Costs and Benefits of Labour Mobility between the EU and the Eastern Partnership Partner Countries

Country report: United Kingdom

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ENPI - Costs and Benefits of Labour Mobility between the EU and the Eastern Partnership Partner Countries

UK COUNTRY STUDY

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List of Acronyms

APS – Annual Population Survey

EaP – Eastern Partnership

EEA – European Economic Area

GDP – Gross Domestic Product

ITC – Information and Communications Technology

LFS – Labour Force Survey

MAC – Migration Advisory Committee

ONS – Office for National Statistics

NINo – Overseas Nationals

PBS – Points Based System

SAWS – Seasonal Agricultural Workers Scheme

SBS – Sector Based Schemes

SOC – Standard Occupation Classification (SOC)

STEM – Science, Technology, Engineering and Mathematics

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Summary

Although inflows of migrant workers from Eastern Partnership (EaP) countries to the United Kingdom were relatively large in the mid-2000s – especially Ukrainians – these have fallen following changes made to UK immigration policy.[1] These changes principally relate to a refocusing of the Seasonal Agricultural Workers Scheme (SAWS) and Sector Based Schemes (SBS) and the introduction of the Points Based System (PBS) in 2008. Although the SAWS and SBS only provide temporary or seasonal employment in agricultural and related sectors, the restriction of these schemes to just Bulgarian and Romanian migrants has limited opportunities for young migrant workers from EaP countries.

The volume of migrants given leave to enter the United Kingdom via the employment route has also fallen since the introduction of the PBS. For example, the total number of non-European Economic Area (EEA) migrants entering the United Kingdom through the employment route fell from 204,000 in 2007 to 163,000 in 2010. This has produced increased competition amongst potential migrants from outside the EEA for employment in occupations where there are shortages in the United Kingdom. The recent changes to migration policy, in addition to other factors such as the recession, have resulted in a reduction in the percentage of non-EEA migrant workers from EaP countries in the United Kingdom falling from 4.5 per cent in 2005 to 0.7 per cent in 2010.

As a result of the relatively small migration flows from EaP countries, the stock of migrants from EaP countries resident in the United Kingdom is low in comparison to migrants from other European countries. This is especially the case in relation to migrants from the new member states that joined the European Union in 2004 (EUA8 migrants).[2] Although an accurate estimate of the number of migrants from EaP countries who are resident in the United Kingdom will not be available until results from the 2011 Census are published, information from other sources, such as the Annual Population Survey, indicates that there are fewer

[1] EaP countries consist of Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine.
[2] The EUA8 group of countries is made up of the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia.

than 30,000 residents who were born in EaP countries in the United Kingdom. This figure is larger than the estimate provided by the 2001 Census but small in comparison to migrants from many other countries. In particular, no EaP is ranked in the top 60 countries with the highest estimated number of migrants in the United Kingdom.

The demographic characteristics of migrants from EaP countries tend to lie somewhere between those of EUA8 migrants and other groups of European migrants living in the United Kingdom. This is because EUA8 migrants, and to a lesser extent those from EaP countries, are younger, since they are dominated by later cohorts of arrivals. Data from the National Insurance Number Registrations made by Overseas Nationals (NINo) database and the Labour Force Survey (LFS) indicate that, in addition to the relatively young age profile of migrants from EaP countries, there is a higher proportion of women amongst recent migrants from these countries and they tend to concentrate in London. Both of these observations may be partly explained by structural factors given the increased importance of service sector occupations in the United Kingdom and the role of London as a major financial centre. LFS data also indicate that migrants from EaP countries are relatively highly educated (as measured by the age that the individual leaves full-time education) in comparison to migrants from other parts of Europe, especially from European Union member states. This feature could become even more noticeable in future years because of the weight given to human capital considerations in the PBS for migrants from non-EEA countries.

Although employment (unemployment) rates are lower (higher) for migrants from EaP countries, they have fairly similar occupational attainment to other European migrants. However, migrants from EaP countries possess high average levels of education, which indicates that a high percentage of migrant workers from EaP countries are not employed in occupations that match their education. Further inspection of education and occupational data in the LFS suggests that the degree of mismatch experienced by migrant workers from EaP countries does not appear to be as large as it is for those from the EUA8. There are also differences by sector of employment, with the industrial distribution of migrant workers from EaP countries being more similar to migrants from other parts

of Europe than it is to EUA8 migrants. In particular, EUA8 migrants are relatively heavily concentrated in business services and finance and a comparatively low proportion in production and manufacturing sectors. Retail and hospitality sectors are important employers for migrants from EaP countries, as they are for other European migrants.

A review of the literature on the economic and social impact of immigration in the United Kingdom suggests that, overall, there have been no major negative economic consequences from immigration. However, there have been some distributional effects. In addition to an economic impact, it has been argued that immigration to the United Kingdom has been associated with some social implications – such as increased pressure on the delivery of public services in particular areas. Therefore, there may be economic benefits from liberalising migration flows from EaP countries, with some limited negative labour market consequences for natives and possibly some adverse congestion costs, especially with regards to local public services if migrants were to concentrate within certain parts of the United Kingdom. Even though the aggregate level of unemployment in the United Kingdom is currently high, with around 2.5 million people out of work, there are still skill shortages.

Every six months, the Migration Advisory Committee (MAC) publishes a list of occupations with shortages which can be filled by migrants from outside the EEA. The current list contains 34 four-digit occupational codes, around a half of which would be expected to require scientific or technical qualifications. The remaining occupations cover a more diverse set of areas, including health and social work, arts and design, and skilled manual jobs.

To conclude, despite there being scope for increased migration from EaP countries to help fill skill gaps, it seems very unlikely that the United Kingdom will allow large numbers of migrants from EaP countries to enter in the near future. This is because of the continued sluggish performance of the UK economy and the generally negative attitudes towards (increased) immigration displayed by political parties and the current government, as well as by the general public. The percentage of non-EEA migrants accounted for by EaP

countries could increase through focusing increased attention on the shortage occupation list published by the MAC.

Introduction

The United Kingdom has a long history of receiving large numbers of migrant workers. In particular, successive cohorts of immigrants from former Commonwealth colonies, especially in the West Indies and the Indian sub-continent, started arriving at the end of the 1940s (Hatton and Wheatley Price, 2005). Many of these migrant workers took up positions in sectors experiencing labour shortages, such as transport, the National Health Service and other public services, and self-employment was also an important form of activity for some of the migrant groups (Clark and Drinkwater, 1998). Over the last decade, however, the United Kingdom has also become one of the main destination countries for immigrants from various parts of Europe. For example, data on National Insurance Numbers issued to overseas nationals (NINos) indicate that there was a five-fold increase in the number of "new" immigrant workers arriving in the United Kingdom from European countries between 2002 and 2007, rising from around 103,000 to over 500,000.[3] As a result, the percentage of NINo registrations made by Europeans almost doubled, rising from 33 per cent to 63 per cent over this period.[4] Much of this increase can be explained by the migration that followed the enlargement of the European Union in May 2004, since the United Kingdom was one of only three member states at the time to open their border to migrant workers from the new member states in Central and Eastern Europe.[5] Although the number of NINo registrations made by Europeans has fallen since the start of the recession, it stood at 342,000 in 2010 and continued to account for over a half of the total NINo registrations made in the United Kingdom that year.

In addition to the migration flows that have followed enlargement of the European Union, there have also been important changes over the last decade in policy in the United Kingdom towards immigrants from outside the European

[3] NINo registrations should provide a relative accurate indication of the number of migrant workers coming to work in the UK for the first time since they are obtained from an administrative database maintained by the Department for Work and Pensions. Further information on this data source is provided later in Sections 1 and 2.

[4] In contrast, the percentage of NINo registrations accounted for by individuals from Asia and the Middle East fell from 32 per cent to 20 per cent over the same period, whilst the percentage of registrations accounted for by Africans declined from 19 per cent to 8 per cent.

[5] EUA8 migrant workers were required to register on the Worker Registration Scheme within one month of taking up employment in the UK. However, it is estimated that a fairly high percentage of workers who should have registered failed to do so. See Drinkwater *et al.* (2009) for details. Much tighter restrictions were put in place for Bulgarian and Romanian migrants wishing to work in the UK, after these countries joined the European Union in 2007.

Economic Area (EEA). In particular, the overall thrust of immigration policy in the United Kingdom since 2005 has been to restrict entry by non-EEA workers to skilled occupations. The main change was the introduction of the Points Based System (PBS), which began in 2008 to regulate inflows of immigrant workers from outside the EEA. The PBS consolidated in excess of 80 work and study routes into the United Kingdom, which included the Highly Skilled Migrant Programme and Work Permits, into five main tiers and replaced the previous system of immigration (Devitt, 2012). These five tiers relate to highly skilled migrants, medium and highly skilled migrants with a job offer, quota based low-skilled schemes to fill temporary labour shortages, students and youth mobility and temporary workers.

Changes have also occurred to two low-skilled schemes, which lie outside the PBS. These are the Seasonal Agricultural Workers Scheme (SAWS) and the Sector Based Schemes (SBS). These are now targeted exclusively at Bulgarian and Romanian nationals and allow them to enter the United Kingdom for up to six months to work in the agricultural sector: planting, harvesting or processing food and handling livestock. A strict quota of permits is issued each year – the quota was just over 20,000 in 2011. However, prior to the accession of Bulgaria and Romania to the European Union in 2007, these schemes had been open to migrants from other countries. Large numbers of Ukrainians, Belarusians and Moldovans were employed on these schemes in the mid-2000s, especially on the SAWS.[6] For example, Salt (2009) reports that Ukrainians accounted for 33 per cent of the 16,127 workers on the SAWS and 38 per cent of the 3,586 workers on the SBS in 2006. In 2004, there were 2,258 workers from Belarus registered on the SAWS and more than 1,000 Moldovans were on the same scheme in each year between 2005 and 2007. Therefore, the changes in immigration policy that have occurred in the United Kingdom over the last decade are of particular importance to Eastern Partnership (EaP) countries because potential migrant workers to the United Kingdom from these countries are not able to benefit from the freedom of movement enjoyed by individuals from the European Union, including from the member states that joined in 2004 and neither can younger migrants from EaP countries now enter the United Kingdom on the

[6] In 2007, the overall quota for the SAWS was 16,250. Of this amount, 40 per cent was reserved for Bulgarians and Romanians and the remaining 60 per cent was filled by students from non-EEA countries. The SAWS and SBS became reserved just for workers from Bulgaria and Romania from January 2008. Salt (2009) reports that there were a small number of workers from Ukraine (61) and Moldova (9) on the SAWS in 2008. This compared with 10,850 Bulgarians and 5,674 Romanians in that year.

SAWS or SBS. In addition to impacting on the size of migration flows from EaP countries, these policy changes are likely to have had an effect on the composition of migrant workers. For example, migration flows from EaP countries are likely to have become less dominated by the youngest age groups and biased more towards women and highly educated individuals. An examination of the characteristics of migrants from EaP countries to the United Kingdom, including in comparison to those of other migrant groups, is undertaken in Sections 1 and 2.

The changes in migration flows and in immigration policy should also be considered with reference to the United Kingdom's economy, which was in a healthy position from 2000 up until 2007. This period produced average growth rates of 2.75 per cent per annum and annual unemployment rates of around 5 per cent. However, since the start of the global financial crisis in late 2007, the economy has deteriorated considerably. The United Kingdom was officially in recession in 2008 and 2009, with Gross Domestic Product (GDP) falling by around 6 per cent (Gregg and Wadsworth, 2010).[7] As a result of the poor state of the economy, unemployment has increased and currently stands at around 8 per cent. Very high levels of youth unemployment are a major concern (Blanchflower and Bell, 2010), with the unemployment rate for 16 and 17 year olds currently at almost 40 per cent, and that for 18-24 year olds at 20 per cent. Given that immigrants are thought to compete with younger native-born workers for jobs and that employment levels amongst immigrants have continued to rise – while falling for the native-born (ONS, 2012) – then public attitudes towards immigration in the United Kingdom tend to be quite negative. For example, Blinder (2011) reports evidence from cross-national survey data (*Transatlantic Trends 2010*) to suggest that people from the United Kingdom have more negative views towards immigrants than people from other Western countries. In particular, the percentage of respondents reporting that "there are too many immigrants" and "immigration is more a problem than an opportunity" was higher in the United Kingdom than it was in France, Germany, Italy, Spain and the United States. Furthermore, there is now greater opposition to immigration amongst political parties in the United Kingdom, demonstrated by the coalition government's commitment to reduce net migration from hundreds of thousands to "tens of thousands". Taken together, the prospect of

[7] The Office for National Statistics (ONS) has recently reported (in April 2012) that the UK economy is again technically in recession, since GDP has fallen in two successive quarters: the last quarter of 2011 and first quarter of 2012.

allowing large numbers of non-EEA immigrants to enter the United Kingdom seems highly unlikely, despite the fact that there are still certain skill shortages.

This country study is organised in the following manner. The next section contains a discussion of recent inflows of migrant workers from EaP countries to the United Kingdom, along with some information on the stocks of migrants from these countries. Section 2 focuses on the demographic characteristics of migrants from EaP countries, mainly using the Labour Force Survey (LFS). The use of this dataset also enables similar information to be provided on comparison groups of migrants in the United Kingdom. Section 3 again uses LFS data to examine the labour market characteristics of the same groups that are analysed in Section 2. A labour market impact assessment is undertaken in Section 4 by firstly discussing issues connected to the implications of migration flows to the United Kingdom as well as on the current skill needs of the United Kingdom's labour market. Some concluding comments can then be found in the final section. As well as reviewing the relevant literature, this study also undertakes statistical analysis of secondary data. Data analysis has been undertaken on administrative data published by the Home Office and Department of Work and Pensions as well as on census and survey data from the Office for National Statistics. In addition, microdata have also been examined in order to obtain more detailed findings on the socio-economic characteristics and outcomes of different migrant groups in the United Kingdom. Moreover, the requirement for an adequate number of observations for the different migrant groups has necessitated the merging together of a fairly long sequence of microdata files.

1. Flows of Migrants from EaP Countries to the United Kingdom and Migrant Stocks

Inflows of migrants from EaP countries are mainly examined using administrative data published by the Home Office. The data identify passengers given leave to enter for several different reasons: employment, study, family and other. Information is available on these categories between 2004 and 2010. The main focus is on individuals given leave to enter the United Kingdom for employment purposes but aggregate information on all passengers arriving from the six EaP countries is reported in Table A1 in the Appendix. Table A1 also shows the total number of passengers from all EaP countries and the bottom row expresses this figure as percentage of total passengers. The table suggests that although the total number of

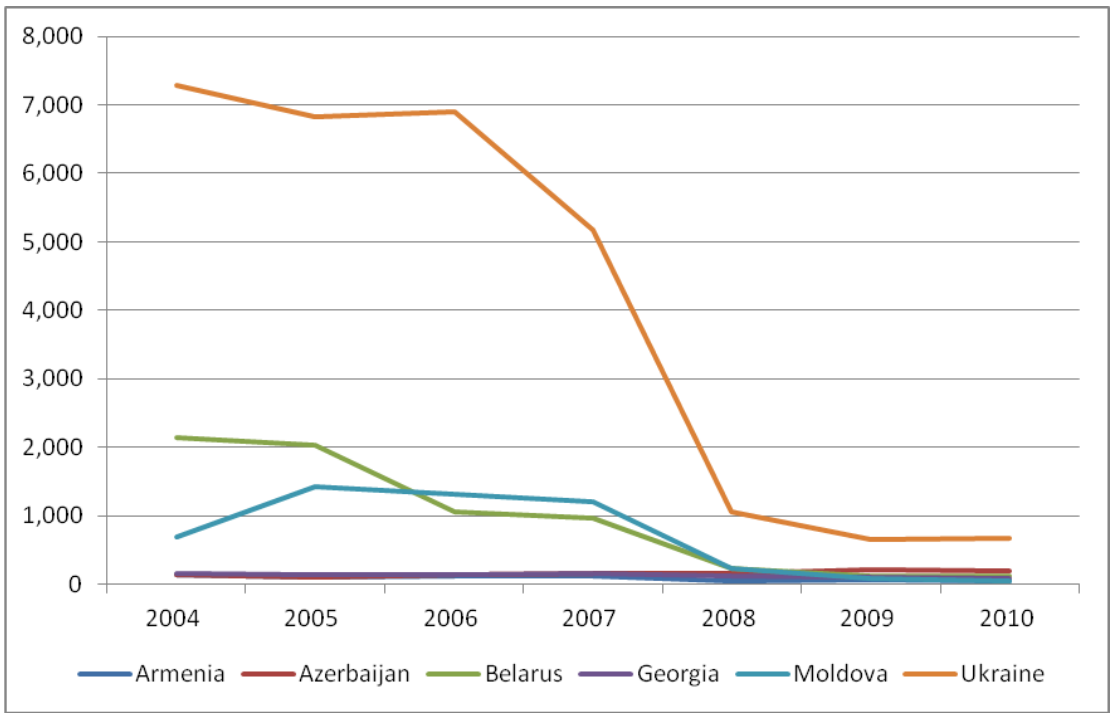
passengers to the United Kingdom from EaP countries has increased by over a third between 2004 and 2010, they only account for a very small proportion of total passengers to the United Kingdom. In 2004, only 0.7 per cent of passengers of all nationalities came from EaP countries, rising to 1.0 per cent in 2010. Around 60 per cent of EaP passengers in each year came from the Ukraine, with around 15 per cent from Belarus and around 9 per cent from Azerbaijan.

The breakdown in the number of passengers into its four constituent categories is shown in Table A2 in the Appendix for EaP countries and for all nationalities. However, the vast majority of passengers to the United Kingdom are in the "Other" category. This category mainly consists of "visitors", and includes both ordinary and business visitors, as well as people returning from a temporary absence abroad and passengers in transit. Following the "Other" category, employment is the next most important category for passengers given leave to enter the United Kingdom for individuals from EaP countries. However, the numbers entering via this route have fallen for this group of countries, especially since 2007. In contrast, the number of people entering the United Kingdom via the study route has increased by over 1,000 since 2005 but EaP countries still only account for less than 1 per cent of the total number of student visas issued. The family category is the smallest, with only a total of 435 individuals from EaP countries entering the United Kingdom on this type of visa in 2010.

Figure 1 clearly shows the trend in the numbers of migrants from EaP countries entering the United Kingdom through the employment route between 2004 and 2010. The large falls in the volume of migrant workers arriving from the Ukraine is particularly noticeable after 2006. The change between 2007 and 2008 was especially large, since employment visas issued to Ukrainians fell from over 5,000 to just above 1,000. Workers given leave to enter from Belarus and Moldova also showed a sharp decline after 2007. The most important factor in explaining the falling numbers arriving in the United Kingdom from these countries appears to be the reduction in employment on the SAWS. It may also be partly explained by the changes brought about after the introduction of the PBS as well as the recession. The role of these influences will be discussed with reference to the following tables. Changes in the number of employment visas issued to Armenian, Azerbaijani and Georgian nationals are much smaller because the levels at the start of the period were far lower. Table A2 does, however, show these changes and indicates that the number

migrants from Armenia and Georgia entering the United Kingdom via the employment route fell by more than half between 2004 and 2010, but there has been an increase amongst Azerbaijani migrants. For example, 100 employment visas were issued to Azerbaijani migrants in 2005 but this rose to 220 in 2009 before falling back to 195 in 2010.

Figure 1:Individuals Given Leave to Enter the United Kingdom via the Employment Route from EaP Countries, 2004-10



Source: Home Office.

The changes in the number of people entering through the employment route can be further investigated by splitting the work category into pre- and post-PBS periods and also into different types of work categories. Table 1 reports information in the pre-PBS period (2004-2007) and shows that the number of work permits issued in 2007 declined sharply, especially to Ukrainians since only around half the amount were issued in this year compared to 2005. However, there is also a fall of around 1,000 in the number of Ukrainians in the other category in 2007, which is the result of the changes in terms of eligibility made to the SAWS and SBS. Large falls in this category are also observed for Belarusians, with a decline of over 1,000 (63 per cent) in 2007 compared to 2004. In contrast, the number of Moldovans in the "other"

category remained fairly constant between 2005 and 2007, following the large rise seen between 2004 and 2005.[8]

Table 1: Employment Entrants from EaP Countries to the United Kingdom in the Pre-PBS Period by Category

	Work Permits				Other				Employment: Dependents			
	2004	2005	2006	2007	2004	2005	2006	2007	2004	2005	2006	2007
Armenia	120	75	40	55	10	25	75	55	15	5	10	10
Azerbaijan	80	60	70	70	25	15	35	50	40	25	25	30
Belarus	400	535	185	295	1,700	1,450	815	625	40	50	50	50
Georgia	70	35	40	35	85	100	100	95	5	10	5	20
Moldova	415	545	375	260	265	845	910	900	10	20	25	35
Ukraine	2,100	2,120	1,950	1,150	5,040	4,505	4,740	3,820	140	200	215	210
All EaP countries	3,185	3,370	2,660	1,865	7,125	6,940	6,675	5,545	250	310	330	355

Source: Home Office.

Notes: Cells with fewer than 1,000 observations have been rounded to the nearest 5 and numbers greater than 1,000 rounded to three significant figures. Therefore, totals may not add due to rounding. Other work categories include persons entering the United Kingdom in the following pre-PBS categories: ministers of religion; postgraduate doctors or dentists; working holidaymakers; seasonal agricultural workers; diplomats, consular officers or persons in foreign and Commonwealth government missions; nurses - supervised practice; investors; Highly Skilled Migrant Programme; and au pairs.

Information on EaP migrant workers entering the United Kingdom in the PBS period (2008-2010) is shown in Table 2. This splits migrants entering via the employment route into three broad groups: the PBS categories, the pre-PBS categories and dependents (which combines those entering both through the pre-PBS and PBS routes). Employment entrants from EaP countries continued to arrive in the United Kingdom through pre-PBS categories in 2008, although the numbers were far lower than in the pre-PBS period since only 1,545 migrants from EaP countries entered in 2008, compared to more than 9,000 in 2007 - as indicated in Table 1. Only 30 migrants from EaP countries came through the PBS routes in 2008 but this rose to 815 in 2010, with Ukrainians accounting for over 60 per cent of this figure.

[8] These figures are consistent with those reported for the SAWS and SBS by Salt (2009).

Table 2: Employment Entrants from EaP countries to the United Kingdom in the PBS Period by Category

	PBS Categories			Pre-PBS and Non-PBS Categories			Dependents: Employment and PBS		
	2008	**2009**	**2010**	**2008**	**2009**	**2010**	**2008**	**2009**	**2010**
Armenia	*	20	30	35	35	*	15	10	10
Azerbaijan	5	80	125	115	90	40	40	50	25
Belarus	5	60	75	180	40	15	40	30	30
Georgia	*	55	40	90	35	30	20	15	5
Moldova	0	25	35	215	50	15	10	20	0
Ukraine	20	325	510	910	205	55	135	125	110
All EaP countries	30	565	815	1,545	455	155	260	250	180

Source: Home Office.

Notes: * dentoes that the cell contains 1 or 2 observations. See also notes to Table 1.

Further information on migrant workers from EaP countries who entered the United Kingdom in the pre-PBS and PBS periods is presented in Tables A3 and A4 of the Appendix. Table A3 shows that work permits were still fairly important in 2008, especially for Ukrainians but declined rapidly in the two subsequent years and very few were issued in 2010, since fewer than 15 migrant workers from EaP countries entered on work permits. The table also reveals that the majority of dependents entering in this period via employment did not come through the PBS route. The reduction in the amount of entrants from EaP countries through other pre-PBS employment routes in 2008 to 2010 was particularly noticeable compared to previous years since these totalled fewer than 250 in each of the three years, whereas Table 1 indicates that the equivalent number for 2004 had been over 7,000 and was still over 5,500 in 2007. This again demonstrates how the changes made to the SAWS and SBS have affected the number of migrant workers from EaP countries entering the United Kingdom.

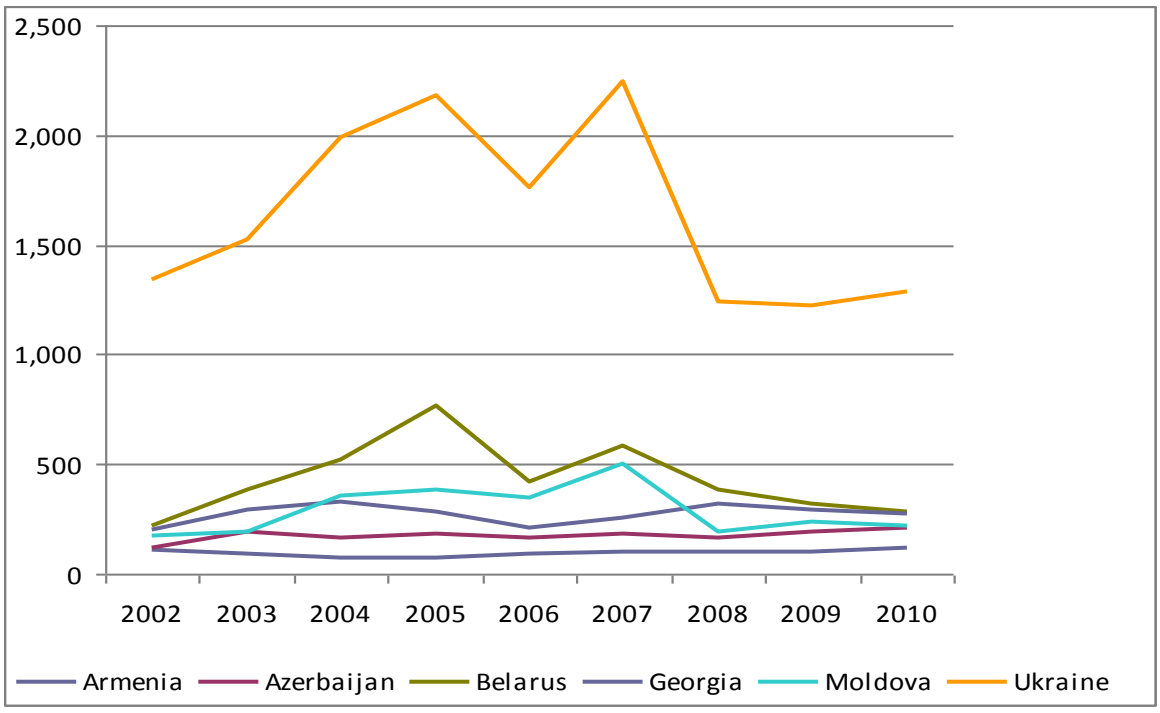
Table A4 presents details on employment entrants from EaP countries in the PBS period for the PBS work categories. Tier 2 (skilled workers) is the main employment route into the United Kingdom for EaP migrants and, to satisfy the points requirement, prospective employees from EaP countries had to demonstrate that they were suitably skilled, had adequate funds to maintain themselves and could speak English to the required standard (equivalent to level B1 on the Common European Framework of Reference). In addition, they would require sponsorship by a employer in the United Kingdom, which would include stipulations on the employer to ensure that the occupation was on the list of shortage occupations and that appropriate opportunities had been given to workers from the European Union to apply for the job in question. Tier 1 is for "high-value" migrants and the requirements for entry through this route have gradually been tightened since the PBS was introduced. At present, only those deemed to have "exceptional talent" or who have over £1 million to invest in the United Kingdom or who are entrepreneurs are able to enter via this channel. Tier 5 is currently for temporary workers in particular areas such as creative and sporting professions or religious and charity workers.

Table A4 shows that very few migrant workers from EaP countries entered via the new tiers in 2008 but this rose in 2009 and 2010. This was particularly the case for Tier 2 workers, since the number of Tier 1 entrants fell back slightly in 2010 compared to 2009. Around half of Tier 1 and 2 entrants in each year were Ukrainian, although the number of Azerbaijani migrant workers entering through these routes in 2009 and 2010 was also relatively high. Migration through the Tier 5 (temporary migration) route also increased in 2009 and 2010, and was again concentrated amongst Ukrainians. However, it is very small in comparison to other employment category in the pre-PBS period.

Flow data on migrants to the United Kingdom are also available from the NINo database, maintained by the Department of Work and Pensions. This again is an administrative database which contains information on overseas nationals registering for a national insurance number in the United Kingdom. The majority of the individuals in this database have already taken up or are about to take up employment in the United Kingdom, but it does also contain people claiming certain benefits. This should, therefore, represent a relatively accurate record of new migrant workers entering the United Kingdom for the first time (Drinkwater *et al.*, 2010). The data are available from the start of 2002 up until the third quarter of 2011, which is

the latest information available at the time of writing. The information can be split by calendar or financial year of registration. Figure 2 provides information on overall flows from EaP countries. This figure confirms the trends shown in Figure 1, but the reductions are not as sharp. For example, the number of NINo registrations by Ukrainians falls from an average of around 2,000 in 2004-2007 to around 1,200 in 2008-2010. Therefore it does not capture the majority of migrant workers from EaP countries employed on the SAWS and SBS but will include migrants entering on work permits or via the PBS categories. It also includes the self-employed as well as some benefit claimants.

Figure 2:NINo Registrations by Nationals from EaP Countries, 2002-10



Source: Department for Work and Pensions.

Table 3 presents some additional information from the NINo database by reporting the total number of registrations in the United Kingdom, the total number of registrations from EaP countries, the percentage of registrants from EaP countries who are Ukrainian and the percentage of total registrants from EaP countries in each year between 2002 and 2011. The table indicates that the total number of NINo registrations from EaP countries peaked in 2007 at 3,860, which was the same year as total NINo registrations reached a peak. However in that year, EaP nationals accounted for less than 0.5 per cent of total NINo registrations in the United Kingdom. This percentage was highest in 2004, when 0.83 per cent of all NINo

registrations were made by EaP nationals. This percentage has declined since then, falling to under 0.4 per cent in each year since 2007. More than half of NINo registrations from EaP countries in each year were made by Ukrainian nationals. This percentage was highest in 2002, at just over 62 per cent, and lowest in 2009, when Ukrainians accounted for 51.7 per cent of NINo registrations from EaP countries. Analysis of NINo data by country of nationality reveals that migration flows are influenced by economic factors in the home country. In particular, fluctuations in growth and unemployment rates in some countries impact on migration flows to the United Kingdom in accordance with the predictions of economic theory, including increased recent inflows from Spain, Greece, Italy, Ireland and Portugal to the United Kingdom. However for EaP countries, variations in NINo registrations in recent years appear to have been largely driven by migration policy, especially the changes made to the SBS and SAWS.

Table 3: NINo Registrations by Overseas Nationals in the United Kingdom, 2002-11

	Total	EaP countries	Ukraine as % of registrations from EaP countries	Registrations from EaP countries as % of Total
2002	311,340	2,160	62.04	0.69
2003	362,210	2,660	57.14	0.73
2004	412,780	3,430	58.02	0.83
2005	618,560	3,860	56.48	0.62
2006	633,050	2,990	58.86	0.47
2007	796,880	3,860	58.03	0.48
2008	669,560	2,390	51.88	0.36
2009	613,210	2,360	51.69	0.38
2010	667,500	2,390	53.97	0.36
2011*	513,840	1,980	57.58	0.39
2002-11	5,598,930	28,080	56.70	0.50

Source: Department for Work and Pensions.

Notes: * denotes that information is only available for first three quarters of 2011.

There are no accurate estimates of migration stocks from EaP countries. The most recent Population Census took place in March 2011, but the first release of some limited statistics will not occur until July 2012. Therefore, the most accurate information on small populations is the 2001 Census, which is now very dated. Furthermore, the information that the ONS provides on country of birth from the 2001 Census tends to be aggregated, apart from large countries.[9] For example, information on the stock of foreign-born residents from Eastern European countries has been grouped into a single category, apart from Poland. Therefore, in order to obtain estimates of people born in countries with a small resident population in the United Kingdom in 2001, it is necessary to commission a table from the relevant national statistical agencies.[10] However, in the country of birth database produced by OECD (2008), the resident population in the United Kingdom in 2001 is based on Census returns in different parts of the country. This information is presented in Table 4 and indicates that individuals born in the Ukraine accounted for 78 per cent of the total number of immigrants from EaP countries residing in the United Kingdom in 2001. However, people born in EaP countries only accounted for a very small percentage of not just the total population of the United Kingdom (less than 0.03 per cent) but also the immigrant population (0.31 per cent). Furthermore, Ukrainians only accounted for 0.24 per cent (0.02 per cent) of the (total) UK immigrant population in 2001. The equivalent percentage for those born in all other EaP countries was just 0.07 per cent (0.006 per cent). Apart from Ukraine, the only other EaP country that had a resident population in excess of a 1,000 was Belarus – twice the number for the four remaining EaP countries.

Fairly recent estimates on the stock of immigrants from different countries of birth have been published by the ONS (2010) using the Annual Population Survey (APS). This is a representative sample of around 325,000 individuals that is used to obtain regular estimates of the population and their characteristics by applying population weights to the survey data. It includes information from the LFS, which in itself is too small to obtain estimates on particular demographic groups or areas, but

[9] In particular, Table ST015 contains details on country of birth (for countries with larger resident populations in the United Kingdom), and also enables a limited breakdown by characteristics for gender, age group and area of residence.
[10] Different national statistical agencies carry out the Census in England and Wales, Scotland and Northern Ireland. This sometimes means some variations in the questions asked and also the need to aggregate responses together to obtain figures for the United Kingdom.

the APS contains a boost to the regular LFS sample.[11] ONS (2010) report estimates of immigrants from the APS for January to December 2010 from the top 60 countries in terms of where they were born. These estimates suggest that the resident stock of immigrants from each of the EaP countries was fewer than 20,000 in 2010, since the country that was 60th in the rankings – the Republic of Korea – had an estimated population of 21,000.[12] The small populations from EaP countries can be confirmed by referring to the microdata for the same period, with the estimated stock of Ukrainians in the United Kingdom totalling around 16,000 in 2010, whilst the combined estimated population from the rest of the EaP countries was fewer than 11,000.[13]

Table 4: UK Resident Population, Immigrants and People Born in EaP Countries, 2001

	Number	% of All Immigrants	% of Resident Population
Armenia	589	0.01	0.001
Azerbaijan	561	0.01	0.001
Belarus	1,154	0.02	0.002
Georgia	551	0.01	0.001
Moldova	455	0.01	0.001
Ukraine	11,913	0.24	0.020
All EaP countries	15,223	0.31	0.026
Total Immigrants	4,896,600	100.00	8.325
Resident Population	58,820,242	—	100.00

Source: Census of Population, ONS.

[11] The enhanced sample roughly doubles the main LFS sample. The boosts to the LFS vary across the United Kingdom and range from around 80 per cent in Wales, which has a relatively small population of immigrants, to no boost at all in Northern Ireland. The boost in London is around 40 per cent. The APS and LFS are also likely to under-sample migrants who have arrived recently in the UK (Drinkwater *et al.*, 2009).

[12] This certainly contrasts with the situation for EUA8 migrants since the number of people born in Poland (Lithuania) was estimated to be 532,000 (87,000) in 2010, compared to fewer than 61,000 (5,000) in 2001.

[13] These estimates are, however, based on a small number of observations from the APS source data file.

Given the relatively small estimated populations from EaP countries in the United Kingdom and the fact that these do not appear to have increased much since 2001, despite the relatively large inflows from some EaP countries in the mid-2000s highlighted in Figures 1 and 2, this would suggest that a high proportion of the migrant workers arriving the United Kingdom from EaP countries have subsequently left. This is certainly likely to be true of workers who were employed on the SAWS and SBS. There are only a few studies on return migration from the United Kingdom. Dustmann and Weiss (2007) use the LFS to examine return migration for a composite group of immigrants to the United Kingdom but their sample only covers the period 1992-2002. Pollard *et al.* (2008) estimate that perhaps half of post-enlargement EUA8 migrants had returned to their home countries between 2004 and 2007. This may provide some indication of the propensity for return migration amongst people from EaP countries, although EUA8 migrants are able to come to back to the United Kingdom to work without restriction, which is not the case for migrants from EaP countries.

There are few reliable estimates of the number of illegal immigrants in the United Kingdom. However, the size of this group is likely to have increased over the last decade. For example, Gordon *et al.* (2009) provide a central estimate of 618,000 illegal immigrants in the United Kingdom in 2007. This compares with a central estimate of 430,000 by Woodbridge (2005) for 2001. However, there is also a fair amount of uncertainty around these estimates, with Gordon *et al.* (2009) suggesting that the true figure for 2007 is likely to lie somewhere between 417,000 and 863,000. Furthermore, neither study provides a breakdown of their estimates by country of origin, but the majority of illegal immigrants are estimated to be failed asylum seekers rather than overstayers or illegal entrants (Gordon *et al.*, 2009). Failed asylum seekers originate from a wide range of countries, especially the Middle East, Sub-Saharan Africa, South Asia and Eastern Europe, whereas overstayers are typically from Asia and Africa (Gordon *et al.*, 2007). This suggests that the total number of illegal immigrants from EaP countries in the United Kingdom is also likely to be very small, especially in comparison to the total population of legal immigrants, which is estimated to be around 8 million according to the recently published figures from the 2011 Census.

2. Demographic Characteristics of Migrants from EaP Countries to the United Kingdom

In order to provide an initial indication of the socio-economic characteristics of migrant workers from EaP countries, the limited characteristics available in the NINo database are examined.[14] The NINo database contains information on the gender, age and location of migrants who will mainly be registering for work in the United Kingdom for the first time. Information from the NINo database has been pooled from 2002 to 2011 in order to obtain a reasonable number of observations for each EaP country. Table 5 reports details on the gender and age band of NINo registrants from each EaP country, as well as equivalent information for all overseas nationals registering for a NINo. It shows that a higher proportion of NINo registrants from EaP countries are female, when compared to NINo registrants as a whole, especially those from Belarus and the Ukraine. A possible explanation for the relatively high percentage of women amongst migrants from EaP countries could be that the United Kingdom's economy has become increasingly service-sector based. In addition, the over-concentration of migrants from new member states in production and manufacturing industries is likely to have resulted in limited job opportunities for migrants from EaP countries in traditionally male dominated industries.

There is a slightly lower percentage in the youngest age category for registrants from EaP countries as a whole compared to all recent registrants. However, the percentage of registrants from Belarus and Moldova is higher in the under 25 age group than it is for all recent registrants. Registrants from Armenia and Azerbaijan appear to be older, since only around a quarter of registrants from these countries are in the younger age category. In contrast, around 28 per cent are aged 35 and over, compared with 19 per cent amongst all registrants from EaP countries and from all other countries. International students intending to work in the United Kingdom require a NINo but those who only study do not. Therefore, this will have some effect on skewing the age distribution slightly towards the younger categories. However, the

[14] No breakdown on characteristics is provided in the Home Office data on individuals given leave to enter the United Kingdom.

extent to which this occurs for migrants from EaP countries cannot be determined from the NINo database.[15]

Table 5: Gender and Age Group of NINo Registrants from EaP Countries, 2002-11 (in per cent)

	Male	Under 25	25-34	35-44	45-54	55 & over	Number of Registrations
Armenia	44.1	24.5	46.8	18.1	8.5	2.1	930
Azerbaijan	46.5	26.3	45.6	19.9	6.4	1.8	1,700
Belarus	35.0	43.3	41.6	10.1	4.2	0.7	4,060
Georgia	51.1	35.0	45.9	12.8	4.9	1.5	2,660
Moldova	49.1	46.8	42.4	8.3	2.5	0.0	2,770
Ukraine	38.7	34.8	45.1	13.5	5.5	1.1	15,910
All EaP countries	41.0	36.4	44.5	12.9	5.1	1.0	28,080
All Countries	53.5	37.9	43.1	12.4	5.1	1.5	5,598,920

Source: Department for Work and Pensions.

The NINo database contains fairly detailed spatial information on registrants. However, because of the small number of total registrants from EaP countries as well as their fairly dense geographical concentration, Table 6 only presents the distribution of such migrants at the regional level. The table indicates that recent migrants from EaP countries are clustered in London, with 41 per cent of NINo registrations by EaP nationals made by those living there. This is slightly higher than the equivalent percentage for all recent registrants (39.5 per cent). The concentration in London of NINo registrants from some EaP countries is particularly noticeable. For example, London registrations account for 60 per cent of the total made by Georgian nationals. This clustering may be in part due to the distribution of industry in the United Kingdom, especially the dominance of the financial services industry in London. This is likely to be a strong magnet for well-qualified non-EEA migrants

[15] The LFS sample used later in this section suggests that around a third of full-time students from EaP countries also have (part-time) jobs. This is similar to the percentage of full-time students from the rest of Europe who are also employed.

entering through the PBS route, although London's multicultural dimension is likely to be another contributing factor. Other interesting features include a relatively high concentration of registrations amongst Azerbaijanis in Scotland, Moldovans in the East of England, East Midlands and Northern Ireland, Belarusians in the South East and Ukrainians in Northern Ireland.

Table 6: Region of Residence of NINo Registrants from EaP countries (in per cent), 2002-11

	Armenia	Azerba-ijan	Belarus	Georgia	Moldova	Ukraine	All EaP countries	All countries
Scotland	3.2	12.4	5.4	3.4	2.9	5.5	5.4	6.2
North East	2.2	2.4	1.5	0.8	1.4	1.2	1.3	1.6
North West	6.5	5.9	5.9	4.9	4.0	5.6	5.5	6.7
Yorkshire & the Humber	3.2	4.7	4.9	4.1	3.6	4.3	4.3	5.3
Wales	1.1	2.4	3.0	1.5	1.1	1.8	1.9	2.1
West Midlands	6.5	3.5	6.9	4.9	4.3	4.5	4.9	6.5
East Midlands	3.2	2.4	4.2	1.9	7.9	3.9	4.0	5.1
East of England	6.5	4.1	8.1	4.9	12.3	8.7	8.2	7.5
South East	11.8	10.6	14.8	7.9	13.7	13.2	12.8	11.4
London	49.5	48.8	35.5	60.2	40.1	38.0	41.0	39.5
South West	4.3	2.4	7.6	5.3	3.6	7.6	6.6	4.9
Northern Ireland	1.1	0.0	1.5	0.4	4.7	4.9	3.5	1.8
Overseas Residents	0.0	0.6	1.0	0.4	0.7	0.8	0.7	1.4

Source: Department for Work and Pensions.

The remainder of this section is based on the analysis of data from the Quarterly LFS. The dataset used to examine the demographic characteristics of migrants from EaP countries resident in the United Kingdom has been constructed by merging (52) successive quarters of LFS data. In particular, information from the

first quarter of 1999 has been combined with files up to the fourth quarter of 2011. This has been done because of the small number of observations in any one quarter, and identifiers for migrants from all EaP countries have only been included in the LFS from the start of 1999. Migrants from EaP countries have been defined according to their country of birth.[16] To prevent double-counting, only those respondents in their first wave of interview are included in the dataset.[17] Drinkwater *et al.* (2009) contains further details on using the pooled LFS data to examine the demographic characteristics of immigrants from groups of countries. Given sample sizes, there is a need to combine the EaP countries together (with Ukraine and other EaP countries the most disaggregated split that is generally possible). Comparisons are made with other European migrants (these groups are the EU14; EUA8 and Other Europeans).

In order to initially examine the characteristics in the sample of migrants from EaP countries, Table 7 contains information on just gender and age, the latter just split according to whether the individual is of working age. The table shows that a slight majority of migrants from EaP countries in the sample are male. There are some differences between countries, with this percentage varying from 46.2 per cent amongst Belarusian migrants to 51.4 per cent for migrants born in the Ukraine. However, the total number of observations in the sample for migrants from Belarus is small. The table also reveals the relatively high percentage of Ukrainian migrants who are not of working age since only around 57 per cent of this group are aged between 16 and 59 for women and 16 and 64 for men.[18] In contrast, over 80 per cent of non-Ukrainian migrants from EaP countries in the sample are of working age. The reason why a relatively low percentage of Ukrainian migrants are of working age is because 36 per cent of this group are aged 65 or over. This is the result of the high percentage arriving in the United Kingdom before 1990 (37 per cent, compared with 5 per cent of migrants from other EaP countries).

Given the small number of observations of working age migrants from individual EaP countries other than the Ukraine in the sample (just 112 in total), the three categories of non-Ukrainian migrants reported in Table 7 have been combined

[16] People born in Armenia, Azerbaijan and Georgia have been combined into a single category because of the coding the country of birth variable in the LFS from 1999 to 2007. These countries are separately identifiable from 2007 onwards but the number of observations is very small for each country (7, 9 and 9 respectively).
[17] For 1999, however, respondents in their fifth wave of interview are also included, which provides a slight boost to the sample.
[18] More detailed information on age differences is included in Table 8.

for the analysis in the remainder of this section. In addition to the two categories for migrants from EaP countries (Ukraine and Other EaP countries), information is also provided for three other groups of European migrants of working age: those born in the EUA8, EU14 and Other Europe.[19]

Table 7: Gender and Broad Age of Migrants from EaP Countries in the United Kingdom (in per cent)

	Male	Working Age	N	Total Migrants from EaP countries
Ukraine	51.4	56.6	362	72.7
Belarus	46.2	82.1	39	7.8
Moldova	50.0	92.9	28	5.6
Armenia/Azerbaijan/Georgia	49.3	78.3	69	13.9
All EaP Migrants	50.6	63.7	498	100.0

Source: LFS (1999-2011).

Table 8 provides details on the gender and age of working-age migrants for all five groups. The statistics on gender accord with the information provided in the NINo database, which shows that recent migration flows from EaP countries have been dominated by women, since around 60 per cent of working-age migrants from EaP countries are female and is particularly high for Ukrainians. This implies that there is a high percentage (70 per cent) of men amongst non-working-age Ukrainian migrants in the United Kingdom. The age distribution of working-age migrants from EaP countries is more similar to that of EUA8 migrants than to migrants from other parts of Europe living in the United Kingdom. For example, less than 8 per cent of working-age migrants from EaP countries and EUA8 are aged over 50 compared to around a quarter of EU14 migrants and 18 per cent from other parts of Europe. However, EUA8 migrants tend to be even more concentrated within the younger age categories than migrants from EaP countries due to the large inflows of EUA8 migrants that have arrived in the United Kingdom since 2004. Therefore, many of the differences in the age distribution will be strongly affected by the arrival patterns of the migrant groups, which are reported in Table 9.

[19] The EU14 countries are Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain and Sweden.

Table 8: Age and Gender of Working-Age Migrants from EaP Countries and Comparison Groups (in per cent)

	Ukraine	Other EaP countries	EUA8	EU14	Other Europe
Male	37.6	45.5	46.9	46.7	48.7
Aged 16-24	21.0	18.8	22.5	14.1	15.4
Aged 25-34	38.1	44.6	49.2	27.0	27.9
Aged 35-49	34.2	30.4	20.6	34.4	39.1
Aged 50-64	6.8	6.3	7.7	24.4	17.6
N	205	112	6,254	16,457	6,135

Source: LFS (1999-2011).

Table 9: Time of Arrival for Working-Age Migrants from EaP Countries and Comparison Groups (in per cent)

	Ukraine	Other EaP countries	EU-A8	EU14	Other Europe
Arriving before 1990	2.0	0.9	6.2	55.9	41.7
Arriving in 1990s	45.6	27.9	10.2	25.2	31.2
Arriving 2000-3	30.4	45.1	13.0	10.2	14.3
Arriving 2004-7	18.1	17.1	61.2	6.8	9.0
Arriving 2008-11	3.9	9.0	9.4	1.9	3.9
N	204	111	6214	16264	6073

Source: LFS (1999-2011).

As indicated above, Table 9 confirms that the majority of migrants from EaP countries and the EUA8 are relatively recent arrivals. In particular, only a very small percentage of migrants from EaP countries and the EUA8 arrived in the United Kingdom before 1990, compared to 56 per cent of migrants from EU14 and 42 per cent from other European countries. The bulk of migrants from EaP countries in the sample entered the United Kingdom between the early 1990s and mid-2000s, with 39 per cent arriving in the 1990s and 36 per cent between 2000 and 2003. A higher proportion of Ukrainians arrived in the first of these periods, whereas the opposite

was the case for migrants from other EaP countries. This pattern of arrival is consistent with the decline in the inflows of migrants from EaP countries since the introduction of new migration policies in the second half of the 2000s.The heavy concentration of EUA8 migrants arriving between 2004 and 2007 is clearly displayed in Table 9, which also reveals that arrivals slowed after recession hit the United Kingdom.

In order to examine differences in educational levels between the migrant groups, Table 10 reports the percentage from each group that are observed in particular educational categories. These categories have been constructed from the variable indicating the age that the individual left full-time education, which is available in the LFS. This variable is used because of the difficulty in examining educational qualifications for migrants, since a large proportion would have obtained these in their home countries and so there may not be an equivalent qualification in the host country. As a result, the highest qualification for a high percentage of immigrants in the LFS is "Other". Three main educational categories are defined: low education (left full-time education before the age of 18); medium education (left between the ages of 18 and 20); and high education (left after the age of 20). Similar educational categories have been used by other studies of immigrants in the United Kingdom (see Dustmann *et al.*, 2008). Two other categories are also shown in Table 10: percentage with no education, which is very small for each group, and percentage still in education. The latter does vary somewhat between the migrant groups, and, at 12 per cent is highest amongst working-age Ukrainian migrants. This suggests that the student route is an important method of entry for Ukrainians into the United Kingdom. Moreover, the percentage of migrants with high levels of education is also highest for Ukrainians, closely followed by migrants from other EaP countries. There is however also a relatively high percentage of the latter group in the low education category, especially in comparison to Ukrainian and EUA8 migrants. The relatively high levels of education displayed by migrants from EaP countries and the EUA8 will be related to age, since younger and more recent migrants tend to be better educated. In addition, this may be partly due to different legal frameworks for migration from European countries, since there is now freedom of movement from the EUA8, as well as from the EU14, whereas migration from outside the European Union is likely to be more skill-biased.

Table 10: Educational Category of Working-Age Migrants from EaP Countries and Comparison Groups (in per cent)

	Ukraine	Other EaP countries	EUA8	EU14	Other Europe
No Education	1.0	0.9	0.6	0.3	1.5
Low Education	18.7	28.7	16.0	41.4	41.6
Medium Education	14.7	16.7	44.4	21.5	23.3
High Education	53.5	50.0	34.8	29.9	26.3
Still in Education	12.1	3.7	4.3	7.0	7.2
N	198	104	6,094	16,254	5,594

Source: LFS (1999-2011).

Finally in this section, Table 11 reports other demographic characteristics for the different migrant groups. The information relates to the percentage who are married and the geographical location of European migrants of working age in the United Kingdom. A relatively high percentage of migrants from EaP countries are married despite them being fairly concentrated in the younger age categories. In particular, over 60 per cent are married compared to 53 per cent of migrants from EU14 countries, who have an older age profile, and 47 per cent of EUA8 migrants. Inflow data based on NINo registrations revealed that over 40 per cent of recent migrants from EaP countries lived in London. This is also the case for migrants from EaP countries in the LFS data and is slightly higher for Ukrainians than for migrants from other EaP countries. The percentage of migrants from EaP countries living in London is similar to that of migrants from other European countries, whereas only around a quarter of migrants from European Union member states in the sample lived in London. These migrants were much more likely than European migrants from non-member states to live in the devolved regions (Scotland, Wales and Northern Ireland).

Table 11: Other Demographic Characteristics of Working-Age Migrants from EaP Countries and Comparison Groups (in per cent)

	Ukraine	Other EaP countries	EUA8	EU14	Other Europe
Married	60.1	65.2	47.2	52.5	64.9
Living in London	45.4	42.9	25.3	26.8	46.5
Living in South	25.4	25.0	27.4	34.1	27.4
Living in Midlands	4.9	12.5	15.5	10.6	8.3
Living in North	17.1	14.3	17.4	14.9	11.5
Living in devolved regions	7.3	5.4	14.5	13.7	6.4
N	205	112	6,254	16,457	6,135

Source: LFS (1999-2011).

Notes: The number of observations is reported for the regional distribution of migrants. The sample size for marital status is slightly smaller due to non-response. The married category also includes those in a civil partnership.

3. Labour Market Outcomes of European Migrants in the United Kingdom

In this section, the same LFS dataset is used to examine the labour market outcomes of migrants from EaP countries and these are again compared with the same groups of European migrants that were introduced in the previous section. Migrants from EaP countries are again split into those who were born in the Ukraine and those born in other EaP countries. However, the cell sizes are even smaller than those observed in the previous section because most of the tables in this section just relate to migrants with jobs.

Table 12 provides some basic statistics on labour market outcomes by reporting broad economic activity for each of the groups. The overall employment rate is higher for migrants from EaP countries (63 per cent) than it is for other European migrants. However, the employment rate for migrants from other EaP countries was only 55 per cent, compared with 68 per cent from the Ukraine. All of these employment rates are much lower than those observed for migrants from the European Union, especially from the EUA8. It does not appear as though these differences can be explained by compositional factors, since the employment rate

differentials are largely preserved when multivariate statistical analysis is undertaken. In particular, binary regression models which control for differences in gender, age, marital status, year of arrival, education and region across the migrant groups produce a similar pattern and magnitude of employment rate differences to those shown in Table 12.

Table 12: Economic Activity of Working-Age Migrants from EaP Countries and Comparison Groups (in per cent)

	Ukraine	Other EaP countries	EUA8	EU14	Other Europe
Employed	67.8	54.5	78.8	72.1	59.6
Unemployed	7.8	11.6	4.9	4.3	5.4
Inactive	24.4	33.9	16.3	23.6	34.9
N	205	112	6,254	16,457	6,135

Source: LFS (1999-2011).

Unemployment is also relatively high amongst migrants from other EaP countries, with an unemployment rate (expressed as a percentage of economically active people) of almost 18 per cent. The unemployment rate for Ukrainians in the sample is also in excess of 10 per cent, whereas it is less than 6 per cent for migrants from the European Union and 8.3 per cent for other European migrants. The economic activity rate is also relatively high for migrants from other EaP countries and other European countries. This is particularly the case for women, since the economic inactivity rate for both groups is in excess of 40 per cent. Drinkwater and Robinson (2011) find that a relatively high percentage of migrants from other European countries (including people born in EaP countries) claim benefits in the United Kingdom, especially in comparison to people born in the EUA8 and EU14. This is true for both men and women, with relatively high levels of income support and sickness/disability claims observed for both sexes. This could be the result of higher levels of discouraged workers following job displacement, whilst the relatively low percentage of benefit claimants amongst EUA8 migrants is likely to have been influenced by the restrictions on access to benefits in the United Kingdom by this group following EU enlargement. Drinkwater and Robinson (2011) report that whilst social assistance claims initially increase with years since migration they do so at a decreasing rate and there is a varying impact for different migrant groups in the

United Kingdom. The turning point for the effect of years since migration on social assistance claims is highest for EU14 migrants (29 years in the United Kingdom) and amongst the lowest for Other European migrants (9 years in the United Kingdom). This is likely to reflect a higher incidence of social assistance claims due to ageing for EU14 migrants, whilst for Other Europeans it may reflect a different mix of origin countries across migrant cohorts.

Table 13: Type of Job Held by Working-Age Migrants from EaP Countries and Comparison Groups (in per cent)

	Ukraine	Other EaP countries	EUA8	EU14	Other Europe
Part-time	30.9	21.3	15.2	21.9	24.2
Self-employed	16.6	11.5	11.0	13.6	22.8
Temporary Jobs	13.8	20.4	11.9	7.4	8.6
N	139	61	5,238	12,580	3,992

Source: LFS (1999-2011).

Notes: Part-time employment is defined as having usual working hours of less 30 hours per week. Temporary jobs only relate to paid-employees and are derived from self-reported responses to a question on whether the job is temporary or not.

Table 13 contains information on the types of jobs held by the different migrant groups by reporting the percentage who are in part-time, self or temporary employment. The percentage of part-time workers is higher for migrants from EaP countries than it is for the other groups of Europeans migrants. It is particularly high, at over 30 per cent for Ukrainian migrants and lowest for EUA8 migrants.[20] Self-employment is also relatively high amongst Ukrainians but it is noticeably lower for migrants from EaP countries than for other European migrants. This is interesting because of the high rates of self-employment associated with Bulgarians and Romanians in the lead-up to and immediately after their entry to the European Union (Clark and Drinkwater, 2008). More generally, self-employment is an important route through which non-EEA migrants can gain employment in the United Kingdom. Therefore, differences in self-employment rates for migrants from the EEA

[20] As is the case for native workers in the United Kingdom, part-time employment is much higher for women than it is for men for each of the migrant groups. For example, the percentage of women working part-time for the five groups ranges from 25 per cent for EUA8 migrants to 39 per cent for Ukrainians.

and outside of the EEA are likely to be affected by the legal framework for migration from these countries.

Migrants from EaP countries are also more likely to be employed in temporary positions. This is particularly noticeable amongst the small number of workers from other EaP countries, whilst the percentage of workers from EUA8 countries who had temporary jobs is also fairly high at around 12 per cent. The relatively high incidence of temporary work may reflect migrants from these countries having on average shorter intended lengths of stay in the United Kingdom, especially in comparison to those from the EU14. The take-up of temporary positions could then be the result of short-term migrants not wanting to invest too much in their human capital or job search in the host country, which is consistent with the labour market outcomes of EUA8 migrants who arrived in the United Kingdom following EU enlargement (Clark and Drinkwater, 2008).

Details on the occupational attainment of European migrants in the United Kingdom are provided in Table 14. EUA8 workers are highly concentrated within low-skilled occupations, with professional and managerial occupations accounting for less than 10 per cent of employment within this group. The occupational distribution is more evenly balanced for the other migrant groups. However, the percentage of Ukrainians working in the United Kingdom who are employed in professional and managerial positions is relatively low in comparison to migrants from EU14 and other European countries. Furthermore, almost a half of Ukrainian migrant workers in the sample are employed in low-skilled occupations. This is high but still far lower than the equivalent percentage observed for EUA8 migrants.

Table 14: Occupation of Employed of Working-Age Migrants from EaP Countries and Comparison Groups (in per cent)

	Ukraine	Other EaP countries	EUA8	EU14	Other Europe
Professional/Managerial	21.7	40.0	9.4	35.4	30.0
Intermediate Occupations	31.2	30.0	25.1	33.5	33.8
Low-Skilled Occupations	47.1	30.0	65.5	31.2	36.2
N	138	60	4893	11636	3594

Source: LFS (1999-2011).

In order to further examine the occupational attainment of European migrants working in the United Kingdom, Table 15 reports the percentage in each occupational group by educational category. This information should provide an indication of the possible occupational mismatch of immigrants in terms of their skills. Ukrainians and migrants from Other EaP countries have been combined into a single category because of the small number of observations amongst the former group. Table 15 indicates that 60 per cent of migrants from EaP countries with low levels of education work in low-skilled occupations. This is lower than the equivalent percentage for EUA8 migrants (74 per cent) but higher than EU14 (48 per cent) and other European migrants (46 per cent). To some extent, this reflects the different age profiles of the groups but varying intentions to return migrate may also play some role.

The differences between migrants from EaP countries compared to EU14 and other European countries are even larger for those with medium levels of education. This is because around 55 per cent of migrant workers from EaP countries in this category had low-skilled jobs compared with 30 per cent of migrants from the EU14 and 40 per cent from other parts of Europe. Again the percentage in the low-skilled grouping is largest for EU14 migrants, at 71 per cent. Migrant workers from EaP countries in the highest educational category are fairly evenly split between the three occupational groupings, whereas 50 per cent of highly educated migrants from other European countries and 60 per cent of EU14 migrants were employed in professional and managerial positions. Again the degree of mismatch is highest for EUA8 migrants, with only 17 per cent of highly educated migrants from these countries employed in professional and managerial occupations. Therefore, despite having a lower degree of mismatch in comparison to EUA8 migrants, a large percentage of migrants from EaP countries working in the United Kingdom appear to be employed in occupations that do not match their educational levels. In addition to the variations in return migration intentions, these differences could also reflect a lower degree of recognition by employers of unfamiliar overseas qualifications or lower levels of English language fluency among some of the migrant groups.[21]

[21] Clark and Drinkwater (2008) report that migrants from EUA8 and other European countries (which included EaP countries) were most likely to report that they had language difficulties in finding or retaining a job.

Table 15: Occupation by Educational Category for Migrants from EaP countries and Comparison Groups (in per cent)

Migrants from EaP countries			
	Low Education	**Medium Education**	**High Education**
Professional/Managerial	15.8	17.2	36.2
Intermediate Occupations	23.7	27.6	31.9
Low-Skilled Occupations	60.5	55.2	31.9
EUA8 Migrants			
	Low Education	**Medium Education**	**High Education**
Professional/Managerial	4.2	4.9	17.3
Intermediate Occupations	22.3	24.3	27.8
Low-Skilled Occupations	73.6	70.8	54.9
EU14 Migrants			
	Low Education	**Medium Education**	**High Education**
Professional/Managerial	17.5	30.8	59.7
Intermediate Occupations	34.8	39.0	29.7
Low-Skilled Occupations	47.7	30.1	10.5
Other European Migrants			
	Low Education	**Medium Education**	**High Education**
Professional/Managerial	18.9	23.2	50.1
Intermediate Occupations	35.0	37.3	30.0
Low-Skilled Occupations	46.0	39.6	19.9

Source: LFS (1999-2011).

Information on the sector of employment is presented for each of the migrant groups in Table 16. This table again reveals some differences between migrants from EaP countries and the other groups, especially in relation to EUA8 migrants. In

particular, there is a noticeably high incidence of employment amongst EUA8 migrants in the production, manufacturing, retail and hospitality, with a relatively low percentage (13 per cent) employed in business services and finance. In contrast, over a quarter of migrant workers from EaP countries are employed in this sector. This consists of two sections (financial intermediation and real estate, renting and business activities), spanning a total of eight industrial divisions, as detailed in the notes to Table 16. This is a relatively high paying sector, with gross average hourly earnings being over 40 per cent higher than the average earnings of European migrants in the sample of LFS data being examined. The comparatively high proportion of migrants from EaP countries employed in Business Services/Finance is consistent with their relative clustering in London - the United Kingdom's dominant financial centre - as reported in Table 11. The proportion observed in production and manufacturing will be influenced by the absence of some migrants working in these sectors from the LFS sampling frame because of the higher incidence of short term and irregular employment, implying that the actual percentage of EaP migrants employed in these sectors could well be higher. There is also a relatively high proportion of migrants from EaP countries and Other European countries in retail and hospitality. Although public services account for 16 per cent of employment for migrant workers from EaP countries, this is relatively low compared to migrants from EUA8 and other European countries.

The relatively low concentration of migrant workers from EaP countries in the public sector is confirmed by the statistics reported in the bottom row of the table, which show the percentage employed in the public sector. This is highest for EU14 migrants, followed fairly closely by migrants from other European countries. Only 11 per cent of migrants from EaP countries are employed in the public sector, although this is over 4 percentage points higher than the equivalent figure for EUA8 migrants. It should be noted that the sectoral distribution of migrants from the Ukraine and Other EaP countries appears to be fairly similar. The percentage of migrants from EaP countries in production and manufacturing is also relatively low, especially in comparison to EUA8 migrants. Further examination of this category indicates that there are only a few individuals employed in agriculture. The most noticeable difference is the relatively high percentage of migrants from other EaP countries employed in construction, although this may be influenced by the small number of observations for this group of migrants.

Table 16: Sector of Employment for Working-Age Migrants from EaP Countries and Comparison Groups (in per cent)

	Ukraine	Other EaP countries	EUA8	EU14	Other Europe
Production/Manufacturing	13.7	11.5	26.5	14.3	12.1
Construction	6.5	16.4	9.2	6.0	9.1
Retail/Hospitality	28.8	21.3	25.7	19.7	25.3
Transport/Communications	2.9	4.9	8.6	6.4	6.4
Business Services/Finance	24.5	27.9	12.6	19.3	17.8
Public Services	15.8	16.4	11.5	27.8	22.9
Other Services	7.9	1.6	6.1	6.4	6.5
Public Sector	10.1	13.1	6.6	22.1	18.4
N	139	61	5,238	1,2580	3,992

Source: LFS (1999-2011).

Notes: Business Services/Finance consists of the following industrial divisions: financial intermediation, excluding insurance and pensions funding; insurance and pension funding, except compulsory social security; activities auxiliary to financial intermediation; real estate activities; renting of machinery and equipment without operator and of personal and household goods; computer and related activities; research & development; and other business services.

4. Labour Market Impact Assessment

Much literature has emerged in recent years on the impact of immigrants on the economy. Overall, immigration can benefit the economy since it usually leads to a rise in GDP. Borjas (1995) introduced the concept of the immigration surplus, which is the gain to natives from immigration. His "back of the envelope" calculations for the United States suggest a basic immigration surplus in the order of 0.1 per cent of GDP. However, the static analysis ignores dynamic considerations – such as increases in human and physical capital accumulation – and the increases in GDP can be much larger when such factors are taken into account (Drinkwater *et al.*, 2007).

However, much of the focus on the economic impact of immigration has centred on the labour market. Despite standard economic theory predicting that

immigrants should have a negative effect on the employment and earnings of natives, most studies report that the overall effect is small.[22] The evidence also indicates this to be the case for the United Kingdom, which have tended to focus on increased overall levels of immigration rather than migration from individual or groups countries such as EaP countries. Studies such as Dustmann *et al.* (2005) report that overall there are only very small effects of immigration on the wages and employment of natives. There have also been some studies that have examined the effects of the large population inflows linked to certain events such as post-enlargement migration from EUA8 countries on the United Kingdom's labour market. These also typically conclude that the impact, particularly on unemployment, has been very small (Blanchflower *et al,* 2007; Lemos and Portes, 2008). There may, however, be different effects across the wage distribution, since Dustmann *et al.* (2008) report that workers in the United Kingdom with the highest earnings have actually seen their wages rise as a result of immigration, whereas those in the bottom quintile have seen theirs fall. Therefore, given the very small numbers of migrants from EaP countries, the impact of migrants from these countries on the United Kingdom's labour market is likely to have been extremely small. It is also unlikely that increasing levels of immigration from EaP countries will have any significant effect on the overall labour market outcomes of natives and may only affect particular localised areas or demographic groups if the inflows are extremely concentrated in a particular location or sector, which does not appear to be the case from the analysis reported in the previous section.

In addition to small effects on the labour market, immigration to the United Kingdom does not appear to have produced any major negative impacts for other aspects of the economy and has also resulted in some positive effects. For example, Frattini (2008) estimates that immigration exerted downward pressure on price growth in service sectors with a high concentration of immigrant workers, although the prices of low-value grocery items rose because of increased demand. Gott and Johnston (2002) also suggest that immigrants made a positive net contribution to the economy. They estimated that in 1999-2000, immigrants to the United Kingdom contributed £31.2 billion in taxes and received £28.8bn in benefits and state services.

[22] See Longhi *et al.* (2010) for a recent summary. Some studies do find larger effects such as Borjas (2003), who estimates that a 10 per cent increase in immigration leads to a 3-4 per cent fall in the wages of competing natives in the United States. However, this finding is rather an exception within the empirical literature on the labour market impact of immigration (Dustmann *et al.*, 2008).

Moreover, Dustmann *et al.* (2010) argue that the large recent wave of migrants from EUA8 member states made a net positive fiscal contribution, mainly as a result of their very high employment rates. They estimate that the ratio of tax revenues to expenditures for EUA8 migrants to the United Kingdom over the period 2005 to 2009 was in the range of 1.3-1.4, compared to 0.8-0.9 for natives. Furthermore, George *et al.* (2011) estimate that immigrants impose only small costs on public services in the United Kingdom.[23] Therefore, the UK evidence on these issues does not indicate any major negative impact of immigration and again, given the relatively small number of existing and potential migrants from EaP countries, fears of such effects should be further limited. However, the relationship between immigration and aggregate social and economic variables is complex and can vary over time and between regions. Further information can be found in House of Lords (2008), including details of studies that have identified some negative impacts of immigration.

The remainder of this section now focuses on a discussion of current skill needs and shortages in the United Kingdom in relation to immigration. Since the introduction of the PBS and the inception of the Migration Advisory Committee (MAC) in 2008, the UK government has taken advice from the MAC on which occupations are in short supply and, therefore, which workers, within particular categories of skill, can enter the United Kingdom for job-related reasons. The MAC publishes a "shortage occupation list", reviewed every six months, for Tier 2 of the PBS. The MAC approach is based around the "3 Ss" of "skill, shortage and sensible". More specifically, the MAC seeks first to identify whether an occupation is sufficiently skilled to be on the list. Second, each qualifying occupation is analysed to establish whether there is a shortage of workers doing this job or type of job. Finally, a judgement is reached on whether it is sensible for workers from outside the EEA to enter the United Kingdom to fill these positions.

Occupations are based on the 4 digit Standard Occupation Classification (SOC) 2000, although this has to be supplemented by more detailed information in certain cases. To determine levels of skill within occupations, a number of different items of evidence are combined: (i) information on skill levels inherent in the SOC occupation; (ii) levels of formal qualifications among those doing the jobs concerned; (iii) earnings levels, based on the idea that wages reflect marginal productivity and

[23] The public services they focus on are state education, health, social services and social care.

hence the return to investment in education and skills; (iv) the extent of on-the-job training; and (v) innate ability, which may be particularly important for such occupations as artists, performers and sportspeople. Clearly, some of this information can be obtained from national surveys of workers, while other items require more judgemental evaluations. Thus the MAC seeks to combine statistical information drawn from surveys (a "top-down" approach) with qualitative information gathered from consultations with stakeholders in the immigration process such as employers and workers representatives (a "bottom-up" approach).

In determining whether there are shortages in particular occupations, the MAC also combines top-down and bottom-up approaches. The concept of a labour shortage is operationalized within a simple model of the demand and supply of labour and indicators of shortage include: (i) rapidly rising earnings or high rates of return to education within an occupation; (ii) vacancy and unemployment rates within occupations; and (iii) evidence of employer responses to labour shortages, such as increasing overtime working or payments, increased use of contracting out or increased training expenditure.

Having determined that an occupation is sufficiently skilled and that there is a genuine shortage of workers within that occupation, the MAC must then reach a judgement on whether allowing employers to fill shortages with workers from outside the EEA is the best response to the perceived excess labour demand. Alternatives to importing labour include, *inter alia*, raising wages to attract existing resident workers, changes to production processes or retraining local workers. The MAC is also required to consider whether filling vacancies with migrant workers is consistent with overall government economic objectives.

Devitt (2012) notes that, in practice, the absence of rigorous quantitative information at occupational level means that the qualitative (bottom-up) criteria often play a key role in the overall decision on whether a particular occupation should be on the shortage list. This has led to criticism that, despite the theoretically rigorous framework set out in MAC (2008), aspects of the process by which the shortage occupation list is assembled are essentially *ad hoc*.

The introduction of the PBS, was explicitly intended to increase the average level of skill amongst non-EEA migrants to the United Kingdom. The Home Office noted that the new system "should therefore be focused primarily on bringing in migrants who are highly skilled or to do key jobs that cannot be filled from the domestic labour

force or from the EU" (Home Office, 2006: 1). This begs the question of what skills are thought to be in demand and what jobs are "key" to the United Kingdom. George *et al.* (2012) address this question through a variety of methods including statistical analysis of sectoral productivity levels and interviews with employers and employer organisations. Based on the stated objectives of government policy, George *et al.* define "strategically important skills" to be those which disproportionately contribute to:

- increased productivity growth;
- higher levels of innovation;
- growth in industries where the United Kingdom has a competitive advantage;
- the diffusion of technologies such as ICT which drive growth across a wide range of sectors.

Analysis of data on innovation, productivity and company growth leads to the following list of sectors which are more likely to demand workers with strategically important skills: oil and gas; chemicals and pharmaceuticals; telecommunications; computer services; aerospace manufacturing; architectural and engineering services; and computer, electronic and optical engineering (George *et al.* 2012: i).

Such an approach, based on an overall vision of what sectors and activities are strategically important for the United Kingdom, takes the government perspective on the demand for labour and skills as the main driver of immigration trends. But this neglects the fact that it is the private sector – and not the government – which actually utilises skills in the production process and, hence, is the ultimate source of labour demand and the demand for migrants. It is less the considerations of national strategic interest and more the need to compete and make profits which motivates the employers of migrant labour, and this suggests that employers and their representatives will view a much wider set of skills, occupations and sectors as generating the need to import labour.

Thus, in interviews with employers and employer representatives, George *et al.* (2012) uncover a more general complaint that the United Kingdom does not produce enough highly skilled workers (graduates) in science, technology, engineering and mathematics (STEM) subjects. This is a long-standing criticism of the education system in the United Kingdom, which holds across a wide range of types of employer and sector. For example, Clarke (2011) reported that a Confederation of British Industry survey found that 43 per cent of employers thought

that increasing the number and quality of STEM graduates was a top priority, rising to 83 per cent for science, engineering and information technology firms. While current government policy on higher education has, to some extent, protected these subjects from an increased level of marketization, it is unlikely that this will do enough to reduce the excess demand for workers with scientific and technical skills, and a considerable role here for migration from outside the EEA will remain.

In addition to formal STEM qualifications, interviews undertaken by George *et al.* (2012) with employers noted the importance, particularly within the financial sector (an area of activity where the United Kingdom is thought to have a competitive advantage), of the softer skills that migrant employees can offer. These include the linguistic and cultural skills seen as vital when operating in multinational markets, where knowledge of and sensitivity to business and cultural practices in other countries are important.

It is interesting to compare the actual shortage occupation lists produced by the MAC for Tier 2 migration under the PBS with the strategically important skills identified in the work of George *et al.* (2012). Examination of the current shortage list, on the UK Border Agency website, suggests that, of the 34 four-digit occupation codes within which employers are currently allowed to recruit from outside the EEA, 16 are those where qualifications in the STEM subjects would be expected. As well as a range of engineering occupations, for example in the nuclear industry, these 16 occupations include secondary teachers of maths, chemistry and physics. Of the remaining 18 occupations, a further six are in the areas of health and social work and five are in the broad area of the arts and design. The remainder of the shortage occupations include jobs as cooks and chefs, or other particular types of skilled, manual occupations which do not require such high levels of formal qualifications as the more STEM-related types of jobs mentioned. Examination of the shortage list suggests that the final outcome of the MAC approach to determining the shortage occupations is influenced as much by narrow, sectoral labour needs as by national, strategic, economic objectives.

It is difficult, given data constraints, to evaluate the extent to which the current allocation of migrants from EaP countries to sectors, mirrors the shortage occupation list, as this is at a highly disaggregated level. However, Table 16 would suggest that, with high concentrations in retail and hospitality and business services and finance, the vast majority of current migrants from EaP countries are not working in

occupations judged by the MAC to have shortages of skilled workers. Of course, this picture reflects, in part, that such workers are in occupations not commensurate with their skill levels and may view labour migration as a temporary state. For those who do remain in the United Kingdom, gaining higher skilled jobs will be an ambition.

The institutional framework established by the PBS for migrant labour emphasises that – barring a major change in policy by the United Kingdom government – future opportunities for migrants from outside the EEA, including those from EaP countries, will primarily be for those in skilled occupations where a strategic or sectoral shortage of skills has been identified. To the extent that a supply of such skills exists in EaP countries, we might expect to see increased migrant flows, with the associated risk of brain-drain effects.

Conclusions

The main point to emphasize from the analysis undertaken in this study is that the stock of migrants from EaP countries in the United Kingdom is very small – both in absolute terms and relative to other migrant groups. The small scale of previous migration to the United Kingdom is particularly noticeable when compared to the inflows of migrants from EUA8 counties since European Union enlargement in 2004. However, inflows of migrants from EaP countries have also fallen since changes have been made to immigration policy in the United Kingdom brought about by modifications to the SAWS and SBS in 2007 and the introduction of the PBS in 2008.

Migrants from EaP countries have fairly similar characteristics to migrants from EUA8 countries. For example, there is a slight majority of women and a concentration among younger age categories, due to their relatively recent arrival in the United Kingdom. There are, however, some differences between the labour market outcomes of migrants from EaP countries and the EUA8. Employment rates are higher for the latter group but they also tend to work in more routine occupations. Migrant workers from EaP countries are less likely to work in higher-skilled jobs than migrants from the EU14 and other parts of Europe, despite having high levels of qualifications. Possible explanations for this relative mismatch include the age structure (which may be accompanied by higher return intentions amongst younger migrants), a lower recognition of less familiar qualifications by employers and relatively weaker language skills. With more time in the United Kingdom, however, migrant workers from EaP countries may move up the occupational ladder.

Increased migration from EaP countries could provide some economic benefits for the United Kingdom. These should be greatest if migration between EaP countries and the United Kingdom was fully liberalised. This is because employers could take advantage of a larger supply of labour, which is likely to be composed of highly motivated workers. This in turn could have a (small) positive effect on the UK economic growth rate. A fully liberalised migration regime would, however, have the largest impact on native workers in terms of reduced wages and employment, although previous evidence for the United Kingdom indicates that these effects are small, including for the large flows from the EUA8 after enlargement in 2004. The social consequences of immigration would also be greatest under a fully liberalised regime and the impact on public services within areas experiencing rapid inflows can be relatively acute. The economic benefits to the United Kingdom from migration from EaP countries would be more limited under other migration scenarios such as transitional arrangements or sectoral and occupational quotas. However, employers in particular sectors could benefit from bilateral arrangements with EaP countries. This is likely to apply to the agricultural sector, especially as a high percentage of migrant workers on the SAWS and SBS came from EaP countries prior to 2008.

Despite the possible economic benefits of immigration for host economies and that negative economic consequences may be limited for countries such as the United Kingdom, it appears that government policy towards non-EEA immigrants will become increasingly strict over the coming years. This is because of negative public opinion, a more anti-immigration stance by the incumbent government and the current problems affecting the economy. Due to the perception amongst the public that there are very large numbers of European migrants in the UK, it is also highly unlikely that the United Kingdom government will establish specific arrangements with regards to migration from EaP countries. Therefore, potential migrants from EaP countries should target the entry routes established for non-EEA migrants, especially those relating to work and study. There are shortage occupations which could be filled by migrant workers from EaP countries. Details of these occupations are published by the MAC every six months and particularly relate to highly skilled and technical sectors. Therefore, increased migration from EaP countries could occur if suitably qualified individuals were made aware of the available opportunities. Given that entry into such occupations for non-EEA migrants is through the PBS, then migration from non-EEA countries – such as EaP countries – to the United Kingdom

will naturally be biased towards younger and more educated workers because of the higher number of points allocated to these applicants. Migrants from EaP countries could also enter the United Kingdom on student visas with the aim of switching onto an employment visa after they have completed their studies.

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APPENDIX

Table A1: Passengers Given Leave to Enter the UK from EaP Countries, 2004-10

	2004	2005	2006	2007	2008	2009	2010	2004-10
Armenia	3,480	2,540	2,640	3,250	3,030	3,280	3,900	22,120
Azerbaijan	7,100	8,450	9,100	9,700	9,430	10,900	11,400	66,080
Belarus	13,000	15,500	16,200	16,500	16,800	16,600	16,400	111,000
Georgia	5,410	6,380	7,350	7,780	8,760	9,100	9,190	53,970
Moldova	3,920	5,190	5,410	4,730	4,070	3,810	3,760	30,890
Ukraine	53,300	57,000	67,200	69,500	68,500	72,400	75,500	463,400
All EaP Countries	86,210	95,060	107,900	111,460	110,590	116,090	120,150	747,460
Total Passengers	12,000,000	11,800,000	12,900,000	12,800,000	12,400,000	12,300,000	12,500,000	86,700,000
EaP as % of total	0.7	0.8	0.8	0.9	0.9	0.9	1.0	0.9

Source: Home Office.

Notes: Cells with fewer than 1,000 observations have been rounded to the nearest 5 and numbers greater than 1,000 rounded to three significant figures. Therefore, totals may not add due to rounding.

Table A2: Passengers Given Leave to Enter the UK from EaP countries by Route, 2004-10 (home office data)

	2004	2005	2006	2007	2008	2009	2010	2004-10
				Employment				
Armenia	145	100	125	120	45	60	40	635
Azerbaijan	145	100	130	150	160	220	195	1,100
Belarus	2,140	2,040	1,050	970	225	125	120	6,670
Georgia	160	145	145	155	115	105	75	900
Moldova	690	1,420	1,310	1,200	225	90	55	4,990
Ukraine	7,280	6,820	6,900	5,180	1,060	660	675	28,575
All EaP countries	10,560	10,625	9,660	7,775	1,830	1,260	1,160	42,870
All countries	233,000	237,000	235,000	204,000	183,000	161,000	163,000	1,416,000
EaP countries as % of total	4.5	4.5	4.1	3.8	1.0	0.8	0.7	3.0
				Study				
Armenia	95	160	195	150	175	215	285	1,275
Azerbaijan	420	405	545	550	555	655	765	3,895
Belarus	525	650	755	895	535	445	475	4,280
Georgia	585	470	710	755	775	755	715	4,765
Moldova	245	210	220	115	130	140	140	1,200
Ukraine	1,850	1,480	2,360	2,340	2,550	2,320	2,580	15,480
All EaP countries	3,720	3,375	4,785	4,805	4,720	4,530	4,960	30,895
All countries	307,000	297,000	326,000	367,000	384,000	489,000	535,000	2,705,000
EaP countries as % of total	1.2	1.1	1.5	1.3	1.2	0.9	0.9	1.1
				Family				
Armenia	10	10	15	15	10	15	15	90
Azerbaijan	30	45	50	45	45	40	40	295
Belarus	55	90	85	95	80	60	50	515
Georgia	20	20	30	30	35	30	25	190
Moldova	30	45	60	25	20	30	30	240
Ukraine	335	385	495	420	365	310	275	2,585
All EaP countries	480	595	735	630	555	485	435	3,915
All countries	39,700	46,300	53,300	52,600	45,400	36,600	37,300	311,200
EaP countries as % of total	1.2	1.3	1.4	1.2	1.2	1.3	1.2	1.3
				Other				
Armenia	3,230	2,270	2,300	2,960	2,800	2,990	3,560	20,110
Azerbaijan	6,510	7,900	8,370	8,950	8,670	9,960	10,400	60,760
Belarus	10,300	12,700	14,300	14,500	15,900	16,000	15,800	99,500
Georgia	4,640	5,750	6,470	6,840	7,830	8,210	8,370	48,110
Moldova	2,950	3,520	3,820	3,400	3,690	3,540	3,530	24,450
Ukraine	43,900	48,300	57,400	61,600	64,500	69,100	72,000	416,800
All EaP countries	71,530	80,440	92,660	98,250	103,390	109,800	113,660	669,730
All countries	11,500,000	11,300,000	12,200,000	12,100,000	11,800,000	11,600,000	11,800,000	82,300,000
EaP countries as % of All	0.6	0.7	0.8	0.8	0.9	0.9	1.0	0.8

Table A3: Employment Entrants from EaP countries to the UK in the PBS Period by Pre-PBS Work Category

	Work Permits			Other			Dependents: Employment		
	2008	2009	2010	2008	2009	2010	2008	2009	2010
Armenia	30	*	0	5	30	0	10	5	10
Azerbaijan	70	10	0	45	75	45	40	50	25
Belarus	145	10	*	35	25	15	40	25	30
Georgia	75	5	0	15	30	30	20	15	5
Moldova	205	35	*	10	10	15	10	20	*
Ukraine	835	135	10	75	70	45	135	130	105
All EaP Countries	1,360	195	10	185	240	150	255	245	175

Source: Home Office.
Notes: * denotes that the cell contains 1 or 2 observations. Also see notes to Table A1.

Table A4: Employment Entrants from EaP countries to the UK in the PBS Period by PBS Work Category

	Tier 1			Tier 2			Tier 5		
	2008	2009	2010	2008	2009	2010	2008	2009	2010
Armenia	*	10	10	0	*	5	0	10	15
Azerbaijan	5	45	40	0	20	65	0	15	20
Belarus	5	20	15	0	10	30	0	30	30
Georgia	*	15	15	0	15	10	0	25	15
Moldova	0	15	5	0	*	20	0	10	15
Ukraine	20	90	100	0	85	165	0	145	245
All EaP Countries	30	195	185	0	130	295	0	235	340

Source: Home Office.

Notes: *denotes that the cell contains 1 or 2 observations. Tier 1 relates to highly skilled migrants, Tier 2 to skilled workers and Tier 5 to temporary workers and youth mobility. Also see notes to Table A1.