

Here to stay? Residency and EU migrants after the referendum

SMF Briefing Paper

BEN RICHARDS

July 2016

INTRODUCTION

Deciding upon residency rules for EU migrants after the Leave vote in the EU referendum has been a big source of debate. One particularly prominent issue has been the fate of EU migrants currently residing in the UK, along with their UK counterparts residing in other parts of the EU. Theresa May has refused to commit to guaranteeing EU migrants' rights to reside, saying UK citizens' rights would need to be guaranteed in return.

Yet it is not clear exactly who the EU migrants residing in the UK are. Much has been made of net migration figures showing a substantial net inflow of EU citizens into the UK, but much less analysis has focused on the stock of EU migrants currently in the UK. Which year did they arrive? Which country did they come from? These questions are crucially important, as they are likely to frame the negotiations over rights for EU and UK citizens currently residing outside their home country; and also for future immigration rules more broadly.

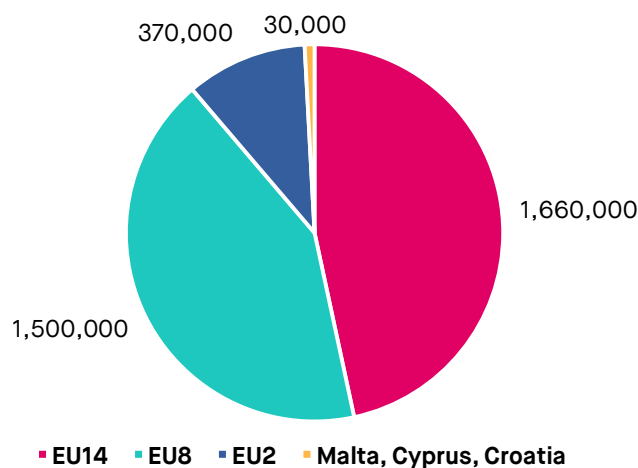
This paper analyses the latest data from the Labour Force Survey (LFS), from the first quarter of 2016, to examine which EU citizens are currently residing in the UK, when they arrived, their characteristics, and the implications for a future deal between the UK and EU on immigration policy.

THERE ARE AROUND 3.55 MILLION EU CITIZENS RESIDING IN THE UK

The latest LFS figures show that around 3.55 million EU citizens are resident in the UK. The largest group, with 1,660,000 people, are citizens of the EU14 (these are the countries of the EU prior to the 2004 expansion, minus the UK).

The next largest group, with 1,500,000 people, are citizens of the EU8 (meaning the eight eastern European countries that joined in 2004). Citizens from the EU2 (Bulgaria and Romania) number around 370,000; and the numbers from Malta, Cyprus and Croatia are small, at a total of around 30,000.

Figure 1: EU citizens currently in the UK



Source: Author's calculations based on the Labour Force Survey (Q1 2016). Figures rounded to the nearest 10,000.

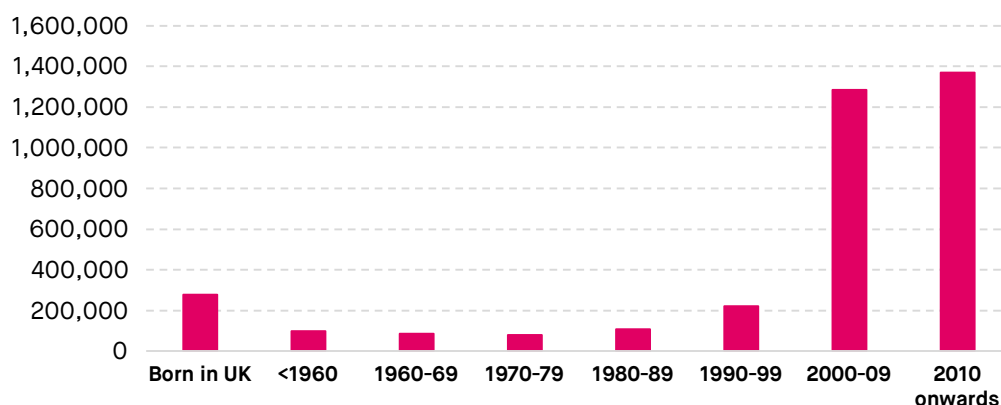
Within these groups, particular countries account for a large proportion of UK residents. Almost two thirds of the EU8 group is made up of citizens of Poland, with 980,000 currently resident in the UK. In the EU14 group, 360,000 - around 22% - are from Ireland, with more than 10% of this group from each of France, Italy, Portugal and Spain. Almost 80% of the EU2 group is made up of Romanian citizens.

EU NATIONALS IN THE UK FOR FIVE YEARS OR MORE HAVE A PERMANENT RIGHT TO RESIDE – SO WHEN DID UK RESIDENT EU CITIZENS ARRIVE IN THE UK?

The year of arrival is very important in the context of debating migration and residency rules after the Leave vote, since the UK Government's website states that "EU nationals who have lived continuously and lawfully in the UK for at least 5 years automatically have a permanent right to reside". EU nationals do not need to register to gain this right, so many will already have a right to live permanently in the UK.¹

Figure 2 shows the number of currently resident EU citizens, broken down by their decade of first arrival ('currently' means based on data from Q1 2016). It is immediately clear that the period from 2000 onwards was unprecedented in recent times in terms of the numbers arriving from the EU (and staying). Furthermore, a greater number of current residents arrived between 2010 and 2016 than arrived in the whole decade spanning 2000 to 2009.

Figure 2: EU citizens resident in the UK, by decade of arrival



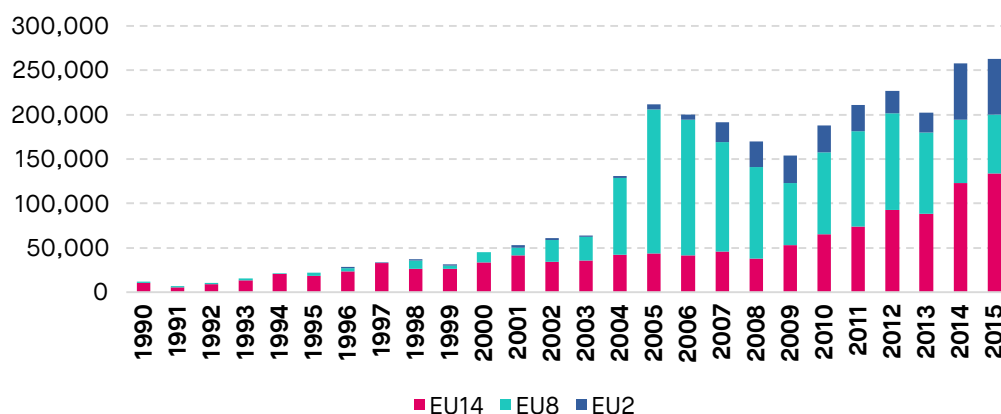
Source: Author’s calculations based on the Labour Force Survey (Q1 2016).

Figure 3 shows the recent period in which many EU citizens first arrived in more detail by breaking the numbers down by individual year. It shows the number of EU citizens currently resident in the UK, by their year of first arrival, and also breaks the numbers down by splitting EU citizenship into the three categories of the EU14, EU8 and EU2. However, the numbers from Malta, Cyprus and Croatia are too small to report.

EU migrants from the EU8 are particularly likely to have first arrived in the years following 2004, coinciding with EU enlargement. Citizens of the 2004 accession countries are very likely to have arrived in 2005 and 2006 in particular. Before 2004, there were far fewer migrants first arriving and who are also resident now. Those that did arrive in this time were mostly from the EU14 countries – that is, the EU countries prior to the 2004 expansion, minus the UK.

However, from 2008 onwards the pattern changed. Overall numbers dropped around the time of the financial crisis. Those that arrived since the crisis are increasingly likely to be from Bulgaria and Romania: 60,000 current UK residents arrived from Bulgaria and Romania in 2015, compared to 65,000 from the EU8 countries. However, a very large number of those arriving in recent years and still resident now have been from the ‘old’ EU14 – over 130,000 in 2015.

Figure 3: EU citizens resident in the UK, by year of arrival



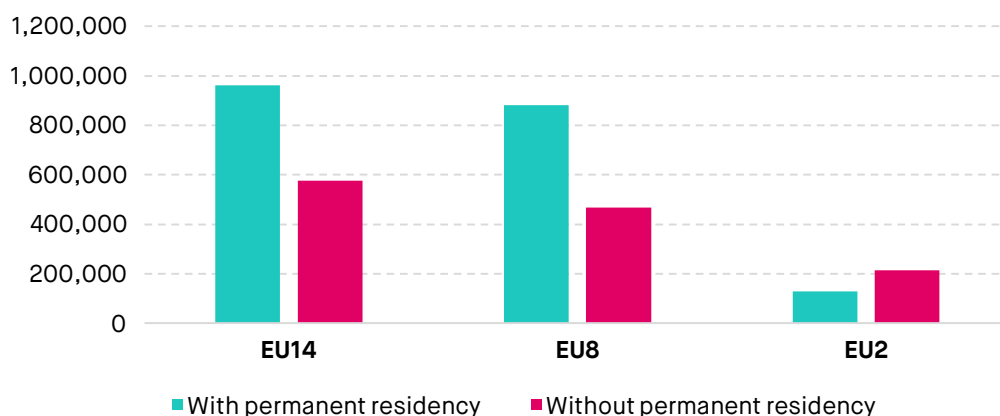
Source: Author’s calculations based on the Labour Force Survey (Q1 2016). The numbers of citizens from Malta, Cyprus and Croatia are too small to be able to reliably report.

HOW MANY EU CITIZENS CURRENTLY HAVE A PERMANENT RIGHT TO RESIDE IN THE UK?

What do these patterns mean for the numbers of EU residents currently having a permanent right to reside in the UK? Any EU citizen arriving more than five years ago and residing continuously since would have already gained a right to reside.

Figure 4 shows the numbers of EU citizens with and without permanent residency rights, broken down into EU14, EU8 and EU2 citizens. Given the data are from early 2016, we assume that an individual has a permanent right to reside if they arrived in the UK before the start of 2011, and if they have been continuously resident since then. Those without a permanent right to reside have arrived from 2011 onwards, or have not lived in the UK continuously since their arrival. A majority of both EU14 and EU8 citizens have a permanent right to reside. 960,000 EU14 citizens have a right, compared to 580,000 who do not. The ratio is similar for EU8 citizens, with 880,000 having a right to reside, and 470,000 not. However, EU2 citizens are more likely not to have a permanent right to reside.

Figure 4: Number of EU citizens with and without permanent residency rights

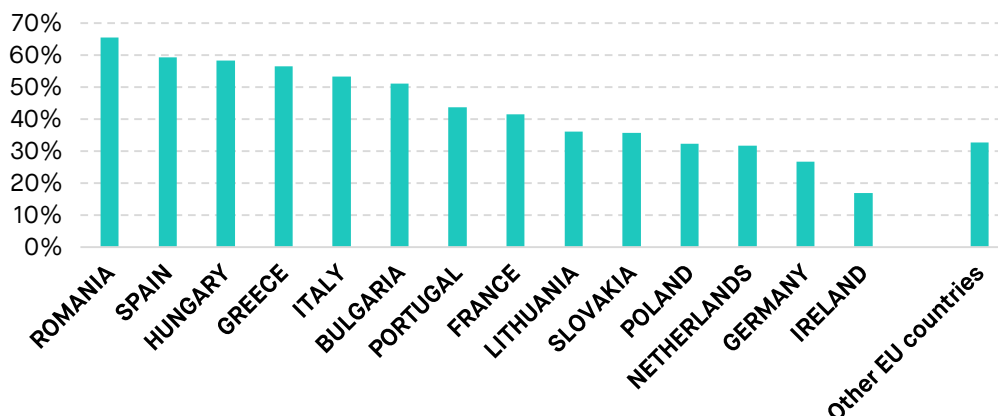


Source: Author's calculations based on the Labour Force Survey (Q1 2016). The numbers of citizens from Malta, Cyprus and Croatia are too small to be able to reliably report.

Figure 5 shows the proportion of EU citizens without permanent residency rights, broken down by individual country. Some countries have insufficiently large numbers of UK residents for figures to be reported reliably. However, of those that can be reported, Romania has the largest proportion of UK residents without permanent residency rights. Perhaps surprisingly given the scale of recent immigration, Poland has a relatively small number of migrants without residency rights. This is likely to reflect the fact that many Polish migrants arrived in 2005 and 2006, and have been continuously resident since. Ireland has the lowest proportion of UK residents without permanent residency rights, followed by Germany and the Netherlands.²

However, some of the EU14 countries from southern Europe have many more of their citizens without residency rights, notably Spain, Greece and Italy. This is likely to reflect the large recent increase in migration from some of the 'old' countries of the EU.

Figure 5: Proportion of UK-resident EU citizens currently without permanent residency rights, by country (%)



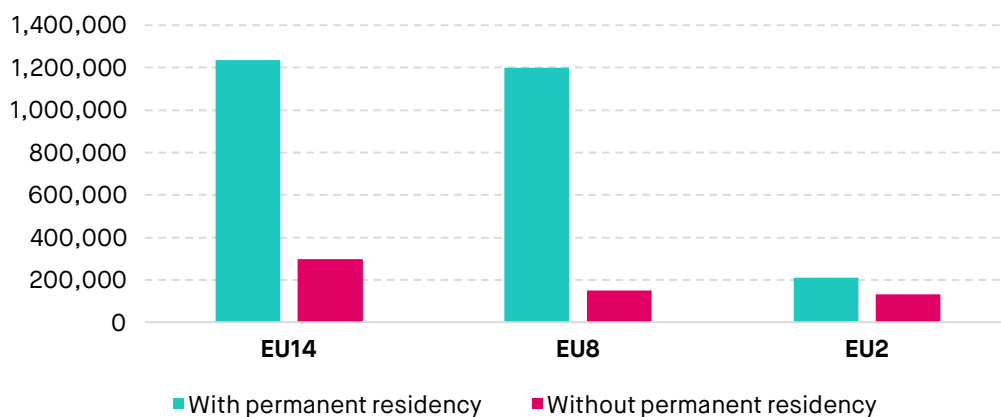
Source: Author’s calculations based on the Labour Force Survey (Q1 2016). The numbers for some countries are too small to be able to reliably report individually.

IF ARTICLE 50 IS TRIGGERED IN EARLY 2017 AND BREXIT OCCURS IN EARLY 2019, MANY MORE EU CITIZENS WILL HAVE GAINED PERMANENT RESIDENCY RIGHTS

However, the status of EU citizens resident in the UK is complicated further by the fact that Theresa May has suggested Article 50 will not be triggered until early 2017. Following this, a two year period of negotiation is likely, during which time the EU will remain a member of the EU. The ‘five year rule’ under which EU citizens have an automatic right to permanent residency after five years in the UK is EU law and so will be very difficult, if not impossible, to rescind whilst the UK is still an EU member.³

This means that, by the time the UK actually leave the EU, a great many current residents will have acquired permanent residence. Figure 6 shows the numbers of currently resident EU citizens who would have permanent residency rights by early 2019. Over 1.2 million – or over 80% - of EU14 migrants would have these rights. Nearly 90% of EU8 migrants would have permanent residence. And a majority of EU2 migrants also would.

Figure 6: Number of currently resident EU citizens with and without permanent residency rights by 2019



Source: Author’s calculations based on the Labour Force Survey (Q1 2016).

IMPLICATIONS FOR NEGOTIATIONS OVER THE RESIDENCY RIGHTS OF EU CITIZENS

1. The numbers of EU citizens resident in the UK who currently do not have permanent residency rights is smaller than might be expected. Because those residing for five years or more are automatically entitled to permanent residency, a large majority of EU citizens (around 61%) already have this entitlement. The consequences of any decision not to let EU citizens stay in the UK would therefore be less extreme than is sometimes supposed.
2. Given the likely protracted nature of Brexit, it is probable that all EU citizens arriving in the UK before 2014 and continuing to reside here will have permanent residency rights by the time Brexit actually occurs. Because the 'five years rule' is EU law it would be very difficult for the UK Government to rescind it before formally leaving the EU. This would mean that over 80% of EU14 citizens and almost 90% of EU8 citizens currently residing in the UK will have permanent residency rights in the event of leaving the EU.
3. Negotiations over residency rights may be important to certain EU countries in particular. For instance, the UK has a strong interest in the rights of its citizens in countries where large numbers reside. Similarly, other EU countries with a large number of citizens residing in the UK have a strong interest in future UK residency rules. However, the countries that may have the strongest interest in future UK residency rules are not necessarily the ones that one might expect. Despite having large numbers residing in the UK, Poland has a relatively high proportion of its citizens with a permanent right to reside. By contrast, it is some of the older EU countries – notably Spain, Greece and Italy – that join Romania and Bulgaria as having large proportions of citizens without a permanent right to reside in the UK.

ENDNOTES

¹ <https://www.gov.uk/government/news/statement-the-status-of-eu-nationals-in-the-uk>

² This refers only to residency rights gained as a result of EU law, and not to any agreements in place specifically between the UK and Ireland.

³ http://europa.eu/youreurope/citizens/residence/documents-formalities/eu-nationals-permanent-residence/index_en.htm

ABOUT THE AUTHOR

Ben Richards

Ben Richards is a Researcher at the SMF, where he works on projects in a range of areas including primary and secondary education, higher education, the labour market outcomes of low-paid workers, and immigration policy. Ben has a PhD in Social Policy from the London School of Economics. He previously worked as a Researcher at the Centre for Analysis of Social Exclusion, LSE, where his work included projects on cash transfers, poverty and inequality. He has also conducted research for charities including Oxfam and the Child Poverty Action Group.

ABOUT THE SOCIAL MARKET FOUNDATION

The Social Market Foundation is a non-partisan think tank. We believe that fair markets, complemented by open public services, increase prosperity and help people to live well. We conduct research and run events looking at a wide range of economic and social policy areas, focusing on economic prosperity, public services and consumer markets. The SMF is resolutely independent, and the range of backgrounds and opinions among our staff, trustees and advisory board reflects this. www.smf.co.uk