of the interview, or, if this is not available, taken as stated by respondent.

Appendix A

DIFFERENCES BETWEEN THE LFS/APS AND IPS/LTIM DATA
(continuation)

Actual versus intended migration	The LFS asks for the date of arrival in the UK. This can be used to calculate the actual length of time the respondent has lived in the UK. However, no information is provided regarding how long they may remain in the UK.	The IPS collects information on intended length of time in/outside the UK. However, LTIM includes adjustments for migrants who do not fulfill their intentions.
Students	Included, but only if they live in private households or have at least one parent resident in a private household in the UK.	Included.
Asylum seekers	Included if living in a private residence, but may be reluctant to participate. Those living in communal establishments are excluded.	Included. A few asylum seekers are captured on the IPS, and an adjustment based on Home Office data on asylum seekers is a component of LTIM.

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