



COMMENTARY

Czechs and Balances: What Will the May 1st Changes Mean for Eastern European Migration to the UK?

PUBLISHED: 29/04/2011



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Since the opening of the UK labour market to workers from the so-called “A8 countries” – the eight East European countries that joined the EU on 1 May 2004 – the number of A8 workers employed in the UK increased by a factor of ten, from about 50,000 in early 2004 to over 550,000 in mid-2010.

On 1 May 2011 all EU countries will be legally obliged to afford the same rights to A8 nationals as any other EU citizens. This means that the transitional arrangements that the UK put in place to monitor A8 nationals’ access to the labour market and to restrict their access to the UK’s benefits system (the so-called “Worker Registration Scheme”, WRS) will come to an end. So what will the lifting of the WRS mean for A8 migration to the UK?

>> Read the Migration Observatory briefing on [“Migration Flows of A8 and other EU Migrants to and from the UK”](#)

As usual in any discussion on migration, opinion is divided and vociferous about what outcomes May 1st will bring. Some predict a sudden influx of ‘benefit tourists’ intent on fleecing the UK welfare system, some question whether the transitional arrangements really made much of difference in the first place, and others point out that any remaining labour restrictions for A8 workers in other EU countries will also be lifted, so prospective migrants – or even some of those already in the UK – may choose to head to countries with stronger economies, better work prospects or closer to their home countries.

There are at least four reasons why the end of the WRS is very unlikely to lead to large and sustained additional A8 migration to the UK:

First, the WRS has been a tool for monitoring but not restricting A8 nationals’ access to the labour market. Since May 2004, any A8 national has been able to take-up employment in the UK but, to be employed legally, they must register (which involves a fee) within one month of starting the job. Self-employed people – a significant group among A8 nationals in the UK – were exempted from the registration requirement. Furthermore, workers are not penalised for non-compliance with the registration requirements. While it is impossible to assess the level of non-compliance accurately, studies using non-representative samples suggest that significant shares of A8 workers in the UK did not bother to register.

>> Read the COMPAS [“Fair Enough”](#) report on wages for Eastern European migrants

Second, although the abolishment of the WRS will improve some A8 nationals’ access to benefits in the UK and bring it in line with that of other EU nationals, it does not mean that newly arriving A8 workers will have full and immediate access to benefits in the UK. For example, a key change after 1st May 2011 will be that job-seeking A8 nationals, including those newly arrived, will be entitled to income-based Jobseeker’s Allowance, Housing Benefits and Council Tax Benefits – benefits that have over the past seven years been denied to job-seeking A8 nationals who had not yet completed one year of continuous and registered employment in the UK.

But – with some grey areas around local authority obligations to the homeless – access to these benefits for EU nationals will still be dependent on various conditions including the passing of the “habitual resident test”. EU job seekers must demonstrate that they are “habitually resident” in the UK before they can claim income-related social security benefits, or demonstrate that there is a “real link” between them and the UK, and the British government has won cases against EU citizens who have attempted to access benefits without doing so.

The term ‘habitually resident’ is not defined in legislation. Case law defines the main factors in defining habitual residence as “whether they have a ‘settled intention’ to reside, and whether they have actually been resident here for an ‘appreciable period of time’” (House of Commons Library, The Habitual Residence Test, SN/SP/416, 22 January 2010). According to the Migration Advisory Committee’s (MAC) report on the WRS in 2009, EU workers usually pass this test within one to three months of their arrival in the UK.

Third, there is no evidence to suggest that access to benefits is a major determinant of A8 migration to the UK. The primary reason for A8 migration to the UK has been employment. While the average wages of A8 workers in the UK are significantly lower than that of the UK-born, A8 employment rates are significantly higher. In 2009, the employment rate of male workers from the A8 countries was 90% (74% among female workers) compared to 77% among male British workers (and 71% among female British workers).

>> Read the Migration Observatory briefing on ["Characteristics and Outcomes of Migrants in the UK Labour Market"](#)

Fourth, on 1 May 2011 all other EU member states must also lift any remaining restrictions on the employment of A8 workers. Germany and Austria in particular have maintained significant restrictions throughout the past seven years, which must now be abolished. The availability of new labour markets will lower the number of A8 migrants that would otherwise come to the UK.

So while it would be foolish to make very specific predictions about the impact of the lifting of the WRS, the available evidence does not suggest it will, on its own, have a large effect on migration flows to the UK. This does not mean that A8 migration to the UK will not increase again in the future. A8 immigration is likely to rise again as the UK economy recovers and as the government makes it more difficult for employers to recruit workers from outside the EU.



The Migration Observatory

Based at the Centre on Migration, Policy and Society (COMPAS) at the University of Oxford, the Migration Observatory provides independent, authoritative, evidence-based analysis of data on migration and migrants in the UK, to inform media, public and policy debates, and to generate high quality research on international migration and public policy issues. The Observatory's analysis involves experts from a wide range of disciplines and departments at the University of Oxford.



COMPAS

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