

# **JAMES BROKESHIRE MP SPEECH TO DEMOS**

James Brokenshire MP, Minister for Immigration  
and Security, speech to the think tank Demos

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## FULL TEXT

Thank you and welcome. It is great to be here at Demos – an organisation which I know has done some excellent work not just on immigration policy, but on integration policy too.

When I was asked by the Prime Minister to take on the role of Immigration Minister, I knew it was going to be challenging and controversial, and at the centre of political debate.

That's because immigration policy matters to so many people.

It's important for the economy; because of its impact on the size of our population; because of the pressures it creates on public services.

And, crucially, it's important to the hard-working people of this country.

If anyone is in any doubt about how important immigration policy is – or indeed some of the challenges of my role – you only need to look at the amount of coverage devoted over the last couple of days to a “secret report” that apparently contained such exciting revelations that the BBC was debating its content without having read it.

I've been in politics long enough to know that it's always advisable to read reports before commenting on their contents.

So let me take one issue which I know has been causing considerable debate. That's the evidence from the Migration Advisory Committee that found between 1995 and 2010 an additional 100 non-EU migrants were associated with a reduction in employment of 23 native workers. For that period they said an estimated 160,000 workers may have been displaced.

Well, the civil service Labour Market Displacement Report has just been published and when you read it you will see that, contrary to some reports, it DOES NOT contradict the findings of the independent Migration Advisory Committee that British jobs can in some circumstances be displaced by the impact of immigrant labour.

On the contrary, it finds that the MAC's findings constituted "important new research". It concludes that displacement can occur – most noticeably when volumes are highest and the economy is struggling. And it shows that the impact of that displacement is greatest among those with fewer skills and lower wages. In other words, the impact is greatest on those who have the most to lose.

Some people like to present immigration as a binary choice – on one side there are those who, as a matter of principle, say that all immigration is damaging to our economy and society; and on the other there are those who question why we should be bothered about immigration levels at all.

Of course, the reality is more complex. And while some politicians appear not to be bothered about levels of migration – the public certainly are.

And, contrary to recent reporting, their concerns are not just based on the state of the economy.

So the challenge is to create a sustainable migration system which benefits our country.

One that ensures that the UK attracts talented people from overseas with skills to help our economy grow.

But that doesn't see foreign labour as some sort of cheap commodity to be imported to meet demand for low-skilled work.

Before I explain how I think we can get there, I want to put a few things straight, because I know Vince Cable has made a number of statements about immigration in the last week and to be frank a lot of them were simply incorrect.

First, he said rising immigration is "good news". Well I've news for him. Mass immigration puts pressure on social cohesion, on public services and infrastructure, and – yes – it can force down wages and displace local people from the job market. The winners are the haves like Vince, but the people who lose out are from working class families, they're ethnic minorities and recent immigrants themselves. Try telling them that rising immigration is good news.

But he also said that the reason net immigration is going up is because “fewer British people are emigrating”. That’s also wrong. The reason net immigration is up is because European net migration has doubled in the last year. So why does he pretend it’s because of fewer British people emigrating? Perhaps because he knows he doesn’t stand a chance of selling his deeply unpopular views to the general public.

The third thing Vince got wrong was when he said, because nine in every ten new jobs created are going to British workers, that’s proof that our aim to reduce net migration to the tens of thousands is “unworkable”. In fact, the danger is that if we have the kind of out-of-control immigration system he advocates, we’ll go back to the bad old days under Labour when the majority of the growth in employment went not to Brits but to foreign nationals. And the reason most of the growth in employment these days goes to British workers is thanks to the immigration and welfare reforms this government has implemented – and which Lib Dem ministers have spent their time trying to block.

The fourth thing he got wrong was when he said, on Monday, that “the evidence is that, overall, immigrant workers do not displace British workers.” As I have explained, the evidence actually suggests that immigration – especially when it’s in large number and especially when we’re in difficult economic times – can displace British workers. That’s what the Migration Advisory Committee concluded and it’s also the finding of the so-called “secret report” we have published today. So, wrong again.

Finally, he’s wrong on student visas. The latest figures show that while 124,000 non-EU students came to Britain in the last year, only 49,000 left the country. Foreign students, he says, “are not immigrants but they are defined as such because they are here for more than a year.” But does he think all students return home after their studies?

That’s the very simple reason foreign students must be counted as immigrants, and Vince knows it. He must read these statistics, so you have to wonder why he keeps asserting these falsehoods.

Rather condescendingly, on Monday, about immigration he wrote “politicians should start by sticking to the facts”. I suggest to Mr Cable that he might reflect on his comments and start doing this himself.

### ***Latest statistics***

The most recent immigration figures showed a clear, but diverging picture.

Importantly, overall net migration continues to be lower than when we first came to power.

Where this Government can impose controls on immigration, our policies are working.

Our reforms have cut non-EU net migration by more than a third since 2010.

And net migration from outside the EU is now at its lowest level since 1998.

But we also know that where we cannot impose formal immigration controls, we are seeing a sharp rise in numbers.

In the past year net migration from the EU has doubled – and this figure is – frankly – just too high. And that means that overall net migration – which thanks to Government policy had been falling – has gone back up to 212,000 in the last year.

As I've just mentioned, some have tried to claim that this rapid increase is somehow “good” for the country. Well, just like the Home Secretary, I disagree.

Some people suggest that we should abandon our statistical measurements altogether – that we should no longer use net migration figures to better understand who is coming, and who is leaving, the country.

Well I disagree with that too. In fact, the very reason we chose an annual net migration figure is precisely because we take the issue so seriously.

The emigration figures don't just include British people going off to spend their retirement in Spain or France. They include all the foreign people who have come here on time-limited visas. If we stopped counting emigration and focused solely on immigration, we'd be letting the Government off half of its job – making sure people go home when their visas expire.

Net migration – as opposed to immigration – also allows us to better understand the impacts on our country, our infrastructure and public services and jobs – the very reasons we want to control immigration in the first place. If you like, they provide us with the “extra” number of people in the country.

We could have chosen other measures.

We could, as some suggested, have excluded students. But no other country does so. If we did, we would be ignoring the impact on the long-term population growth that a significant number of students make.

So net migration is the yardstick we are using to ensure a sustainable level of migration. And however hard it will be we stand by our target of reducing net migration from the hundreds of thousands to the tens of thousands.

That goal is part of the long-term economic plan that is turning our country around. Capping welfare and reducing immigration can help ensure our economy delivers for people who want to work hard and play by the rules.

In contrast, the last Labour Government oversaw a dramatic increase in net migration.

In no year since 1998 has net migration been below 140,000. And in no year prior to 1998 was it higher than 80,000. This Government’s aim symbolises the change we want to make, the change we think we need to make, to give the public confidence that we have got migration back under control.

And let’s just consider where we would be had Labour continued in power, because we would most likely be looking at an overall net migration figure that would be higher than where we are today.

Had we not made our reforms and reduced net migration from outside the EU by more than a third then the net migration figure now would be closer to 300,000 every year.

There is no doubt that last week’s migration statistics make things more challenging. They tell us that our job is not yet done. But I want to make absolutely clear that this Government’s focus must remain and will remain on getting the numbers down.

### ***Impact of mass uncontrolled immigration***

Britain is a country of extraordinary diversity. People from a wide variety of backgrounds, cultures and different faiths are proud to call Britain home. Over the generations men and women whose families originate from beyond our shores have made a valuable contribution to our national way of life.

Properly controlled, immigration contributes richly to our country, bringing in talent and much needed skills and encouraging greater competition in our economy.

But we also know that when immigration is not properly controlled it can cause unacceptable strains on our towns and cities. It puts pressure on public services such as education, transport and the NHS.

Moreover, as I have explained there is also evidence that while immigration benefits wages for the better-off, it can have the opposite effect for people on lower incomes – which in our current climate may mean keeping wages stagnant just at a time when the cost of living is rising. That means the people who are most likely to lose out are people from working class families and, let us not forget, some recently-arrived immigrants.

And let's face it, the situation we inherited from Labour was a mess: years of mass uncontrolled immigration created a situation that was not only unsustainable, but rife with the most appalling abuse of the immigration system.

Bogus colleges mushroomed across Britain: unskilled migrants posed as students pretending to come here to study when in fact they were coming to work, complicit institutions sponsored their visas – in effect, selling entry into Britain for the price of so called college fees.

We also found that around thirty percent of those coming supposedly to find high skilled work actually ended up in low skilled jobs.

The immigration system we inherited was not designed to benefit this country or the people who live here.

For too long, the benefits of immigration went to employers who wanted an easy supply of cheap labour; or to the wealthy metropolitan elite who wanted cheap tradesmen and services – but not to the ordinary, hard-working people of this country.

And if immigration isn't managed there are clear consequences.

First, social cohesion. Too often the social impacts of immigration are not taken into account. I believe this is a mistake because it is the social consequences that people notice most. Clearly, it takes time to establish the connections that turn the place you live in to a real community, and the pace of change involved in mass immigration makes that harder.

Second, the impact on infrastructure and public services. It may seem obvious, but people who come here need access to services such as healthcare, education and transport just like everyone else. Measuring the effects of immigration on these areas is often difficult and disputed, but we do know that even if you allow for an increased tax take from those who come here to work, there is a significant lag effect between the increased demand for services and the distribution of those funds. And one area we do know that immigration has a huge impact on is housing, with the Department for Communities and Local Government projections suggesting that more than a third of all new housing demand in the UK could be due to immigration.

Third, the impact on jobs and wages. I have already dealt with the MAC report and its findings on displacement of labour.

And under Labour in the years before the recession the bulk of the increase in employment was accounted for by foreign nationals.

But the main point is that, those who tend to lose out most when there is uncontrolled immigration are manual and low skilled workers who have to compete with an influx of people from poorer countries who are willing to work for less.

So let's keep all these reasons in mind when we think about the vast scale and pace of immigration that we saw under Labour, because clearly the system was not devised to benefit all of the people of the UK.



As I said earlier, properly controlled immigration can bring in the highly skilled, the entrepreneurs and the wealth creators of the future – the brightest and the best – who we do want to attract. But that is not the system that we had.

And let's not forget that between 1997 and 2010 under Labour net migration totalled 2.2 million – that's the equivalent of two cities the size of Birmingham.

That's more than two million additional people who need housing and access to many other services such as healthcare, school places and the use of public transport.

For too long under Labour the benefits of immigration had been badly out of kilter.

***Where we can control immigration our policies are working***

This was the system this Government inherited, and it is the system we are determined to fix.

It's why we are building a system that works in the national interest, that is fair to British citizens and legitimate migrants, and that cracks down on the – frankly – breathtaking abuses we saw under Labour.

Over the last four years we have reformed all major routes of entry to the UK for non-EEA migrants. We have introduced a limit on economic migration and increased the skills levels required to come for work, tackled abuse in the student sector and reformed family visas.

Our work visa reforms mean we have cracked down on the huge influx of unskilled workers who were pouring into the country, while continuing to attract the highly skilled, and those workers businesses say they want. We shut down Tier One General of the points-based system which was supposed to be for highly skilled workers, but allowed people to work in unskilled jobs. Now, if you want to come to Britain to work, we have said: "You need a proper job offer with a minimum salary."

We have also cracked down hard on the widespread abuse of the student visa system.

Let us not pretend that this was unforeseeable or even sophisticated abuse. Under the system we inherited, immigration officers, had to – not chose to – had to, admit so called students who could not speak English, and were attending prestigious sounding institutions that they knew were nothing more than a room over a fast food takeaway.

That's how rotten the system was. The student visa regime neither controlled immigration nor protected legitimate students from substandard sponsors. We have reformed the system and more than 700 education providers have been removed from the sponsor register since 2011. We now require students to prove that they have the means to support themselves, imposed rules on colleges to improve course quality and given border force officers the power to turn away people who claim they are coming to the UK to study but cannot speak English.

And we have also reformed family visas. Now, if you want to sponsor a spouse to come to the UK you will need to prove that you can provide for them, and they will need to prove they can speak English.

All sensible common sense reforms. And all the evidence indicates that here – where we can control immigration – the numbers are coming down.

In 2010 when this Government came to power non-EU immigration was rising and showed no signs of slowing. And given the scale of the abuse, many of those coming were not the migrants this country wanted or needed.

Now, as last week's net migration figures show, overall net migration is down and there are nearly 70, 000 fewer migrants coming to the UK annually from when we came into office.

Since 2010 the number of student visas issued has fallen by 29% and family visas are down by 37%.

But that's not all. Because we have done this while still managing to attract the brightest and the best – the people we need to fill our skills shortages.

Let me just here challenge some of the myths about net migration. That we are somehow harming growth, or reducing the attractiveness of our world class universities. These are claims often made.. But when you look at the facts these arguments are dismissed for the ludicrous fiction that they are.

Our reforms to the student visa system deliberately favoured universities, and there is no cap on genuine students who want to come here to study, who meet the academic requirements, and who have the means to support themselves and can speak English. And while the number of overall student visas issued has declined, the number of applications from university students is actually up again by 7%, and that figure includes an increase of 11% for universities in the Russell Group. Whilst there is a reduction from the Further Education sector where much of the abuse was concentrated, we are continuing to attract talented students.

Similarly on business, the claims do not stack up. In most cases we do ask employers to check there is no one in the UK to do the job before looking overseas. That is not always popular with some employers, but I make no apologies for that policy. It is the right thing to do.

We do have a cap on Tier 2 skilled work visas of 20,700 annually over the lifetime of this Parliament. Surely – argue some – that could be a constraint on growth. Well we have never come close to filling that figure. Not once. We are currently just over half that cap.

And that does not include the skilled workers that are deliberately outside the cap, such as those coming here on Intra-Company Transfers, where the UK approach is seen by businesses as one of the best systems in the world.

Or the skilled workers coming here from the EU because of growth of the UK economy. The latest figures show, again, increases in skilled workers coming here to work in IT, science and technology, education and manufacturing. And we continue to welcome large numbers of tourists and other short-term visitors to the UK, including from high-growth countries like India and China. The message is very clear: for legitimate travellers, the UK is always open for business.

We have also introduced innovative schemes to attract Exceptional Talent which has helped bring over world class talent in a range of fields, including a noble prize winner, top-class ballerinas, and people at the forefront of scientific research leading work into infectious diseases.

But ultimately – in the world of work – all our reforms have been good news for the people of Britain. Under Labour in the years before the recession, more than 90 per cent of the increase in employment was accounted for by foreign nationals. Well, I can tell you that under this Government – thanks in part to our measures to control immigration and reform welfare – more than three-quarters of the increase in employment has been accounted for by Britons. And despite the recent rise in EU migration, over the last year 87 per cent of the rise in employment is accounted for by British nationals. So in all, hard-working British people are getting a fairer crack of the whip.

***But we believe there is more that we can do***

But we believe there is more that we can do. We have always said where we need to go further and crack down harder on abuses we will do so – and we have always promised we are willing to review and revise routes of entry to the UK.

Unfortunately, people will always try and trick the system. In education, we have seen further examples of abuse as criminals, bogus colleges and economic migrants have continued to seek new ways to exploit the system.

Some people have tried to claim that by driving out abuse we are somehow inhibiting the ability of universities to attract foreign students.

So let me be very clear about this – there is NO CAP on the number of genuine students coming from abroad. Categorically, unequivocally – NO CAP.

The numbers we are driving down are those who are attempting to cheat the system; who aren't students at all, but who are really low-skilled workers attempting to sneak into the country by the backdoor.

We have also heard recently from academics from a number of universities complaining about the checks institutions are required to make to ensure foreign students have permission to be in the UK.

I'm sorry, but is it really unreasonable to require universities to ensure students are genuine? After all, they would hardly admit a British student without checking their A-Level results.

Don't they have a responsibility to their own students and their institution's reputation – let alone to the people in the wider community who are negatively impacted by bogus students who come here not to study, but to work?

The trusted status given to universities and colleges who want to attract foreign students isn't an automatic right. And it is one that carries responsibilities.

Universities and colleges – who after all benefit from foreign students' fees – must adhere to the guidance and immigration rules of sponsorship by taking reasonable steps to ensure that every student has permission to be in the UK.

Currently, the threshold at which education institutions lose their right to sponsor overseas students is a refusal rate of 20%. That is the equivalent of 1 in 5 of the people education institutions are prepared to offer places to being refused by the Home Office because they cannot demonstrate that they are genuine students.

Clearly, the existing rules which allow such a large margin are extremely generous.

The vast majority of education institutions are nowhere near that refusal rate. But some are: which gives rise to considerable concerns about those institutions and their approach.

I think that at 20% the refusal rate figure may be too generous and we may need to look again.

## ***EU migration***

I want to return now to last week's net migration figures produced by the Office for National Statistics, because as we know, while they showed net migration from outside the EU is continuing to fall, net migration from Europe has risen sharply.

That's largely because people from right across Europe are coming here to work.

Some of the biggest rises we have seen in National Insurance Number registrations are from the older Member States such as Italy – (up by two-thirds) – Portugal – (up by almost 50 per cent), and Spain – (up by a third).

While our job market has enjoyed a sustained period of recovery since the recession, much of Europe's has not.

Those drawn here from the older Member States are more likely to be driven by employment opportunities, and likely to be more cyclical – that is, we would expect a shorter duration of stay – but these figures from Europe are clearly too high.

The truth of the matter, however, is that when it comes to Europe, we are bound by the treaties that successive Governments have signed. We cannot impose formal controls on EU migrants.

But equally we must remember that free movement is not a completely unqualified right. And there are a number of things we can do, and that we are doing.

What we are doing:

European nationals who want to come to the UK must be working, studying or self-sufficient – just like any British nationals who want to move and settle in other European countries.

Abuses such as marriages of convenience and document abuse, begging and rough sleeping, do occur.

We are concerned about such abuses – something the European Commission ignored at a recent Brussels conference. There the complaints of German, Swedish and Dutch mayor delegates were disregarded, despite those delegates speaking very eloquently about the very real problems experienced by local authorities and communities.

I would remind the Commission that we are not alone in our concerns. As Chancellor Merkel made clear last week, she is in favour of freedom of movement for jobs, but not in favour of immigration into the social security systems of Europe.

Freedom of movement is of course an important principle that underpins the EU. But those who designed it surely did not envisage the mass movements of people that have happened in recent years. And nobody is served well by freedom of movement as it currently works.

It is bad for the economies of poorer countries where whole generations of wealth-creators have been stripped out;

It is bad for the economies of wealthier countries when wages and public services are put under pressure;

And, fundamentally, it is bad for the EU when public confidence in such an important principle is being so undermined.

Last year, the UK and Germany, along with Austria and The Netherlands, wrote to the EU Presidency setting out our collective concerns about the impact free movement abuses can have on our towns and cities.

And here – in this country – we are focusing on cutting out the abuse of free movement between EU Member States; and ensuring that our controls on accessing benefits and services, including the NHS and social housing, are among the tightest in Europe.

We are limiting new jobseekers' access to benefits by introducing a three month delay before a European jobseeker can claim. In addition, there is a tougher test after six months to assess whether claimants have a genuine chance of finding work.

The Government has also issued new statutory guidance to make sure that local authorities set a residency requirement before a person qualifies for social housing.

And where we find people are abusing the system, and they do not have a right to be in the UK – they will be removed, and will not be allowed to return within 12 months unless they can prove that they have a valid reason to be here.

But in all truth, as long as a great disparity exists between different EU Member States in regards to income per head, there is always going to be an incentive for a significant number of people to move from poorer Member States to richer Member States.

When we first joined the European Union it was a much smaller entity which over the years has grown, and now includes countries which have a much greater economic disparity with ours.

And large movements of people from certain Member States to others, not only puts pressure on the host country, its public services and local communities, it also drains the country of origin of talent vital to its development.

### ***Conclusion***

That's why we must seize the opportunity before us in the Prime Minister's plan to reform the EU and tackle problems created by free movement – problems which as I have just outlined other EU Members also recognise.

Years of pressure from the UK and other Member states that share our views has forced the European Commission to finally acknowledge that free movement abuse is a genuine EU problem.

But that is not enough. The Commission must listen harder and work with Member States to bring forward meaningful solutions.

And in future, we must ensure there are new arrangements to slow full access to each other's labour markets until we can be sure it will not lead to mass migration. For example, by requiring new member states to reach a certain level of income or economic output per head before full free movement is allowed.

In the meantime, we will continue to bear down on the numbers and through extra measures we can continue to reduce non-EU immigration to the UK.



Labour let this country down badly on immigration. And we are working hard to put things right.

Our goal is a system that is: tough on those who abuse the system or flout the law; and ensures people who come to the UK are doing so for the right reasons – to work hard and to contribute to our economy and society.

That, after all, is what the hard-working people of this country deserve.

CHECK BY DELIVERY