

# ADVICE PAPER

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SCOTTISH PARLIAMENT INQUIRY INTO IMMIGRATION CULTURE, TOURISM, EUROPE AND EXTERNAL RELATIONS COMMITTEE Submission by The Royal Society of Edinburgh

# Background

- The Royal Society of Edinburgh (RSE) has established an EU Strategy Group to inform and advise the UK Government, the Scottish Government and our current EU partners on issues that they will face and potential solutions in the negotiations for the UK leaving the EU. The Strategy Group is chaired by Sir John Elvidge. The work of the RSE draws on contributions from members of its Fellowship, the Young Academy of Scotland and others in Scotland with relevant expertise.
- 2 To carry out the detailed work on each of the major areas of Policy four Working Groups have been established covering: Migration, Diversity, Rights and Social Protection; Law & Governance; Economy & Public Finance; and Research, Innovation & Tertiary Education. Initial papers produced by each of these Working Groups in July 2017 are available at the links provided in the endnote.<sup>i</sup>
- 3 This response to the Call for Evidence by the Culture, Tourism, Europe and External Relations Committee on Immigration has been prepared following consultation with the Migration, Diversity, Rights and Social Protection Group, chaired by Professor Christina Boswell. The Advice Paper has been approved on behalf of the RSE Council by the General Secretary, Professor Alan Alexander.
- 4 Our recently published Advice Paper on Migration and Diversity concurs with the view that there are viable options for Scotland to differentiate its immigration policy from that of the UK.

- In the Advice Paper, we summarise some of the 5 demographic and labour market reasons that would justify Scotland adopting a distinct approach to immigration. As we point out, Scotland would face particular challenges in the event of a withdrawal from EU free movement provisions. These challenges stem from Scotland's projected population growth and a more rapidly ageing population; as well as its distinct labour market needs (see paragraphs 11-24). We also note that Scotland has benefited hugely from EEA immigration: thanks to the flexible framework for mobility, work and study, EEA citizens have come to live and work in virtually all areas of Scotland since the mid-2000s, enjoying extensive rights and making a huge contribution to the Scottish economy and society, as well as contributing positively to Scotland's demographic balance and population growth.
- 6 Our paper sets out a number of options for Scotland to differentiate its policy, which are loosely related to proposals 1 – 4 of Dr Hepburn's report, Options for Differentiating the UK's Immigration System.<sup>ii</sup> We start by addressing options for policies on the <u>selection and</u> recruitment of those entering to work in Scotland. We then consider the ways in which the rights, status and integration of <u>EEA nationals resident</u> <u>in Scotland</u> might influence both retention of EEA nationals, and also future mobility between Scotland and EEA countries.

### A. Options for a Differentiated Labour Migration Policy

- 7 There are a number of ways in which Scotland could potentially pursue policies on the selection and recruitment of labour migrants that are distinct from the rest of the UK. One widely proposed option, mentioned in Dr. Hepburn's report and proposed by the Scottish Government Post-Study Working Group (2015), would be to reinstate the Fresh Talent – Working in Scotland scheme.
- However, we also believe that there are a number 8 of ways in which the existing UK Points Based System could be adjusted to better cater for Scotland's labour migration needs. Another option, in line with proposal 3.b, would be to allow more flexibility within the current Tier 2 provisions, for example through expanding the Scotland Occupational Shortage list. For example, the criteria for defining shortages could be loosened, involving lower thresholds for skills or salary. We would also suggest the Committee consider similar adjustments to the employer-led entry route under Tier 2. Under this route, employers may recruit non-EEA nationals where they can demonstrate that no UK residents are available for the post, and where the job meets a salary and skills threshold. These criteria could be partially relaxed for Scottish employers.
- Modifications to Tier 2 would represent a more 9 modest adjustment of existing arrangements, and so may be more politically feasible. Such an arrangement could draw on the Swiss experience of setting cantonal quotas, which ensures that the federal government can closely monitor and control overall levels of immigration. However, it should be noted that these adjustments would not be as well suited to addressing Scotland's demographic needs, or for promoting integration and diversity: schemes allowing swifter access to permanent settlement and generous rights for immigrants are better placed to meet these longer-term goals, which are likely to be of particular importance for Scotland given its demographic and socio-cultural needs for migration. They would also imply that employers assume the additional financial costs associated with Tier 2 visas (visa application fees, sponsorship licence, certificates of sponsorship, as well as the new Immigration Skills Charge introduced in April 2017).

- 10 We also note ongoing discussions on the viability of Scotland developing its own points based system for recruiting (especially high skilled) labour, along the lines of the Australian or Canadian decentralised systems. The possibility was again raised in the Scottish Government's December 2016 paper, and is noted under proposal 7 of Dr. Hepburn's report. We note that such schemes are well placed to cater for sub-national variations in demographic conditions, skills or sectoral shortages; and that are targeted to promote the permanent settlement and integration of immigrants. In this sense, they offer a promising model for Scotland to address its distinct demographic and economic needs and in particular to consider how these needs vary within different Scottish regions and localities (e.g. urban conglomerations versus rural and remote rural regions).
- 11 While differentiated points-based systems have clear advantages for Scotland, they also raise s ubstantial challenges. Such schemes typically build in generous rights for entrants, with no restrictions on access to employment or, indeed, to welfare and public services. They would offer a set of rights (for those selected to enter) that go beyond those currently provided under free movement provisions. It is important to consider whether such a 'settlement' model would be viable for Scotland and the UK, given ongoing debates on EEA nationals' access to welfare, as well as concerns about the potential for onward movement from Scotland to the rest of the UK.
- 12 Finally, we note that one of the main challenges for Scotland and rUK will be retaining a supply of labour for low-skilled and seasonal work. From the perspective of Scotland, clearly it will be important to ensure that any UK-wide sectoral scheme is tailored to meet Scotland's particular labour market needs. However, such schemes are often associated with far less generous rights and social protection compared to the channels available to high skilled workers, or to EEA nationals under current free movement rules. The Scottish Government and local authorities have a strong interest in preventing a ratcheting down of rights of temporary workers, which could lead to problems of exploitation and socio-economic precariousness, impeding integration and potentially generating irregular forms of work and movement.

As noted below, such impacts could also have undesirable wider effects on those EEA nationals already settled in Scotland. It could trigger a downturn in migration that is facilitated by networks with migrants already resident in Scotland; and could stimulate those currently living and working in Scotland to move elsewhere in the EU or to return to their countries of origin.

#### B. The Rights and Status of EEA Nationals in Scotland

- 13 Our Advice Paper (paras 36 50) also sets out a number of ways in which the rights, status and integration of EEA nationals resident in Scotland might influence both retention of EEA nationals, and also future mobility between Scotland and EEA countries. These suggestions most clearly correspond to points 1 and 2 in Dr Hepburn's paper.
- 14 We agree strongly with the findings in Dr Hepburn's paper which show that a differentiated immigration system for Scotland should address not only immigration but also retention. This is crucial primarily because Scotland's demographic needs will be met only through longer-term settlement, but also in order to allay fears of 'leakage' or a 'backdoor' entry to the rest of the UK via a differentiated Scottish system.
- 15 Retention in the context of Brexitnegotiations must also address the concerns of those EEA nationals currently resident in Scotland who have been experiencing increased anxiety and a lowering of longer-term attachment and commitment to Scotland as a place of residence since the 2016 referendum result (Our paper, paragraph 45). The impact on this section of Scotland's current population has wider ramifications for migration trends in both the short and longer-term.
- 16 Existing research shows clearly that migration to Scotland is most commonly facilitated by migrant networks: contacts and ties between immigrants already resident and Scotland, and would-be migrants in places of origin.<sup>iii</sup> A differentiated approach to migration for Scotland which effectively supports the successful integration and longer-term settlement of those currently in Scotland will also help to preserve or moderately increase migration flows to Scotland as desired by

'broad consent across Scottish political parties, businesses, trades unions, employers associations, universities, charities and NGOs' (Hepburn, p. 3). This would combine well with more formal international outreach activities as proposed by Dr Hepburn's point 2.

- 17 As noted in our Advice Paper, the flexible framework of rights provided to EEA citizens as a consequence of EU membership has facilitated both migration and, importantly, settlement since it has underpinned rights to family reunion, and important aspects of integration, especially with regard to access to healthcare, housing, education. As Dr Hepburn notes, these are shown in international experience to be key factors in encouraging longer term settlement, and this is also borne out by more recent research within Scotland.<sup>iv</sup>
- 18 We agree with previous advice summarised in the CTEER paper 'Brexit: What Scotland thinks'v that efforts can and should be made to preserve those rights currently accrued to EEA nationals as EU citizens, and with the suggestions made by Dr Hepburn (para. 210 and 222) that this can be largely achieved through existing devolved powers in areas such as housing, healthcare, education economic development, voting, employability services, social care and disability benefits.
- 19 We closely concur with Dr Hepburn's proposals under point 1 for a Scottish Migrant Integration Policy, and note that, as she points out, 'Scotland is one of the few legislative regions lacking a clear policy framework in this field' (p. 71). Dr Hepburn's proposals for how this might be developed and function under the co-ordination of an Inter-departmental Committee, with close links to COSLA and local government through a Scottish Migrant Integration Forum are well thought through and we support these. The involvement of local government would be particularly important given the differentiated needs and experiences of Scotland's regions (rural/urban/remote etc.) as noted above.vi

- 20 The range of areas such a coherent integration policy would cover as laid out in Dr Hepburn's paper are sensible, however, we note that post-secondary training and access to Continuing Professional Development. (CPD), as well as some of the more detailed aspects of economic integration pursued in Catalonia and the Canadian provinces (Hepburn p. 64) could also be considered here. These would be particularly useful in addressing issues of de-skilling (our a dvice paper, paras 16, 18 and 37) which can undermine successful settlement and integration, leading in some cases to onward migration both within Scotland and between Scotland and the rest of the UK as migrants search for better and more satisfying forms of employment.
- 21 As Dr Hepburn's paper suggests the development of such distinctive Scottish Migrant Integration and Reception policies would assist in meeting many of the policy priorities of the Scottish Government as these pertain to population growth, demographic balance etc. They could also combine well with some of the suggestions outlined in the first section of this submission for adjustments to a points-based system that would meet Scottish labour market needs. However, care needs to be taken that policies are coherent and consistent. As noted above adjustments to Tier 2, and/or sectoral schemes may be attractive for meeting economic/labour market needs, but less well suited to promoting integration and longer-term settlement. If such adjustments are to sit alongside policies seeking integration and longer-term settlement, the policy match and the impacts on different groups of migrants need to be carefully considered.

## **Additional Information**

Any enquiries about this Advice Paper should be addressed to Mr Bristow Muldoon (email: bmuldoon@theRSE.org.uk) Responses are published on the RSE website (**www.rse.org.uk**).

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#### Endnotes

#### i RSE July 2017:

- Migration: https://www.rse.org.uk/wp-content/uploads/2017/07/17-13\_Final\_EUseries-Migration\_Diversity\_Rights\_Social\_Protection.pdf Economy: https://www.rse.org.uk/advice-papers/brexit-challenges-opportunities-economy-public-finance-economic-strategy/ Research: https://www.rse.org.uk/advice-papers/brexit-challenges-opportunities-research-innovation-tertiary-education/ Law & Governance: https://www.rse.org.uk/advice-papers/brexit-challenges-opportunities-constitutional-law-government/
- Hepburn, Eve: Options for Differentiating the UK's Immigration System, April 2017. http://www.parliament.scot/S5\_European/General%20Documents/CTEER\_Dr\_Hepburn\_report\_2017.04.24.pdf
- iii SSAMIS (2016)Second Interim Report: Living and Working in Scotland: Employment, Housing, Family and Community, November 2016 http://www.gla.ac.uk/media/media 500297 en.pdf; Rvan L., Sales R., Tilki M., and Siara B. (2009). Family strategies and transnational migration: recent Polish migrants in London. Journal of Ethnic and Migration Studies 35(1): 61-77
- iv SSAMIS (2016)Second Interim Report: Living and Working in Scotland: Employment, Housing, Family and Community, November 2016 http://www.gla.ac.uk/media/media\_500297\_en.pdf
- v Scottish Parliament, CTEER Committee, January 2017: Brexit: What Scotland thinks: http://www.parliament.scot/S5\_European/Reports/CTEERCS052017R01.pdf
- vi See also, Flynn and Kay (2017) Migrants' experiences of material and emotional security in rural Scotland: implications for longer-term settlement. Journal of Rural Studies. 52: 56-65