

Special feature

Foreign labour in the United Kingdom: current patterns and trends

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Key points

- There were 1.505 million foreign migrants working in the UK in 2005, 5.4 per cent of the UK employed population.
- The foreign workforce generally is employed in more highly-skilled occupations than the domestic.
- The regional distribution of foreign workers is very uneven. In 2005 Greater London had 45.3 per cent of the total.
- The annual number of work permits approved in 2005 was 129,660. The three main occupations were nurses and carers (19.9 per cent), software professionals (19.5 per cent) and managers and proprietors in other service sectors (12.8 per cent).
- 195,000 people from the new accession states were recorded in the Worker Registration Scheme in 2005. Around four-fifths of them worked in relatively low-skilled occupations.
- When all the various schemes are considered, it is likely that 2005 saw the largest ever entry of foreign workers to the UK, totalling some 400,000.

Introduction

Economic migration to the UK has grown considerably over the last decade, and especially in the last few years. Opening up the labour market to citizens of the new member states of the European Union (EU) from May 2004 initiated what is almost certainly the largest single wave of in-migration (with Poles the largest ever single national group of entrants) that the British Isles have ever experienced. However, it is not yet clear how long these new migrants will stay. Furthermore, the Home Office has just begun the launch of the single biggest change in migration policy of recent times, a points-based management strategy for economic migration, due to come into full operation from 2007.

This article presents the current situation with respect to stocks and flows of foreign labour in the UK. It is based on several administrative and survey sources (see **Technical note**), beginning with flows of employed migrants using data from the International Passenger Survey (IPS)

before moving on to profile the scale and characteristics of foreign workers in the UK using the Labour Force Survey (LFS). It then uses various data series to analyse the scale and nature of immigration through a series of special schemes, some long-standing, others recent. It concludes with a summary table for 2005 indicating the numbers of foreign workers coming through the main official routes and schemes. It should be noted that these are not the only foreign groups with the right to work in the UK, since students, family members and refugees also have an impact on the labour market.

Flows of employed migrants

Unlike the other statistical sources, the IPS provides data on those who leave as well as those who enter the country, thus making it possible to calculate net flows. However, owing to the small sample size, there is only limited detail in the citizenship breakdown. IPS data record two occupational categories for those who were in employment before ►

► migrating: professional and managerial (administrators, managers and people with professional and technological qualifications) and manual and clerical (for those in all other occupations). In the following analysis, it is important to remember that the regular occupation of migrants before they leave a country is not necessarily the occupation they take up at their destination.

Total flows

Between 1975 and 2004 an aggregate of about 4 million employed (British

and non-British) migrants came into the UK, with a similar volume of outflows. However, there was a substantial shift in the balance of migration over the period. The net loss, totalling 171,000 in 1975-79, had become a net gain of 264,000 during 2000-04. Discussion of the trends between 1975 and 1999 is in an earlier paper (Salt and Clarke, 2001); the focus here is on the period since 2000.

Table 1 shows, on an annual and aggregated basis, the total flows of British and non-British employed

migrants with a breakdown by origin and destination region for the latter. For the five-year period 2000-04, there was a net loss of 221,800 British which was more than compensated for by the net gain of 485,400 non-British. **Table 2** shows that for the non-British, there were marked differences in pattern according to origin and destination. For the most part, the more developed regions (Europe, Old Commonwealth and Other Foreign Developed countries) tended to fulfil the role of 'turnover regions',

Table 1

International migration: flows of employed migrants; 2000 to 2004

| | | All | British | Non-British | EU ^a & EFTA(15) ^b | EU ^b & EFTA(25) ^b | Rest of Europe (15) ^b | Rest of Europe (25) ^b | Old Commonwealth | Other foreign-developed countries | Bangladesh, Pakistan, India, Sri Lanka | Rest of World |
|----------------|------------------|---------------|---------------|--------------|---|---|----------------------------------|----------------------------------|------------------|-----------------------------------|--|---------------|
| Inflow | 2000 | 227.5 | 73.4 | 154.1 | 36.4 | .. | 5.3 | .. | 47.7 | 18.6 | 14.7 | 31.3 |
| | 2001 | 218.5 | 67.3 | 151.2 | 30.1 | .. | 8.0 | .. | 50.9 | 14.0 | 15.7 | 32.5 |
| | 2002 | 225.4 | 65.4 | 160.0 | 33.3 | .. | 4.4 | .. | 47.9 | 13.1 | 15.4 | 45.9 |
| | 2003 | 237.3 | 65.5 | 171.9 | 34.7 | .. | 11.0 | .. | 41.1 | 16.3 | 24.9 | 43.9 |
| | 2004 | 306.0 | 52.3 | 253.7 | 35.2 | 67.0 | 38.4 | 6.6 | 54.0 | 20.9 | 41.1 | 64.1 |
| | 2000-2004 | 1214.8 | 324.0 | 890.8 | 169.7 | .. | 67.1 | .. | 241.7 | 82.9 | 111.8 | 217.6 |
| Outflow | 2000 | 187.3 | 104.8 | 82.5 | 29.4 | .. | 9.0 | .. | 28.0 | 9.0 | 2.2 | 4.9 |
| | 2001 | 162.3 | 90.8 | 71.5 | 27.9 | .. | 4.7 | .. | 25.7 | 7.2 | 2.3 | 3.8 |
| | 2002 | 203.0 | 111.4 | 91.6 | 31.4 | .. | 9.1 | .. | 34.9 | 10.9 | 2.9 | 2.5 |
| | 2003 | 211.2 | 118.5 | 92.6 | 31.5 | .. | 7.7 | .. | 36.4 | 8.7 | 4.3 | 4.0 |
| | 2004 | 187.4 | 120.2 | 67.2 | 16.6 | 17.5 | 0.9 | - | 29.5 | 9.3 | 2.0 | 8.8 |
| | 2000-2004 | 951.2 | 545.8 | 405.4 | 136.9 | .. | 31.4 | .. | 154.3 | 45.0 | 13.8 | 24.1 |
| Balance | 2000 | 40.1 | -31.5 | 71.6 | 7.0 | .. | -3.7 | .. | 19.7 | 9.7 | 12.5 | 26.4 |
| | 2001 | 56.2 | -23.5 | 79.7 | 2.2 | .. | 3.3 | .. | 25.3 | 6.9 | 13.4 | 28.7 |
| | 2002 | 22.4 | -46.0 | 68.3 | 1.9 | .. | -4.7 | .. | 13.0 | 2.2 | 12.5 | 43.4 |
| | 2003 | 26.2 | -53.0 | 79.2 | 3.2 | .. | 3.3 | .. | 4.7 | 7.5 | 20.6 | 39.9 |
| | 2004 | 118.7 | -67.8 | 186.5 | 18.6 | 49.5 | 37.5 | 6.6 | 24.6 | 11.6 | 39.0 | 55.2 |
| | 2000-2004 | 263.6 | -221.8 | 485.4 | 32.9 | .. | 35.7 | .. | 87.3 | 37.9 | 98.0 | 193.6 |

Source: International Passenger Survey

a Up to and including 2003 estimates are shown for the EU15 (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Irish Republic, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden and UK). For 2004 the estimates are shown for EU15 and EU25 (EU15 plus the 10 countries of Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia). These countries are included in the definition for the whole of 2004, whether migration occurred before or after 1 May.

b (15) and (25) after a grouping name indicates where the 10 new member countries have been assigned.

Notes:

Data refer to migrants who were employed at the time of migration.

A migration figure with a standard error of >25% is not considered to be reliable. These are shown in italics.

.. Not available.

Table 2

International migration: total flows of non-British employed migrants by region of origin/destination; 2000 to 2004

| | Per cent | | |
|--|--------------|--------------|--------------|
| | Inflow | Outflow | Net |
| Non-British | 100.0 | 100.0 | 100.0 |
| EU15 | 19.1 | 33.8 | 6.8 |
| Rest of Europe | 7.5 | 7.7 | 7.4 |
| Old Commonwealth | 27.1 | 38.1 | 18.0 |
| Other foreign-developed countries | 9.3 | 11.1 | 7.8 |
| Bangladesh, Pakistan, India, Sri Lanka | 12.6 | 3.4 | 20.2 |
| Rest of world | 24.4 | 5.9 | 39.9 |

Source: *International Passenger Survey*

Table 3

International migration flows by occupation; 2004

| | | Thousands | | | |
|----------------|------------------|-----------------|--------------------------|------------------|--------|
| | | All occupations | Professional/ Managerial | Manual/ Clerical | Others |
| Inflow | | | | | |
| | All citizenships | 518 | 175 | 131 | 212 |
| | British | 85 | 36 | 16 | 33 |
| | Non-British | 433 | 139 | 115 | 179 |
| Outflow | | | | | |
| | All citizenships | 310 | 114 | 73 | 123 |
| | British | 184 | 74 | 47 | 64 |
| | Non-British | 126 | 40 | 27 | 59 |
| Balance | | | | | |
| | All citizenships | +208 | +61 | +58 | +89 |
| | British | -99 | -38 | -30 | -31 |
| | Non-British | +306 | +98 | +88 | +120 |

Source: *International Passenger Survey*

Notes:

Data refer to occupation prior to migration.

Others: students, housewives, other adults, children.

accounting for a much higher proportion of emigrants than immigrants. In contrast, the lesser developed regions (Indian Sub-Continent, Rest of World) showed the reverse pattern, resulting in their accounting for 60.1 per cent of the total net gain. Put simply, those employed migrants who come to the

UK from more developed countries are more likely to go again, those from elsewhere are more likely to stay. This is not new, a similar pattern being common over the last three decades (Dobson et al, 2001; Rendall and Ball, 2004).

The annual figures for 2000-04 show that EU(15), Other Foreign

Developed country and (except for 2004) Old Commonwealth numbers are relatively stable, while those from the Indian Sub-Continent and Rest of World have been rising (Table 1).

Flows by occupational group

Professional and managerial (P&M) workers continue to account for the majority of employed immigrants and emigrants (Table 3). However, this may be changing. In 2004 among all immigrants the proportion (57 per cent) was lower than the two previous years (60 per cent in 2003 and 61 per cent in 2002). In contrast, P&M workers seem to be an increasing proportion of emigrants; 61 per cent in 2004 compared with 51 per cent the year before.

Analysis of occupation and citizenship shows that the non-British constitute the bulk of the inflow of P&M migrants, while the British are the main contributors to the outflow. Hence, to an extent, foreign highly-skilled workers are a replacement for departing Britons, with a net loss of 38,000 P&M among the latter and a net gain of 98,000 of the former in 2004. Whereas employed EU(15) citizens are mainly P&M, those from A8¹ countries are mainly manual and clerical. In 2003 there was an overall small net loss of manual and clerical workers, caused by a net loss of British citizens. By 2004 this had been converted into a net gain of 58,000, with 88,000 incoming foreign workers more than compensating for the net loss of 30,000 Britons. More than three times as many A8 citizens were in manual/clerical occupations than in professional/managerial ones.

In sum, the continuing story for the UK is that net gains of labour from

▶ among the non-British more than compensate for net losses of British workers. This is still particularly the case for the more highly skilled but there is some evidence of a changing balance caused by increasing numbers of foreign manual and clerical workers entering the country.

Stocks of foreign national workers in the UK in 2005 Size of the foreign working population

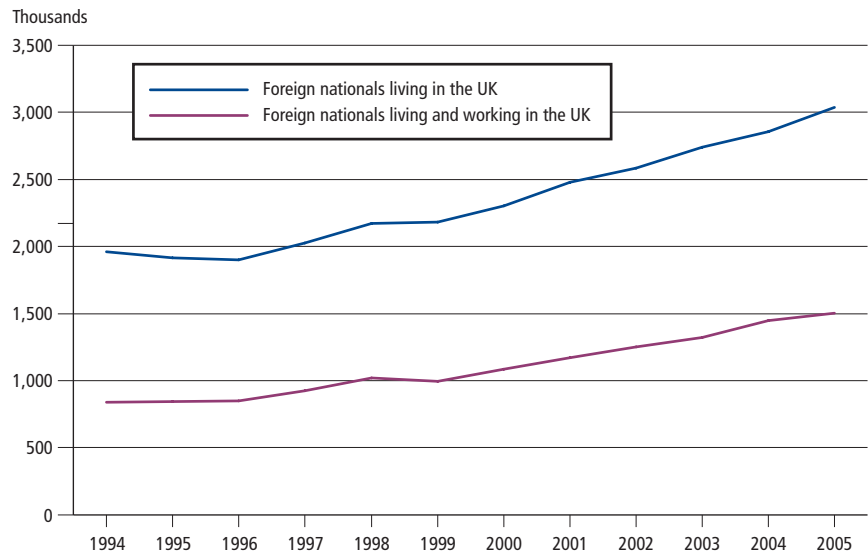
The Labour Force Survey is the only source of statistics on the foreign national population living and working in the UK. In the middle 1990s, the total number of foreign citizens in the UK fluctuated around the 2 million mark, then rose to reach 3.035 million in 2005 (Figure 1). Numbers of foreign nationals working in the UK fluctuated until 1996, after which they rose strongly to top a million for the first time in 1998, reaching 1.505 million in 2005, 5.4 per cent of the total in employment.

Europeans account for 45 per cent of the foreign workforce, slightly more than their share of the foreign population (43.4 per cent).

EU(15)/EFTA countries supply 31.7 per cent of foreign workers. The Irish continue to be the clear leaders, but their dominance has been falling, from 22.6 per cent of all foreign workers in 1995 to only 11.6 per cent in 2005. Numbers of Central and Eastern Europeans (CEE) in the labour force have grown rapidly, reaching 170,000, 11.3 per cent of all foreign workers in 2005. It is likely that this figure underestimates the total CEE workforce at any one time, in light of the large numbers of A8 nationals registering under the Worker Registration Scheme (see later) but who may stay for less than a year.

Figure 1

Foreign nationals; 1994 to 2005



Source: Labour Force Survey

Foreign workers by nationality and socio-economic class

For the purposes of Table 4, the working population has been grouped into three major categories, based on the standard classification by socio-economic group. The foreign workforce is generally more skilled than the domestic; 42.2 per cent of the former in the professional, employer, manager group (A) compared with 40.1 per cent of the latter. However, a change seems to be taking place; the proportion of foreigners in this group falling from 43.5 per cent in 2004, perhaps because of the entry of A8 nationals into lower-skilled occupations.

Unfortunately sample size allows only limited analysis for nationalities and national groups, but it appears that different foreign groups have different roles in the UK labour market. EU(15) nationals are generally more skilled (47.4 per cent in Group A) and this is especially

true of those from France and Germany, and other northern EU countries; South-East Asia, North America and Australasia are similar. In contrast, workers from the southern tier of EU countries (Spain, Portugal, Italy, Greece), from Africa, the Indian Sub-Continent and Caribbean are under-represented in this highly-skilled group. Non-EU workers in general, and particularly those from the Indian Sub-Continent and the Caribbean, are over-represented in the Routine category (Group C), as are citizens from the southern EU states. There is thus a clear differentiation between the national groups.

Foreign workers by nationality and region of residence

The regional distribution of foreign workers is very uneven (Table 5). In 2005 Greater London had 682,000, 45.3 per cent of the total, demonstrating the importance

of the capital in the international labour mobility machine. The Rest of the South East accounted for another 279,000 foreign workers, 18.5 per cent of the total and continuing the (modest) rising trend of the last few years. Hence, around two-thirds of foreign workers are in South-East England. In comparison, only 10.4 per cent of

UK nationals work in Greater London, and only 30.8 per cent in the South East as a whole. This heavy concentration of foreign labour in the capital city has persisted over many years, with the implication that more labour immigration will further benefit the economy in the country's most prosperous region. However, this

situation may change in view of the propensity of new workers from the A8 countries to distribute themselves geographically more widely.

The concentration of foreign workers in Greater London applies to all national groups identified, and is particularly the case for those from France and Germany, other northern EU countries, Southern

Table 4

Living and working in the UK by socio-economic classification; 2005

| | Absolute figures (Thousands) | | | | | Proportion of total (Per cent) | | | | |
|-----------------------------|------------------------------|---------|---------|-------|---------------|--------------------------------|---------|---------|-------|--------------|
| | Group A | Group B | Group C | Other | Total | Group A | Group B | Group C | Other | Total |
| All nationalities | 11,228 | 8,833 | 6,661 | 1,184 | 27,906 | 40.2 | 31.7 | 23.9 | 4.2 | 100.0 |
| UK/GB | 10,590 | 8,464 | 6,253 | 1,091 | 26,399 | 40.1 | 32.1 | 23.7 | 4.1 | 100.0 |
| Foreign nationals | 636 | 369 | 408 | 92 | 1,505 | 42.2 | 24.5 | 27.1 | 6.1 | 100.0 |
| of which: | | | | | | | | | | |
| Non-EU | 409 | 243 | 304 | 71 | 1,027 | 39.9 | 23.7 | 29.6 | 6.9 | 100.0 |
| EU 15 | 226 | 126 | 104 | 21 | 478 | 47.4 | 26.4 | 21.8 | 4.5 | 100.0 |
| EU 15 (exc. Irish Republic) | 146 | 76 | 62 | 20 | 303 | 48.2 | 25.0 | 20.4 | 6.4 | 100.0 |
| Irish Republic | 80 | 50 | 42 | : | 175 | 46.0 | 28.8 | 24.1 | – | 100.0 |
| France and Germany | 62 | 22 | 17 | : | 108 | 57.7 | 19.9 | 15.7 | – | 100.0 |
| Northern EU | 37 | 17 | 11 | : | 68 | 54.5 | 25.1 | 15.6 | – | 100.0 |
| Southern EU | 47 | 37 | 34 | : | 127 | 36.6 | 29.1 | 27.0 | – | 100.0 |
| Africa | 93 | 49 | 62 | 28 | 232 | 40.1 | 21.0 | 26.9 | 12.1 | 100.0 |
| Middle East | : | : | 12 | : | 25 | – | – | 47.5 | – | 100.0 |
| Indian Sub-Continent | 59 | 45 | 57 | 10 | 171 | 34.6 | 26.5 | 33.1 | 5.9 | 100.0 |
| South East Asia | 52 | 23 | 21 | : | 105 | 49.5 | 22.2 | 19.6 | – | 100.0 |
| Other Asia | : | : | 11 | : | 21 | – | – | 51.6 | – | 100.0 |
| North America | 62 | 17 | : | : | 89 | 69.8 | 18.9 | – | – | 100.0 |
| Caribbean/West Indies | 10 | 10 | 10 | : | 33 | 31.7 | 30.4 | 30.4 | – | 100.0 |
| Other Americas | : | 10 | 18 | : | 48 | – | 21.8 | 37.3 | – | 100.0 |
| Australia & New Zealand | 62 | 16 | 10 | : | 90 | 68.8 | 17.9 | 11.2 | – | 100.0 |

Source: Labour Force Survey

Notes:

Group A: Professional, employers, managers

Group B: Intermediate

Group C: Routine

Northern EU: Austria, Benelux, Denmark, Finland and Sweden

Southern EU: Greece, Italy, Portugal and Spain

: Less than 10,000. Row totals include relevant estimates for these cells.

All LFS data in this article based on spring quarter results.

Table 5

Living and working in the UK by region of residence; 2005

| | Numbers (thousands) | | | | | Proportion of total (per cent) | | | | |
|-----------------------------|---------------------|----------|----------|----------|--------|--------------------------------|----------|----------|----------|-------|
| | Region A | Region B | Region C | Region D | Total | Region A | Region B | Region C | Region D | Total |
| All nationalities | 3,424 | 5,652 | 7,965 | 10,865 | 27,906 | 12.3 | 20.3 | 28.5 | 38.9 | 100.0 |
| UK/GB | 2,743 | 5,373 | 7,707 | 10,577 | 26,399 | 10.4 | 20.4 | 29.2 | 40.1 | 100.0 |
| Foreign nationals | 682 | 279 | 258 | 287 | 1,505 | 45.3 | 18.5 | 17.1 | 19.1 | 100.0 |
| of which: | | | | | | | | | | |
| Non-EU | 474 | 183 | 174 | 196 | 1,027 | 46.1 | 17.8 | 16.9 | 19.1 | 100.0 |
| EU 15 | 208 | 96 | 84 | 91 | 478 | 43.5 | 20.0 | 17.5 | 19.0 | 100.0 |
| EU 15 (exc. Irish Republic) | 146 | 61 | 55 | 42 | 303 | 48.0 | 20.0 | 18.1 | 13.8 | 100.0 |
| Irish Republic | 62 | 35 | 29 | 49 | 175 | 35.6 | 20.0 | 16.4 | 28.0 | 100.0 |
| France and Germany | 49 | 25 | 16 | 18 | 108 | 45.6 | 23.3 | 14.5 | 16.7 | 100.0 |
| Northern EU | 30 | 14 | 15 | : | 68 | 43.9 | 20.5 | 22.0 | – | 100.0 |
| Southern EU | 67 | 22 | 24 | 15 | 127 | 52.3 | 17.1 | 19.2 | 11.5 | 100.0 |
| Africa | 110 | 46 | 43 | 34 | 232 | 47.3 | 19.9 | 18.3 | 14.5 | 100.0 |
| Middle East | : | : | : | : | 25 | – | – | – | – | 100.0 |
| Indian Sub-Continent | 69 | 27 | 33 | 42 | 171 | 40.4 | 15.9 | 19.3 | 24.4 | 100.0 |
| South East Asia | 35 | 17 | 23 | 30 | 105 | 33.4 | 16.1 | 21.6 | 28.9 | 100.0 |
| Other Asia | : | : | : | : | 21 | – | – | – | – | 100.0 |
| North America | 36 | 23 | 12 | 17 | 89 | 41.1 | 26.1 | 13.8 | 19.0 | 100.0 |
| Caribbean/West Indies | 16 | : | : | : | 33 | 48.1 | – | – | – | 100.0 |
| Other Americas | 34 | : | : | : | 48 | 70.6 | – | – | – | 100.0 |
| Australia & New Zealand | 48 | 15 | 12 | 15 | 90 | 53.3 | 16.4 | 13.7 | 16.6 | 100.0 |

Source: Labour Force Survey

Notes:

Regions are based on government standard regions

A: Greater London (inner and outer)

B: Rest of South East

C: East Anglia; East Midlands; West Midlands (Metropolitan and rest); South West

D: Rest of UK

Northern EU: Austria, Benelux, Denmark, Finland and Sweden

Southern EU: Greece, Italy, Portugal and Spain

: Less than 10,000. Row totals include relevant estimates for these cells.

► Europe, Africa, the Caribbean/West Indies, Other Americas and Australia and New Zealand. In the other regions listed, the importance of the different nationalities varies. Overall, these patterns, for the most part, reflect those of recent years, with some minor variations in the trend.

Flows of migrant workers by nationality and socio-economic class

The LFS can be used to indicate the scale of annual labour migration into the UK. Unlike the IPS, which is a continuous flow monitoring system, the LFS flow figures are based on address a year before.

This means that LFS flow data are likely to be lower than IPS data. However, they do allow comparison between stocks and flows.

Those outside the UK a year ago and now working in the UK numbered 171,000, two-thirds of whom were foreign nationals

Table 6

Living in UK now and outside UK one year ago by nationality and socio-economic group, 2005

| | Absolute figures (thousands) | | | | | Proportion of total (per cent) | | | | |
|-------------------|------------------------------|---------|---------|-------|-------|--------------------------------|---------|---------|-------|-------|
| | Group A | Group B | Group C | Other | Total | Group A | Group B | Group C | Other | Total |
| All nationalities | 57 | 39 | 61 | 14 | 171 | 33.3 | 22.8 | 35.7 | 8.1 | 100.0 |
| UK/GB | 23 | 21 | 11 | : | 57 | 39.4 | 37.4 | 19.3 | – | 100.0 |
| Foreign nationals | 34 | 18 | 50 | 12 | 114 | 30.2 | 15.6 | 44.0 | 10.2 | 100.0 |
| Non-EU countries | 26 | 12 | 44 | 10 | 92 | 27.8 | 13.1 | 47.9 | 11.2 | 100.0 |

Source: Labour Force Survey

Notes:

Socio-economic groups based on Standard Occupational Classification (SOC) defined by ONS

Group A: Professional, employers, managers

Group B: Other non-manual

Group C: Skilled manual, semi-skilled manual, unskilled manual

: Less than 10,000. Row totals include relevant estimates for these cells.

Figures rounded to nearest thousand.

Table 7

Overseas nationals entering the UK and allocated a National Insurance number^a, 2002 to 2006

| Top ten countries each year of registration | | | | | | | | Thousands |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------|
| 2002/03 | 2003/04 | | 2004/05 | | 2005/06 | | | |
| India | 25.0 | India | 31.3 | Poland | 62.6 | Poland | 171.4 | |
| Australia | 18.9 | South Africa | 18.4 | India | 32.7 | India | 46.0 | |
| South Africa | 18.6 | Australia | 17.1 | Pakistan | 20.3 | Lithuania | 30.5 | |
| Pakistan | 16.8 | Pakistan | 16.8 | South Africa | 19.3 | Slovakia | 26.4 | |
| France | 13.8 | Portugal | 14.0 | Australia | 16.6 | South Africa | 24.0 | |
| Philippines | 11.8 | China PR | 13.3 | Lithuania | 15.6 | Australia | 23.8 | |
| Spain | 11.7 | France | 13.1 | France | 13.3 | Pakistan | 22.3 | |
| Zimbabwe | 10.3 | Spain | 11.9 | China PR | 12.6 | France | 17.2 | |
| Iraq | 10.1 | Poland | 11.2 | Portugal | 12.2 | Latvia | 14.2 | |
| Portugal | 9.8 | Philippines | 10.7 | Slovakia | 10.5 | Germany | 13.3 | |
| Total | 349.3 | Total | 370.8 | Total | 439.8 | Total | 662.4 | |

Source: 100% extract from NI Recording System at 25 June 2006

^a Figures are rounded to the nearest hundred.

(Table 6). This compares with the figure of 306,000 employed immigrants entering the UK in 2004 and recorded in the IPS (Table 1), over four-fifths of whom were non-British. The small sample size makes it impossible to identify the national origins of these labour immigrants at

anything but the most aggregate scale. Countries of the EU(15) provided about 35,000 labour immigrants, 30.7 per cent of all foreign nationals.

About a third of all immigrants were highly skilled (Group A in Table 6), slightly more were manual (routine) workers and just over a

fifth were intermediate. Almost half of those from non-EU(15) countries were in routine manual occupations (a breakdown of EU(15) nationals by skill level is not possible because of small sample size). These figures are markedly different from 2004 when 38 per cent of foreign nationals were classed as highly

► skilled and only 28.3 per cent were in the routine manual category. The reason for this shift is almost certainly the inflow of A8 nationals after May 2004.

A comparison of inflows with resident stock shows that similar proportions of UK immigrants and residents are in the professionals, employers and managers (Group A) category. Foreign national immigrants, especially from non-EU(15) countries, are much less likely to be highly skilled than the foreign national stock (30.2 and 42.2 per cent respectively) and much more likely to be in routine manual occupations (44 and 27.1 per cent). Thus it appears that although the inflow of UK population continues to be relatively skilled, the foreign inflow is now more concentrated in the lower skilled end of the labour market. If continued, this will lead to an overall reduction in the skill level of the immigrant workforce. This trend is similar to that suggested by the IPS above.

National Insurance statistics

An alternative source of data on the number of foreign nationals newly entering the UK labour force comes from the allocation of National Insurance numbers (NINOs). Every foreign worker who is legally employed requires a NINO so the allocation of new numbers should give an indication of the annual (year running April to March) increment to the workforce. Comparisons of NINO data with those of other flow sources demonstrate the difficulty of putting together an accurate picture of labour migration into the UK. NINO data take no account of the length of time an individual allocated a number spends working in the UK and so they may include equally people who work for one week in the year with those working fifty-two. Overall, they probably present a fuller picture of the overall foreign increment to the UK workforce than any other single source but should be used only with appropriate caveats. For example, the temporary nature of

many of the A8 migrants may lead to difficulties when comparing recent increments to the workforce with past years. The data in **Table 7** relate to year of registration, not year of arrival in the UK, and so may inflate the number compared with the two survey sources.

In the most recent year, 2005/06, there were 662,400 new registrations, a 50 per cent increase on the previous year. The EU Accession countries account for 270,200 new registrations, 41 per cent of the total. The vast majority are young; just over a third of them in 2005/06 aged 18-24 and a further 45 per cent aged 25-34. There have been some notable shifts in the main origins. Poland rose dramatically to become easily the largest supplier in the last two years, while three other A8 countries, Lithuania, Slovakia and Latvia, were in the top ten. In contrast, China and Portugal dropped out of the top group in the last year.

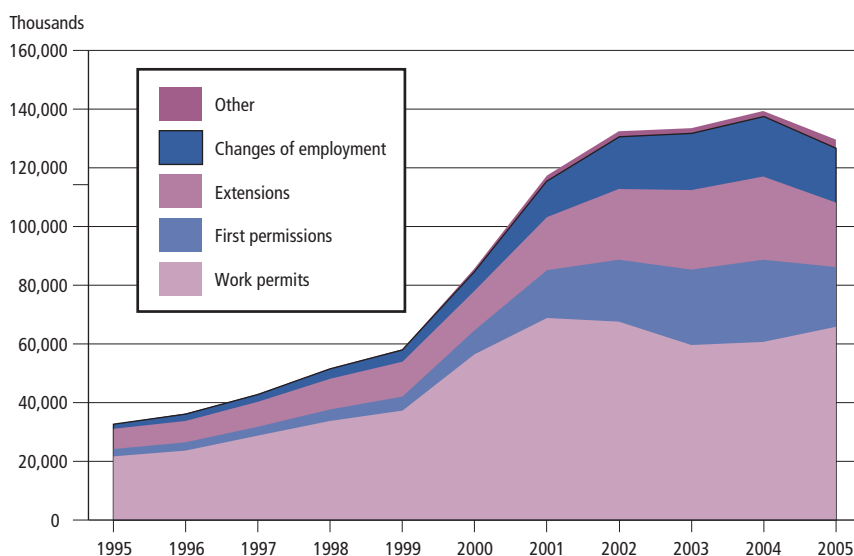
Work permits and first permissions

Total applications and approvals

Over the period 1995 to 2004 total approvals (including work permits, first permissions, extensions, changes of employment, supplementary employment) rose steadily every year from 32,704 to 139,410, an increase of 326 per cent (**Table 8**). This trend was halted in 2005, with a 7 per cent fall to 129,660. The largest annual increase in both applications and approvals was between 2000 and 2001, a consequence of the ICT sector boom (which subsided after 2001) and recruitment of health workers for the NHS. The continued increase until 2004 reflects skill shortages in

Figure 2

Work permit applications approved by type; 1995 to 2005



Source: Work Permits (UK)

Table 8

Work permit applications, approvals and refusals; 1995 to 2005

| | Total | | Work permits | First permissions | Extensions | Changes of employment | Supplementary employment | Other ^a |
|---------------------------------------|---------|----------|--------------|-------------------|------------|-----------------------|--------------------------|--------------------|
| | Number | Per cent | | | | | | |
| Total applications^b | | | | | | | | |
| 1995 | 38,617 | 100.0 | 24,918 | 3,929 | 7,745 | 2,024 | 1 | – |
| 1996 | 41,711 | 100.0 | 26,747 | 4,215 | 7,977 | 2,772 | – | – |
| 1997 | 48,828 | 100.0 | 32,212 | 4,473 | 9,161 | 2,973 | 9 | – |
| 1998 | 58,600 | 100.0 | 37,970 | 5,490 | 11,180 | 3,697 | 263 | – |
| 1999 | 65,959 | 100.0 | 41,922 | 6,514 | 12,728 | 4,369 | 204 | 222 |
| 2000 | 93,552 | 100.0 | 60,677 | 10,625 | 14,121 | 6,968 | 95 | 1,066 |
| 2001 | 129,592 | 100.0 | 75,839 | 19,988 | 18,745 | 12,989 | 5 | 2,026 |
| 2002 | 155,217 | 100.0 | 80,105 | 27,844 | 25,606 | 19,827 | – | 1,835 |
| 2003 | 161,698 | 100.0 | 72,323 | 37,596 | 28,472 | 21,524 | – | 1,783 |
| 2004 | 168,878 | 100.0 | 73,535 | 41,167 | 29,421 | 22,525 | 3 | 2,227 |
| 2005 | 157,953 | 100.0 | 80,374 | 29,920 | 23,296 | 21,024 | – | 3,339 |
| Total applications approved | | | | | | | | |
| 1995 | 32,704 | 84.7 | 21,688 | 2,473 | 6,841 | 1,701 | 1 | – |
| 1996 | 36,132 | 86.6 | 23,596 | 2,849 | 7,297 | 2,390 | – | – |
| 1997 | 42,844 | 87.7 | 28,675 | 3,059 | 8,471 | 2,630 | 9 | – |
| 1998 | 51,612 | 88.1 | 33,658 | 3,906 | 10,441 | 3,359 | 248 | – |
| 1999 | 58,245 | 88.3 | 37,269 | 4,696 | 11,937 | 3,946 | 182 | 215 |
| 2000 | 85,638 | 91.5 | 56,313 | 8,257 | 13,469 | 6,517 | 78 | 1,004 |
| 2001 | 117,388 | 90.6 | 68,785 | 16,359 | 18,019 | 12,291 | 2 | 1,932 |
| 2002 | 132,335 | 85.3 | 67,637 | 20,985 | 24,042 | 17,970 | – | 1,701 |
| 2003 | 133,395 | 82.5 | 59,494 | 25,847 | 27,003 | 19,376 | – | 1,675 |
| 2004 | 139,410 | 82.6 | 60,595 | 28,076 | 28,323 | 20,377 | 3 | 2,036 |
| 2005 | 129,660 | 82.1 | 65,735 | 20,456 | 21,993 | 18,459 | – | 3,017 |
| Total applications refused | | | | | | | | |
| 1995 | 4,811 | 12.5 | 2,610 | 1,280 | 667 | 254 | – | – |
| 1996 | 4,575 | 11.0 | 2,562 | 1,217 | 503 | 293 | – | – |
| 1997 | 4,206 | 8.6 | 2,528 | 1,115 | 378 | 185 | – | – |
| 1998 | 4,601 | 7.9 | 2,799 | 1,213 | 422 | 162 | 5 | – |
| 1999 | 5,215 | 7.9 | 3,051 | 1,467 | 454 | 232 | 10 | 1 |
| 2000 | 5,075 | 5.4 | 2,741 | 1,843 | 317 | 166 | 6 | 2 |
| 2001 | 8,881 | 6.9 | 5,334 | 3,027 | 236 | 267 | 2 | 15 |
| 2002 | 16,716 | 10.8 | 9,540 | 5,721 | 431 | 986 | – | 38 |
| 2003 | 23,506 | 14.5 | 11,095 | 10,529 | 530 | 1,333 | – | 19 |
| 2004 | 25,129 | 14.9 | 11,471 | 11,784 | 510 | 1,311 | – | 53 |
| 2005 | 23,698 | 15.0 | 12,880 | 8,264 | 684 | 1,772 | – | 98 |

Source: Overseas Labour Service/Work Permits (UK)

^a Includes 'Self Certification' and 'In Country Technical Change'.

^b Includes withdrawn and transferred and therefore is greater than the sum of approved and refused alone.

Note:

A8 nationals are included in figures prior to May 2004.

► the medical and other sectors and some recovery in ICT.

Figure 2 shows the breakdown of work permits approved by category. Work permits (issued on behalf of foreign nationals living outside the UK at the time of application) were 54.7 per cent of all issues; first permissions (issued on behalf of foreign nationals living within the UK at the time of application) were 14.2 per cent; extensions (by an employer on behalf of an employee already with a permit) were 17.8 per cent; and changes of employment (from one UK employer to another or for technical changes in occupation) were 12.1 per cent. The first two categories thus represent new work permits and constitute increments to the labour force. The trend from the mid-1990s shows a change of balance between categories. The relative growth of the last three categories meant that in 2004 most approvals (56.5 per cent) were made on behalf of foreign

(non-EEA) nationals who were already in the country. The data for 2005 show a minor reversal in this trend, in that more approvals (52.2 per cent) were made on behalf of people who were outside the country at the time of application.

Work permits and first permissions by nationality

Table 9 shows the breakdown of work permits and first permissions issued in 1995, 2000 and 2005 for selected nationalities. They account for more than three-quarters (79 per cent) of all issues in 2005. The importance of individual nationalities has changed. In 1995 Americans were by far the largest group, with a third of all issues. This dominance had been lost by 2005, their share falling to only 10.7 per cent, the absolute number fluctuating. Similarly, there was a decline in the share of Japanese, second in 1995 with 10 per cent, dropping to eighth in 2005 with only

2.8 per cent, although again absolute numbers were fairly stable. The rankings of both Canada and Russia also fell.

By 2005 easily the largest national group was Indian with 29,261 issues (33.9 per cent), more than double the total of 12,292 (19 per cent) in 2000 and well up on their 1,997 (8.3 per cent) in 1995. Other nationalities notable for large increases in their numbers were Filipinos, South Africans and Chinese.

Work permits and first permissions by industry

Table 10 shows a breakdown of work permits and first permissions approved by industry group. Over the period 2000–05 as a whole, the total number issued was 656,191. In 2005 the top five industry groups were: health and medical services (26.1 per cent); computer services (18.1 per cent); administration, business and managerial services (11.8 per cent); financial services

Table 9

Work permits and first permissions for selected nationalities, 1995, 2000 and 2005

| | 1995 | | 2000 | | 2005 | |
|---------------------------|---------------|--------------|---------------|--------------|---------------|--------------|
| | Number | Per cent | Number | Per cent | Number | Per cent |
| All nationalities | 24,161 | 100.0 | 64,570 | 100.0 | 86,191 | 100.0 |
| India | 1,997 | 8.3 | 12,292 | 19.0 | 29,261 | 33.9 |
| United States | 7,876 | 32.6 | 12,654 | 19.6 | 9,186 | 10.7 |
| Australia and New Zealand | 1,575 | 6.5 | 5,669 | 8.8 | 5,548 | 6.4 |
| Philippines | 66 | 0.3 | 6,772 | 10.5 | 4,650 | 5.4 |
| South Africa | 659 | 2.7 | 4,437 | 6.9 | 4,404 | 5.1 |
| China | 657 | 2.7 | 1,541 | 2.4 | 4,332 | 5.0 |
| Pakistan | 273 | 1.1 | 789 | 1.2 | 2,884 | 3.3 |
| Japan | 2,423 | 10.0 | 2,645 | 4.1 | 2,403 | 2.8 |
| Canada | 923 | 3.8 | 1,921 | 3.0 | 1,885 | 2.2 |
| Malaysia | 296 | 1.2 | 866 | 1.3 | 1,412 | 1.6 |
| Romania | 100 | 0.4 | 376 | 0.6 | 1,060 | 1.2 |
| Russia | 735 | 3.0 | 1,054 | 1.6 | 938 | 1.1 |

Source: Work Permits (UK)

Table 10

Work permits and first permissions granted by industry; 1995, 2000 and 2005

| | 1995 | | 2000 | | 2005 | |
|--|---------------|--------------|---------------|--------------|---------------|--------------|
| | Number | Per cent | Number | Per cent | Number | Per cent |
| Health and medical services | 1,774 | 7.3 | 14,516 | 22.5 | 22,477 | 26.1 |
| Computer services | 1,827 | 7.6 | 12,726 | 19.7 | 15,616 | 18.1 |
| Administration, business and management services | 4,041 | 16.7 | 9,026 | 14.0 | 10,129 | 11.8 |
| Financial services | 3,194 | 13.2 | 6,997 | 10.8 | 6,526 | 7.6 |
| Hospitality, hotels, catering and other services | 320 | 1.3 | 1,751 | 2.7 | 6,494 | 7.5 |
| Education and cultural activities | 1,901 | 7.9 | 3,832 | 5.9 | 6,404 | 7.4 |
| Entertainment and leisure services | 2,919 | 12.1 | 4,235 | 6.6 | 4,260 | 4.9 |
| Manufacturing | 1,987 | 8.2 | 2,747 | 4.3 | 2,970 | 3.4 |
| Construction and land services | 182 | 0.8 | 751 | 1.2 | 2,037 | 2.4 |
| Sporting activities | 544 | 2.3 | 989 | 1.5 | 1,945 | 2.3 |
| Retail and related services | 2,826 | 11.7 | 927 | 1.4 | 1,276 | 1.5 |
| Extraction industries | 424 | 1.8 | 1,044 | 1.6 | 1,086 | 1.3 |
| Law related services | 258 | 1.1 | 881 | 1.4 | 987 | 1.1 |
| Transport | 333 | 1.4 | 780 | 1.2 | 961 | 1.1 |
| Telecommunications | 458 | 1.9 | 2,228 | 3.5 | 858 | 1.0 |
| Government | 46 | 0.2 | 228 | 0.4 | 672 | 0.8 |
| Utilities: gas, electricity, water | 168 | 0.7 | 498 | 0.8 | 492 | 0.6 |
| Agriculture activities | 952 | 3.9 | 267 | 0.4 | 382 | 0.4 |
| Real estate and property services | 5 | 0.0 | 94 | 0.1 | 201 | 0.2 |
| Security and protective services | 2 | 0.0 | 58 | 0.1 | 99 | 0.1 |
| Unconfirmed | – | – | – | – | 319 | 0.4 |
| Total | 24,161 | 100.0 | 64,570 | 100.0 | 86,191 | 100.0 |

Source: Work Permits (UK)

(7.6 per cent); and hospitality, hotels and catering (7.5 per cent).

This is quite a different picture from that of 1995: administration, business and managerial services (16.7 per cent); financial services (13.2 per cent); entertainment and leisure services (12.1 per cent); retail and related services (11.7 per cent); and manufacturing (8.2 per cent). There has been a shift from the traditional domination of commercial-oriented services to the health and ICT sectors in response to the skills shortages in the UK over the last few years. Trends in individual industries have varied. Administration, business and managerial services experienced a

continuous decline in its proportion of the total, as did financial services, and entertainment and leisure services. On the other hand, health and medical services grew strongly and by 2005 was responsible for over a quarter of all issues, its proportion having risen almost fourfold since 1995. Computer services dipped after 2000 but seem to have turned the corner in 2005 (in absolute numbers, if not in proportion), while hospitality has also grown strongly. Nearly three-quarters (71.3 per cent) of all approvals in 2005 were in the five sectors: health, computing, administration etc., financial services and hospitality.

Work permits and first permissions by occupation

Most work permits and first permissions in 2005 were for managerial and professional occupations which, together, accounted for 48,605 approvals, 56.4 per cent of the total. Associate professionals were the next largest group, with 27,838 (32.3 per cent) of approvals. The majority of approvals (52.2 per cent) were for people recruited into three main occupations: nurses and carers (17,129, 19.9 per cent), software professionals (16,822, 19.5 per cent) and managers and proprietors in other service sectors (11,055, 12.8 per cent) (Table 11).

► Aggregate figures for occupations and nationalities hide links between the two. **Table 12** combines occupational and nationality data to demonstrate that migrant workers from different countries tend to specialise in particular occupations. For example, above-average concentrations of Australians can be found among teaching and research professionals and in skilled trades associated with building and construction. Americans tend to be clustered in sales and customer service occupations, in associate professional occupations related to culture, media and sport and related to business and public services, and among managers and senior officials. Japanese have a similar distribution to Americans. The flow of Indians is focused mainly towards professional occupations in science, technology and health. Migrants from the Philippines tend to be concentrated in caring personal service occupations or in associate professional jobs related to health and social welfare, while over half of Nigerians are health and welfare associate professionals. Overall, the data in **Table 12** suggest that there is a substantial degree of selectivity in the operation of the system. Broadly speaking, the more developed countries provide corporate workers, those less developed focus on health workers, while India exceptionally accounts for 60.8 per cent of all science and technology professionals.

Intra-company transfers

These are transfers of staff into and out of the UK by international companies. The number of work permits for this group granted in 2005 was 33,738, 26 per cent of the total. Their importance varied by sector. While 80 per cent of all work permits in ICT and 67.5 per cent of

Table 11

Work permits and first permissions granted by main occupational group; 2005

| SOC 2000 | Number | Per cent |
|---|---------------|--------------|
| Nurses and carers | 17,129 | 19.9 |
| Software professionals | 16,822 | 19.5 |
| Managers and proprietors in other services n.e.c. | 11,055 | 12.8 |
| Business and related associate professionals n.e.c. | 4,123 | 4.8 |
| Chefs, cooks | 3,990 | 4.6 |
| Engineering professionals n.e.c. | 3,948 | 4.6 |
| Biological scientists and biochemists | 2,883 | 3.3 |
| Medical practitioners | 2,620 | 3.0 |
| Secondary education teaching professionals | 2,410 | 2.8 |
| Elementary personal services occupations n.e.c. | 1,568 | 1.8 |
| Care assistants and home carers | 1,348 | 1.6 |
| Chartered and certified accountants | 1,153 | 1.3 |
| Animal care occupations n.e.c. | 1,111 | 1.3 |
| Sports players | 1,056 | 1.2 |
| Actors, entertainers | 1,027 | 1.2 |
| Teaching professionals n.e.c. | 1,019 | 1.2 |
| Total | 86,191 | 100.0 |

Source: *Work Permits (UK)*

Notes:
n.e.c. – not elsewhere classified

those in extractive industries (mining, oil and gas) were intra-company transfers, they accounted for only 1.1 per cent of those in the health sector.

The Worker Registration Scheme (WRS)

With accession of ten new members to the EU in May 2004, the UK was one of only three countries (with Ireland and Sweden) to allow citizens of the eight Central and Eastern European (the A8 group) members more or less unrestricted access to its labour market. A Worker Registration Scheme was introduced whereby A8 citizens were free to take up work with an employer on payment of a £50 (now raised to £70) registration fee with the Home Office; self-employed workers are

not required to register. WRS data may be used as a measure of the numbers of A8 citizens coming to work. However, they give no clue to the duration of stay in the UK and, because they exclude the self-employed, they are an underestimate of those actually taking up work.

In 2005, 194,953 A8 citizens were approved to work upon registration. The majority (61.5 per cent) were Poles, with Lithuanians and Slovaks the next largest groups (**Table 13**). Some indication of the propensity of the different nationalities to come to the UK may be derived from the number of WRS approvals for each sending country expressed as a proportion of national population. This shows that Lithuanians (0.65 per cent), Latvians (0.54 per cent) and Slovaks (0.39

Table 12

International migration: flows of employed migrants; 2000 to 2004

| | Australia | Canada | India | Japan | Malaysia | Nigeria | Pakistan | Philippines | Romania | Russia | S. Africa | USA | Total |
|--|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Number of permits | | | | | | | | | | | | | |
| Managers and senior officials | 1,091 | 429 | 2,831 | 1,015 | 270 | 56 | 313 | 149 | 87 | 170 | 829 | 3,008 | 13,508 |
| Corporate managers | 150 | 67 | 667 | 145 | 15 | 7 | 47 | 6 | 8 | 25 | 77 | 347 | 1,980 |
| Managers and proprietors in agriculture and service | 941 | 362 | 2,164 | 870 | 255 | 49 | 266 | 143 | 79 | 145 | 752 | 2,661 | 11,528 |
| Professional occupations | 1,759 | 842 | 17,053 | 935 | 679 | 441 | 807 | 338 | 182 | 367 | 1,482 | 2,818 | 35,097 |
| Science and technology professionals | 622 | 369 | 14,808 | 770 | 359 | 201 | 284 | 302 | 131 | 256 | 547 | 1,562 | 24,349 |
| Health professionals | 107 | 25 | 1,470 | 6 | 93 | 122 | 267 | 8 | 8 | 3 | 303 | 33 | 3,277 |
| Teaching and research professionals | 703 | 331 | 244 | 85 | 35 | 87 | 768 | 5 | 31 | 56 | 414 | 744 | 4,118 |
| Business and public service professionals | 327 | 117 | 531 | 74 | 192 | 31 | 180 | 23 | 12 | 52 | 218 | 479 | 3,353 |
| Associate professional and technical occupations | 1,196 | 540 | 7,156 | 346 | 215 | 790 | 926 | 3,330 | 383 | 343 | 1,905 | 3,044 | 27,838 |
| Science and technology associate professions | 11 | 5 | 49 | 5 | 8 | 1 | 4 | 1 | 0 | 0 | 20 | 9 | 148 |
| Health and social welfare associate professionals | 606 | 165 | 5,935 | 66 | 88 | 733 | 452 | 3,293 | 296 | 11 | 1,499 | 394 | 18,712 |
| Culture, media and sports occupations | 267 | 209 | 424 | 120 | 8 | 25 | 346 | 6 | 50 | 217 | 190 | 1,611 | 4,712 |
| Business and public service associate professionals | 312 | 161 | 748 | 155 | 111 | 3 | 124 | 30 | 37 | 115 | 196 | 1,030 | 4,266 |
| Administrative and secretarial occupations | 8 | 7 | 16 | 2 | 1 | 0 | 1 | 4 | 8 | 2 | 2 | 15 | 92 |
| Secretarial and related occupations | 8 | 7 | 16 | 2 | 1 | 0 | 1 | 4 | 8 | 2 | 2 | 15 | 92 |
| Skilled trades occupations | 73 | 33 | 924 | 47 | 210 | 8 | 475 | 90 | 243 | 8 | 67 | 69 | 4,535 |
| Skilled metal and electrical trades | 1 | 0 | 5 | 1 | 0 | 0 | 4 | 5 | 0 | 0 | 1 | 6 | 30 |
| Skilled construction and building trades | 40 | 24 | 65 | 11 | 5 | 7 | 20 | 10 | 6 | 5 | 33 | 47 | 398 |
| Textiles, printing and other skilled trades | 32 | 9 | 854 | 35 | 205 | 1 | 451 | 75 | 237 | 3 | 33 | 16 | 4,107 |
| Personal service occupations | 10 | 2 | 512 | 3 | 0 | 5 | 261 | 681 | 82 | 3 | 32 | 1 | 2,576 |
| Caring personal service occupations | 10 | 1 | 512 | 2 | 0 | 5 | 260 | 681 | 82 | 3 | 32 | 0 | 2,568 |
| Leisure and other personal service occupations | 0 | 1 | 0 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 | 8 |
| Sales and customer service occupations | 7 | 5 | 4 | 6 | 0 | 1 | 1 | 0 | 0 | 4 | 7 | 41 | 98 |
| Sales occupations | 7 | 5 | 4 | 6 | 0 | 1 | 1 | 0 | 0 | 4 | 7 | 41 | 98 |
| Process, plant and machine operatives | 8 | 1 | 20 | 5 | 1 | 0 | 7 | 1 | 0 | 1 | 8 | 8 | 116 |
| Transport and mobile machine drivers and operatives | 8 | 1 | 20 | 5 | 1 | 0 | 7 | 1 | 0 | 1 | 8 | 8 | 116 |
| Elementary occupations | 76 | 26 | 745 | 44 | 35 | 6 | 92 | 57 | 75 | 39 | 71 | 184 | 2,321 |
| Elementary trades, plant and storage related occupations | 30 | 7 | 83 | 24 | 10 | 4 | 24 | 29 | 10 | 9 | 27 | 41 | 677 |
| Elementary administration and service occupations | 46 | 19 | 662 | 20 | 25 | 2 | 68 | 28 | 65 | 30 | 44 | 143 | 1,644 |
| All occupations | 4,228 | 1,885 | 29,261 | 2,403 | 1,411 | 1,305 | 2,883 | 4,650 | 1,060 | 937 | 4,403 | 9,188 | 86,191 |
| Proportions of occupation by nationality (Per cent) | | | | | | | | | | | | | |
| Managers and senior officials | 25.8 | 22.8 | 9.7 | 42.2 | 19.1 | 4.3 | 10.9 | 3.2 | 8.2 | 18.1 | 18.8 | 32.7 | 15.7 |
| Corporate managers | 3.5 | 3.6 | 2.3 | 6.0 | 1.1 | 0.5 | 1.6 | 0.1 | 0.8 | 2.7 | 1.7 | 3.8 | 2.3 |
| Managers and proprietors in agriculture and service | 22.3 | 19.2 | 7.4 | 36.2 | 18.1 | 3.8 | 9.2 | 3.1 | 7.5 | 15.5 | 17.1 | 29.0 | 13.4 |
| Professional occupations | 41.6 | 44.7 | 58.3 | 38.9 | 48.1 | 33.8 | 28.0 | 7.3 | 17.2 | 39.2 | 33.7 | 30.7 | 40.7 |
| Science and technology professionals | 14.7 | 19.6 | 50.6 | 32.0 | 25.4 | 15.4 | 9.9 | 6.5 | 12.4 | 27.3 | 12.4 | 17.0 | 28.3 |
| Health professionals | 2.5 | 1.3 | 5.0 | 0.2 | 6.6 | 9.3 | 9.3 | 0.2 | 0.8 | 0.3 | 6.9 | 0.4 | 3.8 |
| Teaching and research professionals | 16.6 | 17.6 | 0.8 | 3.5 | 2.5 | 6.7 | 2.6 | 0.1 | 2.9 | 6.0 | 9.4 | 8.1 | 4.8 |
| Business and public service professionals | 7.7 | 6.2 | 1.8 | 3.1 | 13.6 | 2.4 | 6.2 | 0.5 | 1.1 | 5.5 | 5.0 | 5.2 | 3.9 |
| Associate professional and technical occupations | 28.3 | 28.6 | 24.5 | 14.4 | 15.2 | 60.5 | 32.1 | 71.6 | 36.1 | 36.6 | 43.3 | 33.1 | 32.3 |
| Science and technology associate professions | 0.3 | 0.3 | 0.2 | 0.2 | 0.6 | 0.1 | 0.1 | 0.0 | 0.0 | 0.0 | 0.5 | 0.1 | 0.2 |
| Health and social welfare associate professionals | 14.3 | 8.8 | 20.3 | 2.7 | 6.2 | 56.2 | 15.7 | 70.8 | 27.9 | 1.2 | 34.0 | 4.3 | 21.7 |
| Culture, media and sports occupations | 6.3 | 11.1 | 1.4 | 5.0 | 0.6 | 1.9 | 12.0 | 0.1 | 4.7 | 23.2 | 4.3 | 17.5 | 5.5 |
| Business and public service associate professionals | 7.4 | 8.5 | 2.6 | 6.5 | 7.9 | 2.4 | 4.3 | 0.6 | 3.5 | 12.3 | 4.5 | 11.2 | 5.0 |
| Administrative and secretarial occupations | 0.2 | 0.4 | 0.1 | 0.1 | 0.1 | 0.0 | 0.0 | 0.1 | 0.8 | 0.2 | 0.0 | 0.2 | 0.1 |
| Secretarial and related occupations | 0.2 | 0.4 | 0.1 | 0.1 | 0.1 | 0.0 | 0.0 | 0.1 | 0.8 | 0.2 | 0.0 | 0.2 | 0.1 |
| Skilled trades occupations | 1.7 | 1.8 | 3.2 | 2.0 | 14.9 | 0.6 | 16.5 | 1.9 | 22.9 | 0.9 | 1.5 | 0.8 | 5.3 |
| Skilled metal and electrical trades | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 |
| Skilled construction and building trades | 0.9 | 1.3 | 0.2 | 0.5 | 0.4 | 0.5 | 0.7 | 0.2 | 0.6 | 0.5 | 0.7 | 0.5 | 0.5 |
| Textiles, printing and other skilled trades | 0.8 | 0.5 | 2.9 | 1.5 | 14.5 | 0.1 | 15.6 | 1.6 | 22.4 | 0.3 | 0.7 | 0.2 | 4.8 |
| Personal service occupations | 0.2 | 0.1 | 1.7 | 0.1 | 0.0 | 0.4 | 9.1 | 14.6 | 7.7 | 0.3 | 0.7 | 0.0 | 3.0 |
| Caring personal service occupations | 0.2 | 0.1 | 1.7 | 0.1 | 0.0 | 0.4 | 9.0 | 14.6 | 7.7 | 0.3 | 0.7 | 0.0 | 3.0 |
| Leisure and other personal service occupations | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Sales and customer service occupations | 0.2 | 0.3 | 0.0 | 0.2 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.4 | 0.2 | 0.4 | 0.1 |
| Sales occupations | 0.2 | 0.3 | 0.0 | 0.2 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.4 | 0.2 | 0.4 | 0.1 |
| Process, plant and machine operatives | 0.2 | 0.1 | 0.1 | 0.2 | 0.1 | 0.0 | 0.2 | 0.0 | 0.0 | 0.1 | 0.2 | 0.1 | 0.1 |
| Transport and mobile machine drivers and operatives | 0.2 | 0.1 | 0.1 | 0.2 | 0.1 | 0.0 | 0.2 | 0.0 | 0.0 | 0.1 | 0.2 | 0.1 | 0.1 |
| Elementary occupations | 1.8 | 1.4 | 2.5 | 1.8 | 2.5 | 0.5 | 3.2 | 1.2 | 7.1 | 4.2 | 1.6 | 2.0 | 2.7 |
| Elementary trades, plant and storage related occupations | 0.7 | 0.4 | 0.3 | 1.0 | 0.7 | 0.3 | 0.8 | 0.6 | 0.9 | 1.0 | 0.6 | 0.4 | 0.8 |
| Elementary administration and service occupations | 1.1 | 1.0 | 2.3 | 0.8 | 1.8 | 0.2 | 2.4 | 0.6 | 6.1 | 3.2 | 1.0 | 1.6 | 1.9 |
| All occupations | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Proportions of nationalities by occupation (Per cent) | | | | | | | | | | | | | |
| Managers and senior officials | 8.1 | 3.2 | 21.0 | 7.5 | 2.0 | 0.4 | 2.3 | 1.1 | 0.6 | 1.3 | 6.1 | 22.3 | 10.0 |
| Corporate managers | 7.6 | 3.4 | 33.7 | 7.3 | 0.8 | 0.4 | 2.4 | 0.3 | 0.4 | 1.3 | 3.9 | 17.5 | 10.0 |
| Managers and proprietors in agriculture and service | 8.2 | 3.1 | 18.8 | 7.5 | 2.2 | 0.4 | 2.3 | 1.2 | 0.7 | 1.3 | 6.5 | 23.1 | 10.0 |
| Professional occupations | 5.0 | 2.4 | 48.6 | 2.7 | 1.9 | 1.3 | 2.3 | 1.0 | 0.5 | 1.0 | 4.2 | 8.0 | 10.0 |
| Science and technology professionals | 2.6 | 1.5 | 60.8 | 3.2 | 1.5 | 0.8 | 1.2 | 1.2 | 0.5 | 1.1 | 2.2 | 6.4 | 10.0 |
| Health professionals | 3.3 | 0.8 | 44.9 | 0.2 | 2.8 | 3.7 | 8.1 | 0.2 | 0.2 | 0.1 | 9.2 | 1.0 | 10.0 |
| Teaching and research professionals | 17.1 | 8.0 | 5.9 | 2.1 | 0.8 | 2.1 | 1.8 | 0.1 | 0.8 | 1.4 | 10.1 | 18.1 | 10.0 |
| Business and public service professionals | 9.8 | 3.5 | 15.8 | 2.2 | 5.7 | 0.9 | 5.4 | 0.7 | 0.4 | 1.6 | 6.5 | 14.3 | 10.0 |
| Associate professional and technical occupations | 4.3 | 1.9 | 25.7 | 1.2 | 0.8 | 2.8 | 3.3 | 12.0 | 1.4 | 1.2 | 6.8 | 10.9 | 10.0 |
| Science and technology associate professions | 7.4 | 3.4 | 33.1 | 3.4 | 5.4 | 0.7 | 2.7 | 0.7 | 0.0 | 0.0 | 13.5 | 6.1 | 10.0 |
| Health and social welfare associate professionals | 3.2 | 0.9 | 31.7 | 0.4 | 0.5 | 3.9 | 2.4 | 17.6 | 1.6 | 0.1 | 8.0 | 2.1 | 10.0 |
| Culture, media and sports occupations | 5.7 | 4.4 | 9.0 | 2.5 | 0.2 | 0.5 | 7.3 | 0.1 | 1.1 | 4.6 | 4.0 | 34.2 | 10.0 |
| Business and public service associate professionals | 7.3 | 3.8 | 17.5 | 3.6 | 2.6 | 0.7 | 2.9 | 0.7 | 0.9 | 2.7 | 4.6 | 24.1 | 10.0 |
| Administrative and secretarial occupations | 8.7 | 7.6 | 17.4 | 2.2 | 1.1 | 0.0 | 1.1 | 4.3 | 8.7 | 2.2 | 2.2 | 16.3 | 10.0 |
| Secretarial and related occupations | 8.7 | 7.6 | 17.4 | 2.2 | 1.1 | 0.0 | 1.1 | 4.3 | 8.7 | 2.2 | 2.2 | 16.3 | 10.0 |
| Skilled trades occupations | 1.6 | 0.7 | 20.4 | 1.0 | 4.6 | 0.2 | 10.5 | 2.0 | 5.4 | 0.2 | 1.5 | 1.5 | 10.0 |
| Skilled metal and electrical trades | 3.3 | 0.0 | 16.7 | 3.3 | 0.0 | 0.0 | 13.3 | 16.7 | 0.0 | 0.0 | 3.3 | 20.0 | 10.0 |
| Skilled construction and building trades | 10.1 | 6.0 | 16.3 | 2.8 | 1.3 | 1.8 | 5.0 | 2.5 | 1.5 | 1.3 | 8.3 | 11.8 | 10.0 |
| Textiles, printing and other skilled trades | 0.8 | 0.2 | 20.8 | 0.9 | 5.0 | 0.0 | 11.0 | 1.8 | 5.8 | 0.1 | 0.8 | 0.4 | 10.0 |
| Personal service occupations | 0.4 | 0.1 | 19.9 | 0.1 | 0.0 | 0.2 | 10.1 | 26.4 | 3.2 | 0.1 | 1.2 | 0.0 | 10.0 |
| Caring personal service occupations | 0.4 | 0.0 | 19.9 | 0.1 | 0.0 | 0.2 | 10.1 | 26.5 | 3.2 | 0.1 | 1.2 | 0.0 | 10.0 |
| Leisure and other personal service occupations | 0.0 | 12.5 | 0.0 | 12.5 | 0.0 | 0.0 | 12.5 | 0.0 | 0.0 | 0.0 | 0.0 | 12.5 | 10.0 |
| Sales and customer service occupations | 7.1 | 5.1 | 4.1 | 6.1 | 0.0 | 1.0 | 1.0 | 0.0 | 0.1 | 4.1 | 7.1 | 41.8 | 10.0 |
| Sales occupations | 7.1 | 5.1 | 4.1 | 6.1 | 0.0 | 1.0 | 1.0 | 0.0 | 0.0 | 4.1 | 7.1 | 41.8 | 10.0 |
| Process, plant and machine operatives | 6.9 | 0.9 | 17.2 | 4.3 | 0.9 | 0.0 | 6.0 | 0.9 | 0.0 | 0.9 | 6.9 | 6.9 | 10.0 |
| Transport and mobile machine drivers and operatives | 6.9 | 0.9 | 17.2 | 4.3 | 0.9 | 0.0 | 6.0 | 0.9 | 0.0 | 0.9 | 6.9 | 6.9 | 10.0 |
| Elementary occupations | 3.3 | 1.1 | | | | | | | | | | | |

► per cent) were more prone than Poles (0.31 per cent) to migrate to the UK. These national differences in propensity to come to the UK seem to be closely related to GDP per inhabitant, expressed in Purchasing Power Standards as a proportion of the EU average. There is a statistically significant negative correlation between the proportion of the population registering with the WRS and GDP per inhabitant, although it is recognised that other variables come into play.

Work permits and the WRS

Overall, the work permit system and the WRS are currently bringing in at least 300,000 workers per annum, covering the full range of the occupational spectrum. Although there is some overlap between the skills profile of A8 citizens and non-EEA citizens working in the UK, in general the WRS and the work permit system serve different occupational niches (Table 14).

Most (82 per cent) of those entering the UK from A8 states occupy lower-skilled jobs whereas the majority (89 per cent) of work permit approvals are for people who take up managerial, professional and associate professional or technical positions.

The flow of migrants into the WRS in 2005 was more than two and a quarter times that coming through the work permit system. In consequence, quite small proportions of worker registrations correspond to quite large numbers. For example, in 2005 18,513 managers and senior officials entered the UK labour market via the WRS (9.5 per cent of the total) compared with 13,508 that were approved within the work permit system (15.7 per cent of the total). Thus, the sheer scale of WRS entry means that there

Table 13

Worker Registration Scheme for selected nationalities; 2005

| Nationality | Number | Per cent | Migration propensity ^a |
|--------------|----------------|--------------|-----------------------------------|
| Total | 194,953 | 100.0 | |
| Poland | 119,856 | 61.5 | 0.31 |
| Lithuania | 22,371 | 11.5 | 0.65 |
| Slovakia | 21,115 | 10.8 | 0.39 |
| Latvia | 12,627 | 6.5 | 0.54 |
| Czech Rep | 10,304 | 5.3 | 0.10 |
| Hungary | 6,052 | 3.1 | 0.06 |
| Estonia | 2,469 | 1.3 | 0.18 |
| Slovenia | 158 | 0.1 | 0.00 |
| Other | 1 | 0.0 | – |

Source: *Work Permits (UK)*

^a Calculated as numbers registered in UK as a percentage of the country's population.

Table 14

Worker Registration Scheme, work permits and first permissions by occupational group; 2005

| | WRS | | Work permits and first permissions | |
|--|----------------|--------------|------------------------------------|--------------|
| | Number | Per cent | Number | Per cent |
| Managers and senior officials | 18,513 | 9.5 | 13,508 | 15.7 |
| Professional occupations | 2,246 | 1.2 | 35,097 | 40.7 |
| Associate professional and technical occupations | 12,746 | 6.5 | 27,838 | 32.3 |
| Administrative and secretarial occupations | 2,716 | 1.4 | 92 | 0.1 |
| Skilled trades occupations | 26,103 | 13.4 | 4,535 | 5.3 |
| Personal service occupations | 8,688 | 4.5 | 2,570 | 3.0 |
| Sales and customer service occupations | 6,132 | 3.1 | 99 | 0.1 |
| Process, plant and machine operatives | 58,971 | 30.2 | 39 | 0.0 |
| Elementary occupations | 58,838 | 30.2 | 2,403 | 2.8 |
| Total | 194,953 | 100.0 | 86,191 | 100.0 |

Source: *Home Office/Work Permits (UK)*

is a large absolute highly skilled increment from this source and this may explain in part the dip in work permit numbers in 2005. Expansion of the Highly Skilled Migrant Programme (see below) may also have had some effect. It is too soon to say if this shift heralds a longer-term downturn in work permit

numbers, but there are some signs that it might be more than a passing change.

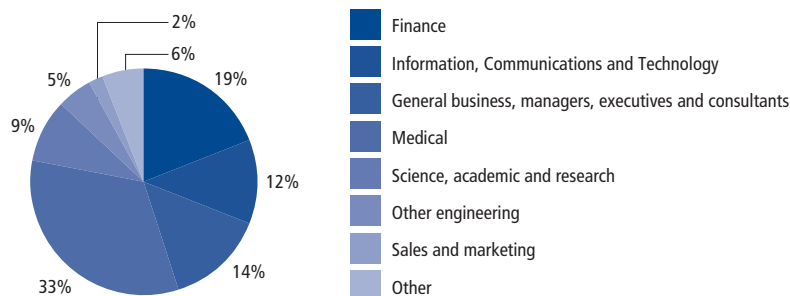
The decline in work permit numbers was particularly marked in two sectors, health and medical services (-15.4 per cent) and hospitality, hotels and catering (-28.2 per cent). In contrast, numbers in

Table 15
Highly Skilled Migrant Programme applications approved by nationality; 2005

| SOC 2000 | 2005 | |
|--------------------|---------------|--------------|
| | Number | Per cent |
| India | 6,716 | 38.1 |
| Pakistan | 2,080 | 11.8 |
| Australia | 1,518 | 8.6 |
| Nigeria | 1,187 | 6.7 |
| South Africa | 861 | 4.9 |
| New Zealand | 847 | 4.8 |
| USA | 619 | 3.5 |
| China | 601 | 3.4 |
| Russian Federation | 279 | 1.6 |
| Sri Lanka | 269 | 1.5 |
| Total | 17,631 | 100.0 |

Source: Work Permits (UK)

Figure 3
Highly Skilled Migrant Programme applications approved by occupational group; 2005



Source: Work Permits (UK)

computer services rose by 11.5 per cent. The reduction in numbers of work permits in the health sector may be attributed in part to the increasing numbers of indigenous nursing and other medical staff coming out of training and seeking employment. It also reflects the slowing down in new funding coming into the National Health Service from central government. There is some circumstantial evidence that the reduction may also

be a consequence of the availability of suitably qualified staff from the A8 countries since May 2004. Some 2,500 of these have taken skilled medical jobs. There is no way of knowing how far these new workers might have displaced other foreigners who would have required work permits but it would be surprising if there had been no effect. Similarly, among the 11,000 A8 nationals who became care assistants, some are likely to have

been in a senior capacity for which a work permit would normally be required. The reduction in number of work permits in the hospitality sector may also be in part attributed to the arrival of A8 citizens, for example, among the 4,800 or so of them who took employment as chefs or the 760 who became hotel, restaurant and other managers.

Other entry schemes
Highly Skilled Migrant Programme (HSMP)

The programme is designed to allow highly skilled people to migrate to the United Kingdom to look for work or self-employment opportunities. In 2005 the number of HSMP approvals increased by 140 per cent on the year before to reach 17,631 (Table 15). While the Programme approved applications from people in over 100 different countries, those from India and Pakistan accounted for half of them, the figure rising to 70 per cent with the inclusion of Australia, Nigeria and South Africa. The programme’s geographical scope is clearly narrow.

The general trend among countries has been towards increasing engagement with the HSMP. The number of Indian highly-skilled migrants, the largest group in 2005 accounting for 38 per cent of the total, had increased by 247 per cent on the previous year. However, between 2004 and 2005 there was a decline in the number from some countries, such as Nigeria (-78.5 per cent) and People’s Republic of China (-53.3 per cent).

In 2005 over three quarters (77 per cent) of all approvals were for people looking to pursue their career in four main occupational categories: medical (33 per cent), financial (19 per cent), business (14 per cent) and information technology (12 per cent) ▶

► (Figure 3). With the exception of finance, the largest proportion of approvals in each occupational category was for Indians, who had above average representation in the medical field (59 per cent) and in information technology (45 per cent). The largest proportion of migrants coming to pursue careers in finance was Australians, who accounted for 19 per cent of approvals in that occupational category.

Working holidaymakers

The Working Holiday Makers Scheme (WHMS) is designed to allow young people from Commonwealth countries to come to the UK for a holiday of up to two years. They are allowed to work for part of their holiday, generally in unskilled or low skilled employment. The scheme brings in a significant, additional, temporary, flexible workforce and allows them to experience life in the UK. Annual numbers have risen from around 23,000 in 1990 peaking at 62,400 in 2004 before falling to 56,560 in 2005. Source countries are dominated by the 'Old Commonwealth', with Australians and

South Africans accounting for two-thirds of them in 2005 (Table 16). Recently, numbers from Ghana, India and Malaysia have risen substantially.

Foreign working holidaymakers are a significant group in the labour market, although it is not possible to know how many of them will be working at any one time. While little is known about the characteristics of working holidaymakers in the UK, it may reasonably be assumed that they are generally well-educated and adaptable. There is no regional breakdown in the statistics for working holidaymakers, nor is it known what jobs they take. It may reasonably be expected that London and other major tourist centres would employ the bulk of them, where they provide a highly flexible element in the service sector. There is a marked lack of information on the drivers of numbers of working holidaymakers and it is not clear why the numbers have fluctuated in recent years. As more inter-governmental agreements are signed their significance may increase. However, the increment of holidaying foreigners in the UK

labour market is counteracted by the emigration of young Britons, especially in 'gap years'.

The Sectors Based Scheme (SBS)

The main work permit scheme was developed to manage the entry of high-level skills into the UK. In contrast, the Sectors Based Scheme (SBS) was introduced in May 2003 to address shortages in lower-skilled occupations. Initial focus was on two sectors of the economy, food processing and hospitality (hotels and catering). It operated on a quota system of 10,000 annually for each sector until May 2004 when the quota was reduced by 25 per cent as a result of the accession of new EU member states. In July 2005 the hospitality sector was withdrawn from the scheme except for extensions and changes of employment. With the advent of the government's new managed migration system, the SBS will be phased out at the end of 2006.

Employers apply for SBS permits on a first come, first served basis. Permits are available where there are

Table 16

Working holidaymakers admitted to the UK, by nationality; 2000, 2004 and 2005

| Nationality | 2000 | | 2004 | | 2005 | |
|--------------|---------------|--------------|---------------|--------------|---------------|--------------|
| | Number | Per cent | Number | Per cent | Number | Per cent |
| Australia | 17,000 | 44.3 | 20,300 | 32.5 | 20,135 | 35.6 |
| Canada | 3,770 | 9.8 | 4,120 | 6.6 | 3,775 | 6.7 |
| Ghana | 220 | 0.6 | 2,800 | 4.5 | 2,495 | 4.4 |
| India | 60 | 0.2 | 2,210 | 3.5 | 2,040 | 3.6 |
| Malaysia | 120 | 0.3 | 1,680 | 2.7 | 600 | 1.1 |
| New Zealand | 6,350 | 16.5 | 5,320 | 8.5 | 5,295 | 9.4 |
| South Africa | 9,570 | 24.9 | 21,100 | 33.8 | 19,155 | 33.9 |
| Other | 1,310 | 3.4 | 4,870 | 7.8 | 3,065 | 5.4 |
| Total | 38,400 | 100.0 | 62,400 | 100.0 | 56,560 | 100.0 |

Source: UK Visas

shortages of resident workers in certain posts which are below NVQ level 3 and are issued for overseas employees aged 18 to 30 to work for up to 12 months. Permit holders are not allowed to bring their spouses or dependants and must leave the country when the permit expires.

During 2003 there were 7,808 SBS approvals, well below the quota set, and over half went into hospitality (Table 17). In 2004 there were 16,864 approvals, almost three-quarters of which were in hospitality and catering. In 2004 there were significant changes in nationality, the result of the accession of the A8 countries whose nationals no longer required SBS approvals. Bangladesh

(catering) was pre-eminent with 43.1 per cent of the total and with no other country having a proportion reaching double figures. By 2005 the number of approvals had fallen to 7,401, with some re-ordering of the top five suppliers. Bangladeshi numbers fell with the decline in hospitality, those from Bulgaria rose, Ukrainian numbers were stable while Romania and India entered the top five source nations (Table 18). Overall, 63 per cent of all SBS approvals in 2005 went to (non-EU) former communist countries in central Europe, the Balkans and the western parts of the USSR. There were also occupational shifts; food processing became relatively more

important as the hospitality sector began to be phased out.

The Seasonal Agricultural Workers Scheme (SAWS)

SAWS originates from immediately after the Second World War to facilitate the movement of young people from across Europe to work in agriculture, in particular as an additional source of labour in peak seasons. Although the numbers of people participating in the scheme have increased over the years, its principles and features have largely remained the same.

Participants are mainly students aged between 18 and 25. The scheme uses operators (currently nine in

Table 17

Sectors Based Scheme work permits approved by main occupation group; 2003 to 2005

| Occupation | 2003 | | 2004 | | 2005 | |
|--------------------------|--------------|--------------|---------------|--------------|--------------|--------------|
| | Number | Per cent | Number | Per cent | Number | Per cent |
| Total | 7,808 | 100.0 | 16,864 | 100.0 | 7,401 | 100.0 |
| Food processing | 1,941 | 24.9 | 4,656 | 27.6 | 4,355 | 58.8 |
| Hospitality and catering | 4,059 | 52.0 | 12,208 | 72.4 | 3,042 | 41.1 |
| Unclassified | 1,808 | 23.2 | 0 | 0.0 | 4 | 0.1 |

Source: Work Permits (UK)

Table 18

Sectors Based Scheme work permits approved for major national groups; 2003 to 2005

| 2003 | | | 2004 | | | 2005 | | |
|--------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|
| Nationality | Number | Per cent | Nationality | Number | Per cent | Nationality | Number | Per cent |
| Total | 7,808 | 100.0 | Total | 16,864 | 100.0 | Total | 7,401 | 100.0 |
| Bangladesh | 1,400 | 17.9 | Bangladesh | 7,270 | 43.1 | Bulgaria | 1,683 | 22.7 |
| Ukraine | 1,061 | 13.6 | Ukraine | 1,654 | 9.8 | Ukraine | 1,282 | 17.3 |
| Poland | 1,003 | 12.8 | Bulgaria | 1,424 | 8.4 | Romania | 884 | 11.9 |
| Slovakia | 620 | 7.9 | Pakistan | 1,214 | 7.2 | India | 644 | 8.7 |
| Bulgaria | 526 | 6.7 | Vietnam | 768 | 4.6 | Pakistan | 620 | 8.4 |

Source: Work Permits (UK)

Table 19

Seasonal Agricultural Workers Scheme work cards issued to major national groups; 2000, 2004 and 2005

| Nationality | 2000 | | 2004 | | 2005 | |
|--------------|---------------|--------------|---------------|--------------|---------------|--------------|
| | Number | Per cent | Number | Per cent | Number | Per cent |
| Total | 10,100 | 100.0 | 19,761 | 100.0 | 15,455 | 100.0 |
| Ukraine | 1,840 | 18.2 | 6,163 | 31.2 | 5,035 | 32.6 |
| Bulgaria | 1,290 | 12.8 | 2,456 | 12.4 | 2,867 | 18.6 |
| Russia | 210 | 2.1 | 2,301 | 11.6 | 2,487 | 16.1 |
| Romania | 310 | 3.1 | 1,040 | 5.3 | 1,871 | 12.1 |
| Belarus | 350 | 3.5 | 2,258 | 11.4 | 1,644 | 10.6 |
| Moldova | 70 | 0.7 | 547 | 2.8 | 1,020 | 6.6 |
| Other | 6,030 | 59.7 | 4,996 | 25.3 | 531 | 3.4 |

Source: Work Permits (UK)

number) who recruit participants, allocate them to farms and ensure they receive the appropriate wages and conditions, including suitable accommodation. Annual quotas are used to manage the numbers of people that may participate in the scheme. Throughout the 1990s the quota was 10,000, rising to 15,200 in 2001 and 25,000 in 2003. As a consequence of the accession of the new EU member states in May 2004, the quota was cut and in 2006 stands at 16,250 places.

This scheme was administered by the Home Office but has now been taken over by WP (UK) which issues work cards. Table 19 shows the fluctuating number of work cards issued during 2000, 2004 and 2005. SAWS is a major route of entry for citizens of those countries of Eastern Europe and the former USSR that are not A8 members – Ukraine being the clear leader with 32.6 per cent of the total. In 2005 the top five providers accounted for 90 per cent of all work cards. Between 2004 and 2005 there was some jockeying for position among the top providers, with more coming from Bulgaria and Russia in 2005 than in 2004,

Table 20

Foreign labour inflows by route of entry; 2005

| | Number | Per cent |
|---|----------------|--------------|
| Worker Registration Scheme ^a | 194,953 | 48.6 |
| Work Permits ^b | 86,191 | 21.5 |
| EU and EFTA ^c | 35,200 | 8.8 |
| Working Holiday Makers ^d | 20,135 | 5.0 |
| Highly Skilled Migrant Programme ^b | 17,631 | 4.4 |
| Seasonal Agricultural Workers Scheme ^b | 15,455 | 3.9 |
| Domestic Servants ^e | 10,100 | 2.5 |
| UK Ancestry ^e | 8,260 | 2.1 |
| Sectors Based Schemes ^b | 7,401 | 1.8 |
| Au Pairs ^e | 2,360 | 0.6 |
| Science and Engineering Graduates Scheme ¹ | 2,699 | 0.7 |
| Ministers of Religion ^e | 530 | 0.1 |
| Total | 400,915 | 100.0 |

Sources:

- a Home Office
- b Work Permits (UK)
- c IPS (latest data are for 2004)
- d UK Visas
- e IRSS admissions

while the trend for Ukrainians and Belarusians was down.

Conclusion

The last decade has been one of major change in foreign labour immigration to the UK. The volume of movement has substantially increased; there have

been shifts in the industrial and occupational pattern and in the importance of different nationalities. New schemes have been introduced, while on the horizon is the roll-out of a new points-based managed migration system that will coalesce existing ones.

What currently exists in the UK is a highly selective system, both occupationally and by nationality. A small number of occupations and sectors account for the lion's share of work permits, although these are not necessarily the same jobs in 2005 as in 1995. One consequence is that the current system and its managed migration successor are likely to be heavily affected by fluctuations in health and ICT recruitment, for example. The work permit system also targets a relatively small number of countries, the rank ordering of which has shifted fundamentally over the last decade or so. Other, more general, schemes provide plenty of evidence of selectivity, notably the WRS and HSMP, where approvals are focused on a relatively

small number of occupations. Specific schemes such as SBS and SAWS are closely targeted; in contrast we know little about the jobs taken by working holidaymakers. There is also selectivity in citizenship. In each scheme the number of countries tapped is considerable but inevitably most approvals go to people from only a handful of sending countries. Which national groups they are varies, although certainly worthy of note is the supply from former communist Europe to the WRS, SBS and SAWS.

Table 20 is an attempt to summarise overall foreign labour immigration in 2004/2005. The 12 routes of entry listed account for just over 400,000 labour immigrants, the

highest officially recorded figure in Europe except for Germany. Almost half of the total is accounted for by those coming under the WRS, more than double the figure under the work permit system and over five times as many as came in from EU(15)/EFTA states. In the absence of equivalent emigration statistics we cannot say how many of these constitute a long-term or permanent addition to the workforce. Nevertheless, the number is considerably higher than similar calculations for 1999 (183,500) and 2002 (245,000), both of which predated the Worker Registration Scheme. As far as we may ascertain, 2005 saw the largest ever entry to the UK of foreign workers.

Acknowledgement

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Note

1 Estonia, Czech Republic, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia.

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Technical note

Data sources

International Passenger Survey

The International Passenger Survey (IPS) is a continuous voluntary sample survey conducted by the Office for National Statistics (and formerly by the Office of Population Censuses and Surveys) which covers the principal air and sea routes between the UK and overseas. Until 1999 the IPS did not cover routes between the UK and the Irish Republic. Previously flows between the two countries were estimated using other sources. It is the only demographic source, giving both immigration and emigration statistics: thus it has considerable value.

Most of those surveyed are short-term travellers, but a sub-sample of 'migrants' is identified. A migrant into the UK is a person who has resided abroad for a year or more and on entering has declared the intention to stay in the UK for a year or more. A migrant from the UK is a person who has resided in the UK for a year or more and on leaving has declared the intention to reside abroad for a year or more. These definitions are coincidental with those of the United Nations.

Data are available on citizenship, country of origin, destination region, age, sex, and occupational status. Unfortunately, the sample size of 'migrants' is small, around 3,500 in all. Hence, most cross-tabulations of particular variables, such as country of origin or region of destination with individual characteristics, need to be treated with care because the standard errors may be high. Thus its use as an indicator of the detailed characteristics of migrants is limited. Also, its definition is based on intention to stay, and there is no guarantee that those recorded as migrants do actually come or go for the specified period. There is a breakdown into those who are in the labour force and those who are not: the former are subdivided into two groups: professional and managerial workers and manual and clerical workers.

Immigration data from the IPS are adjusted to take account of those whose intentions change so that they stay longer than initially recorded when they arrive. These are referred to as 'switchers' and include some asylum seekers, students and others.

Labour Force Survey

The Labour Force Survey (LFS) is a sample survey of households living at private addresses in the United Kingdom. Its main purpose is to provide information on the UK labour market. It is the key source for data on stocks of international in-migrants resident in the UK, since it collects information on country of birth, nationality, year of arrival and where the respondent was living 12 months ago. It was first conducted in 1973, was biennial until 1983 and has been annual since 1984.

The number of foreign citizens contacted in the survey is around 2,720.

The application of grossing factors means that one sample interviewee is aggregated up to about 450 people in total. Data are available on nationality, age, sex, occupation, industry, region of destination and ethnicity. With the exception of ethnicity, most of the tables relating to international migration are unpublished.

The LFS provides transition data on immigrants to the UK, by asking for address one year ago. It does not provide flow data. Because of small sample size, breakdowns showing the characteristics of individual nationalities are rarely possible. For only the major national groups (such as Irish) are total numbers of immigrants available.

Work permits

The employment of people who are subject to immigration control is regulated by the granting of work permits from the Home Office's Work Permits (UK). Under the 1971 Immigration Act a work permit is granted to a specific employer for a named person for a specific job.

A work permit must be obtained for all foreign nationals who are not EEA citizens and who wish to work in the UK, unless they enter on another work-related scheme or have some other status (such as student) where some work is allowed. Data on work permits issued (as used in this article) should not be confused with Home Office entry clearance data on work permit holders who actually arrive in the UK.

Not requiring Work Permits (UK) approval are certain permit-free categories (e.g. clergy), working holidaymakers (young Commonwealth citizens between 17 and 27), and dependants of work permit holders. These miscellaneous groups may, in fact, be quite significant in the short-term labour market.

Permits are issued for varying periods, but effectively they are either short-term (under one year) or long-term (one year or more). Most short-term permits go to entertainers and sportspeople, most long-term permits to managerial and professional staff. However, this might be changing (for example, some information technology workers come for short periods to work with clients). Work permit data are not routinely published; unpublished data are available by nationality, occupation, and industrial group.

There are six categories of work permit application, the first four of which below are significant.

1. Work Permit – a permit granted to an employer on behalf of a non-EEA foreign worker, living outside the UK at the time of application, whom the employer wishes to employ. Assuming the employer and worker application meets the requirements set out by Work Permits (UK), the work permit is granted for that worker to enter the country to work for that employer, in the

Technical note

particular job specified in the application for a set period of time. If there are any changes to the job, the employer must notify Work Permits (UK).

2. First Permission – this is similar to the work permit but is granted for foreign workers who are already living in the UK who do not already have a permit to work.
3. In country extension – application from an employer who wishes to extend the employment of an individual currently working for them in the UK.
4. In country change of employment – application from an employer who wishes to employ an individual already in the UK who originally entered with a work permit for a different employer or who wishes to engage an individual in other work for the same employer.
5. In country technical change – applications from employers who wish to continue to engage an individual in the same job, but where minor details have changed,

such as the address the individual is working at, or if the individual or the employer has changed their name.

6. Work permit extension – extension applications from employers to extend the employment of an individual who is out of the UK at the time the application is considered.

National Insurance

The data produced by the Department for Work and Pensions have their origin in EU Regulations during the 1970s designed to collect homogeneous statistics on foreign workers using social security records. They are based on the issue to all new workers, including those from overseas, of a National Insurance number. They include information on age, sex, region of residence and nationality. Statistics are presented on an April to March annual basis. A relatively small number of NINOs are for social security benefits and tax credits.