

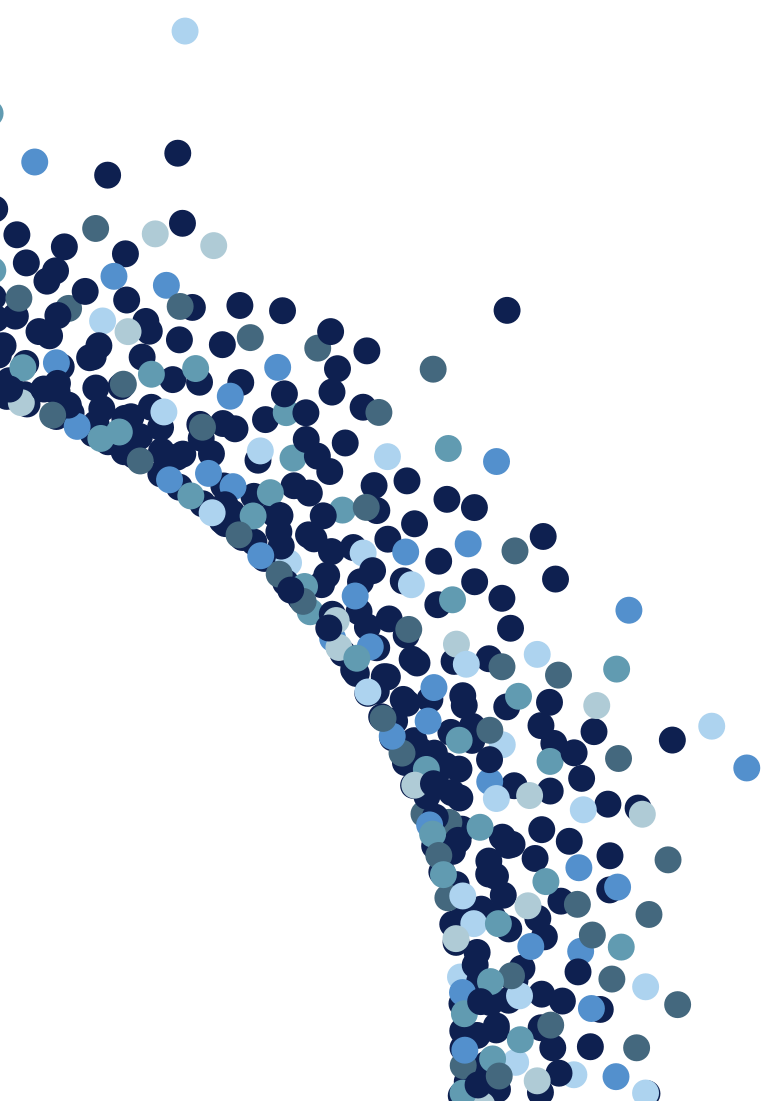


# COMMENTARY

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## Brexodus? Migration and uncertainty after the EU referendum

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[www.migrationobservatory.ox.ac.uk](http://www.migrationobservatory.ox.ac.uk)

Formal negotiations over the UK's departure from the European Union have just started. This is the culmination of an extraordinary 12 months in UK politics. The full ramifications of Brexit on migration to and from the UK will not be clear until the negotiations have concluded, but some possible migration impacts of the UK's decision to quit the EU have already started to become visible.

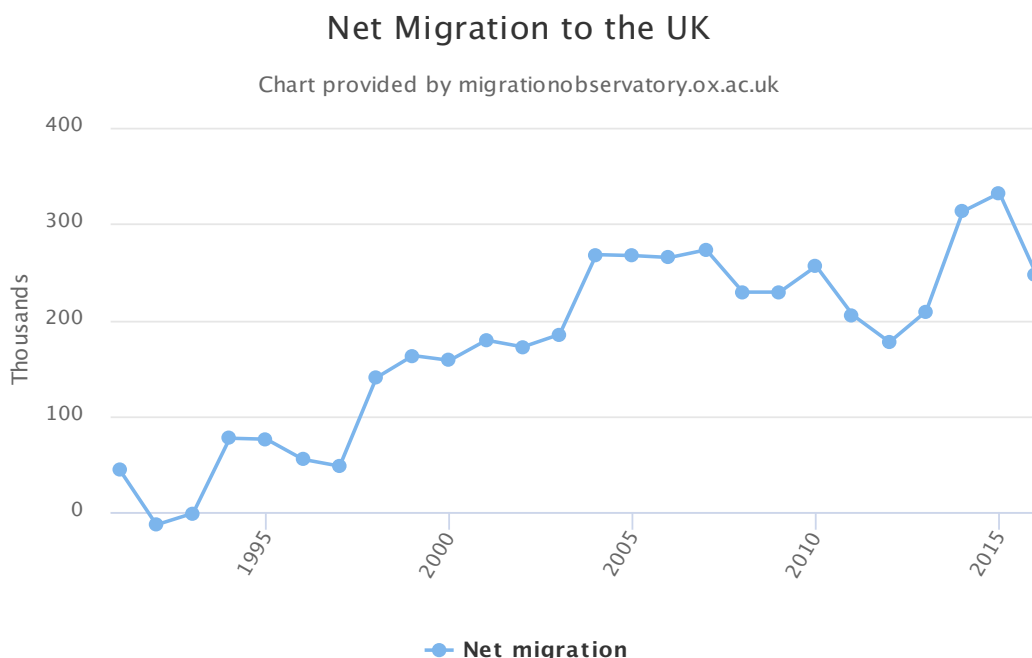
This commentary looks at what we know about migration to and from the UK since the EU referendum.

## Net migration

*EU net migration decreased*

As shown in Figure 1, in 2015 annual net migration stood at 332,000, while in 2016 it had fallen to 248,000. This decline was primarily the result of a decline in EU net migration (see figure 2) which resulted from a fall in immigration and an increase in emigration of citizens from the EU. Changes to non-EU net migration over the same period were not statistically significant.

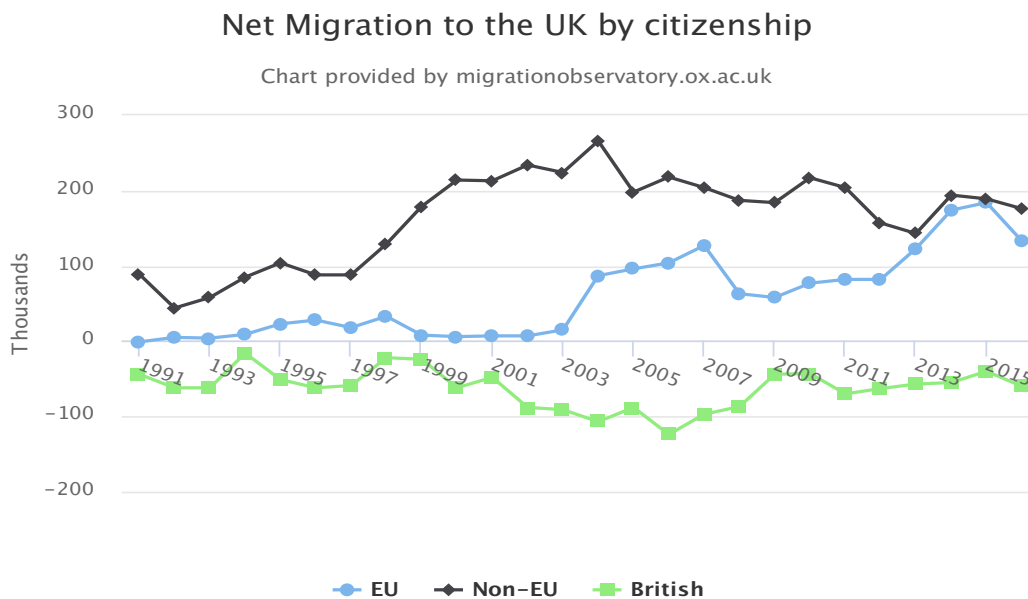
**Figure 1**



Source: Office for National Statistics (ONS) Migration Statistics Quarterly Report, May 2017.

Please note that the ONS adjusted the estimates in Figure 1 after the 2011 Census, but it did not adjust the estimates in Figure 2.

Figure 2



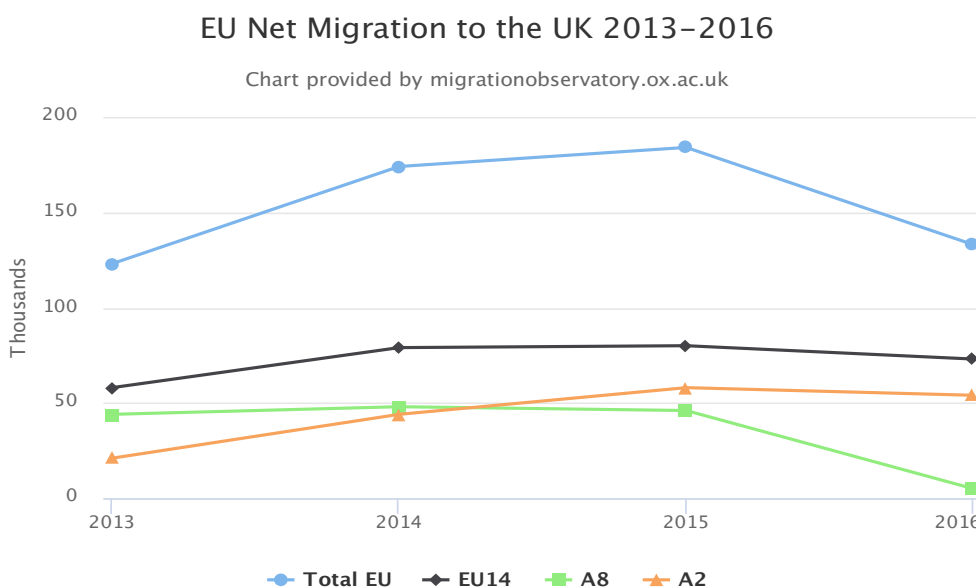
Note that 248,000 is the net migration estimate for the whole of 2016 and, as such, it combines pre and post referendum information. However, the data suggests that the main changes in EU migration patterns began in the aftermath of the referendum vote.

#### A8 migrants driving changes

The net decline in EU migration is not uniform among all groups of EU migrants, but it is particularly evident among those from the so-called “A8” countries that joined the EU in 2004 – Poland, Latvia, Lithuania, Estonia, Hungary, the Czech Republic, Slovakia and Slovenia.

Figure 3 shows that, following a decline in immigration of A8 nationals from 73,000 in 2015 to 48,000 in 2016, and increase in emigration from 27,000 to 43,000 over the same period, net-migration of this group fell from 46,000 to just 5,000 - its lowest since they joined the EU. It should also be noted that the confidence interval (margin of error) for this 5,000 figure is 14,000 – which means that it is possible that there were, in fact, more people leaving from these nations than arriving.

Figure 3



The decline in EU net migration may be linked to the strength of the currency. The referendum result led to a wave of concern in global financial markets about the UK economy, which immediately resulted in a decline in the value of the pound against other major currencies – reducing the relative value of wages for foreign workers in the UK. Our commentary “[Pounded – Currency devaluation and migration to and from the UK](#)” discusses this in more detail.

Other potential factors reducing the attractiveness of the UK to A8 migrant workers may include [the lack of clarity about long-term rights of residence](#) and the increasing strength of other European economies – creating opportunities for well-paid work and a more stable residence status in other EU member states. A [series of xenophobic incidents](#) affecting Polish and other Eastern European migrants in the UK in the immediate aftermath of the referendum were also highly publicised in media both in the UK and in other EU member states, which may also have affected choices both to immigrate to, or to emigrate from, the UK.

Romanian and Bulgarian workers (or A2) are also concentrated in lower waged jobs and might also be expected to be affected by the same issues, however, net migration of this group has not declined significantly. It is too early to speculate why. Net migration of EU14 migrants (those from countries that were EU members before 2004) has not changed significantly.

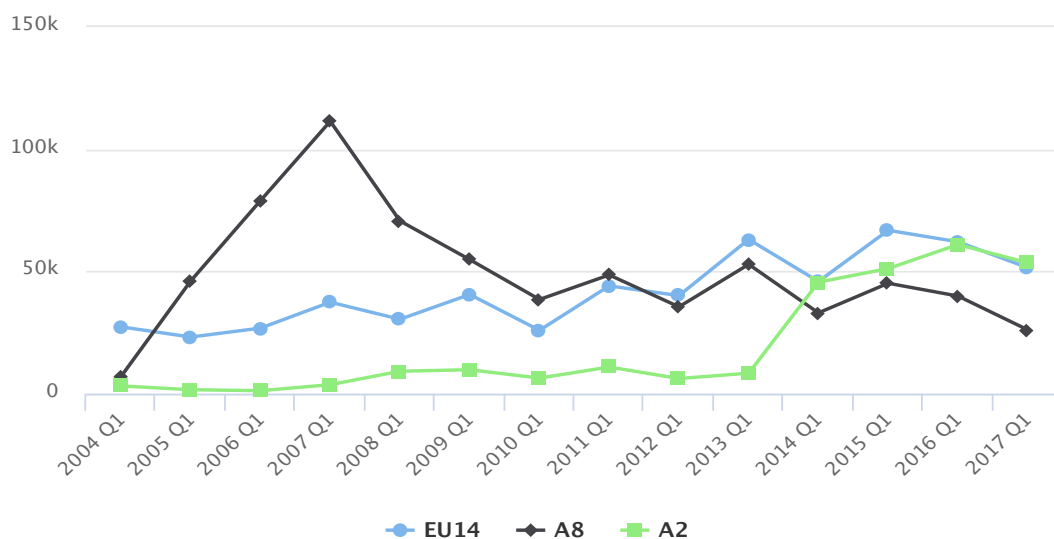
### National Insurance Numbers (NINOs)

To work legally in the UK one much have a National Insurance Number (NINo). Figure 4 shows that in the first quarter of 2017 the number of EU migrants registering for NINOs from both older member states and the accession countries declined in comparison with the same period for 2016. For A8 migrants this number dropped to just over 26,000 in the first quarter in 2017, its lowest level for such quarter since these countries joined the EU in mid 2004.

Figure 4

#### NINo applications, EU nationals – Q1 2004–2017

Chart provided by migrationobservatory.ox.ac.uk



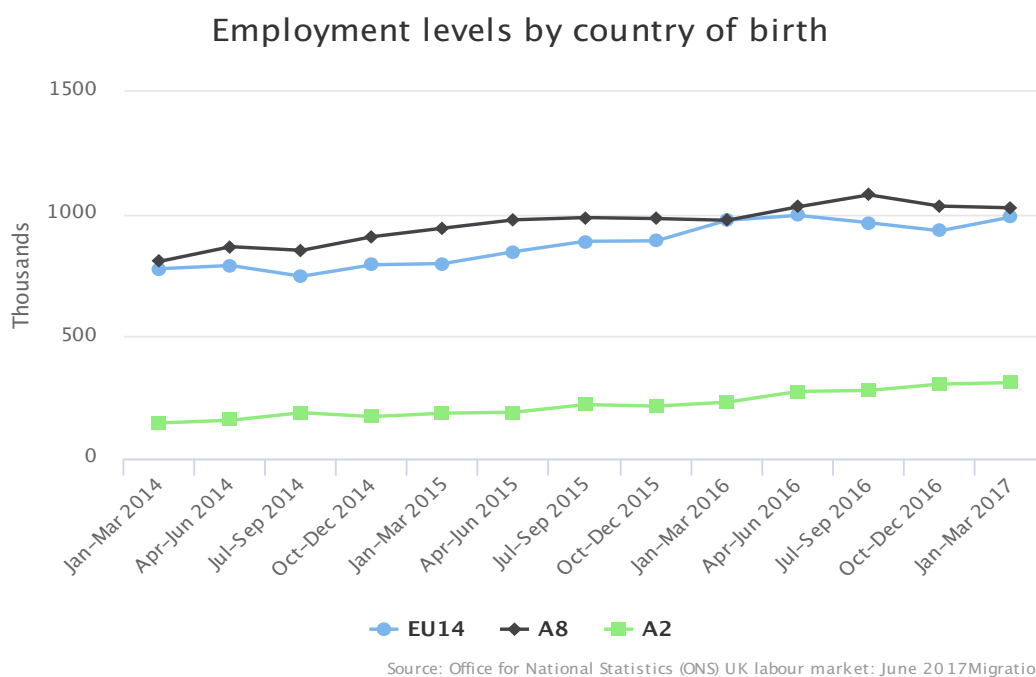
Source: DWP

## Employment levels

Figure 5 shows the employment levels of EU nationals in the UK. Please note that changes in employment levels do not respond exclusively to inflows/outflows of EU workers to/from the UK. For instance, the numbers would increase if a previously unemployed EU migrant already resident in the UK finds a job. However, even with this limitation these statistics provide an idea of the entry and exit of EU workers into/from the British labour market.

Since the referendum there has been a levelling off in the number of A8 born workers in the British labour market. However, it is unclear if this is a long-term trend and there is no sign of a major decrease in numbers at the moment.

Figure 5



Source: Office for National Statistics (ONS) UK labour market: June 2017 Migration

## Conclusions

Since the UK's decision to leave the EU there has been some reduction in net-migration of EU citizens. Employers have also complained about difficulties recruiting staff from the EU. For instance, the [Nursing and Midwifery Council \(NMC\) has reported a fall in the number of EU-trained nurses](#) registering to work in the UK. There also have been reports that [some sectors that have relied on lower-skilled or lower-paid EU migrant or seasonal workers – such as agriculture](#) – are struggling to fill vacancies.

The reduction in the net number of EU migrants has occurred even though there has been no actual change in their legal status. This suggests that for many EU workers uncertainty related to future residency rights, the value of the pound and the political environment of the UK are likely to play a major role in migration decisions. Uncertainty about these three aspects is unlikely to decrease in the near future.



### 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

The Migration Observatory is based at the Centre on Migration, Policy and Society (COMPAS) at the University of Oxford. The mission of COMPAS is to conduct high quality research in order to develop theory and knowledge, inform policy-making and public debate, and engage users of research within the field of migration.

[www.compas.ox.ac.uk](http://www.compas.ox.ac.uk)

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