OFFICIAL REPORT
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Culture, Tourism, Europe and External Relations Committee

Thursday 8 December 2016

Session 5

The Scottish Parliament
Pàrlamaid na h-Alba

Thursday 8 December 2016

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CULTURE, TOURISM, EUROPE AND EXTERNAL RELATIONS COMMITTEE
14th Meeting 2016, Session 5

CONVENER

*Joan McAlpine (South Scotland) (SNP)

DEPUTY CONVENER

*Lewis Macdonald (North East Scotland) (Lab)

COMMITTEE MEMBERS

Jackson Carlaw (Eastwood) (Con)
*Ross Greer (West Scotland) (Green)
*Rachael Hamilton (South Scotland) (Con)
*Emma Harper (South Scotland) (SNP)
*Richard Lochhead (Moray) (SNP)
*Stuart McMillan (Greenock and Inverclyde) (SNP)
*Tavish Scott (Shetland Islands) (LD)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Professor Christina Boswell (University of Edinburgh)
Lorraine Cooke (Convention of Scottish Local Authorities)
Angela Hallam (Scottish Government)
Professor Rebecca Kay (University of Glasgow)
Kirsty MacLachlan (National Records of Scotland)
Colm Wilson (Fife Migrants Forum)
Professor Robert Wright (University of Strathclyde)

CLERK TO THE COMMITTEE

Katy Orr

LOCATION

The Robert Burns Room (CR1)

Scottish Parliament

Culture, Tourism, Europe and External Relations Committee

Thursday 8 December 2016

[The Convener opened the meeting at 09:09]

European Union Referendum (Implications for Scotland)

The Convener (Joan McAlpine): Good morning and welcome to the 14th meeting in session 5 of the Culture, Tourism, Europe and External Relations Committee. I remind members to turn off mobile devices, and I ask members who are using electronic devices to access committee papers to ensure that they are turned to silent.

Apologies have been received from Jackson Carlaw MSP, who is attending a meeting of the Scottish Parliamentary Corporate Body this morning. He may come along to this meeting later.

Our first item of business is a round-table session on the implications of the result of the European Union referendum for Scotland. We are focusing today on EU migration. I welcome all the witnesses who have joined us. The best way to start is to go round the table and introduce ourselves.

Stuart McMillan (Greenock and Inverclyde) (SNP): I am the MSP for Greenock and Inverclyde.

Professor Christina Boswell (University of Edinburgh): I am a professor of politics at the University of Edinburgh.

Rachael Hamilton (South Scotland) (Con): I am an MSP for South Scotland.

Lorraine Cooke (Convention of Scottish Local Authorities): I am from the Convention of Scottish Local Authorities.

Ross Greer (West Scotland) (Green): I am an MSP for West Scotland.

Colm Wilson (Fife Migrants Forum): I am from Fife Migrants Forum.

Tavish Scott (Shetland Islands) (LD): I am the MSP for the Shetland Islands.

Angela Hallam (Scottish Government): I am from the strategic analysis division of the Scottish Government.

Professor Rebecca Kay (University of Glasgow): I am professor of Russian gender studies at the University of Glasgow.

Kirsty MacLachlan (National Records of Scotland): I am from National Records of Scotland.

Richard Lochhead (Moray) (SNP): I am the MSP for Moray.

Professor Robert Wright (University of Strathclyde): I am a professor of economics at the University of Strathclyde.

Emma Harper (South Scotland) (SNP): I am an MSP for South Scotland.

Lewis Macdonald (North East Scotland) (Lab): I am an MSP for North East Scotland and deputy convener of the committee.

The Convener: I am an MSP for South Scotland and the convener of the committee.

We have been provided with some excellent written research by the Scottish Parliament information centre. One point in particular struck me. An estimated 181,000 EU nationals are resident in Scotland, the majority of whom are from EU accession nations. Between 2000 and 2015, there was a 5.7 per cent increase in the population of Scotland—more than the increase in the rest of the United Kingdom—and people who were born outside the UK accounted for the majority of that increase.

I start by asking our witnesses to reflect on the impact on Scotland of that migration, looking at the benefits and the challenges.

Lorraine Cooke: Population growth has been—as Kirsty MacLachlan will explain in much more detail—very different in different local authority areas. Population growth and the need to attract people to their areas are huge issues for some local authorities, but not so much for others. We looked at the most recent single outcome agreements for every local authority, from which we saw that just under half had population growth as one of their key outcomes. Population growth is hugely important for local authorities, and migration is recognised as a key factor in it.

Professor Wright: We have to state some facts to begin with. What drives population growth in Scotland is not immigration or net migration but fertility. Fertility is below replacement level and has been for four and a half decades. The Scottish population will in the future not grow much, and it will not grow rapidly.

Immigration is particularly important because immigrants tend to be younger: the majority of them are in the childbearing age group, which is why we see high fertility among immigrants. That is what grows the labour force. That is the key and has been since Jack McConnell said that we need to grow the population in order to grow the labour force. Without a growing labour force that has the

appropriate skills, we will not get the economic growth that pushes up our standard of living—and has done so for almost all of this century.

Population growth is not the central issue, and discussion of whether the population of Scotland will grow rapidly or slowly does not enable us to focus on the importance of migration to grow the labour force. Brexit, if it goes through according to the most likely scenario, will mean that the free movement of people from the A8 countries will be stopped.

We have from Kirsty MacLachlan all the numbers that show how many people are in those groups and what the impact is on labour force growth. The key question is this: what will you do if you need those people in order to grow the labour force? Basically, that channel will be closed, so how will you get those people if you cannot get them in the way that you used to because you had a referendum and decided to leave the EU? Population growth is not the issue.

Kirsty MacLachlan: To reiterate what Robert Wright said, the problem is more that the age structure of the population will be affected by our not having EU migrants.

09:15

I have circulated various charts. Figures 3 and 4 are illustrative projections of what would happen if there were to be no EU migration in the future. We made a rough approximation of the proportion of in-migrants from the EU and then projected the population. Figure 3 shows what would happen over the next 10 years, and figure 4 shows what would happen over the next 25 years. As Robert Wright said, the impact would be on the younger age group—migrants are of quite young working age or children—and there would be a much greater impact on Scotland than on the rest of the UK. The UK has a younger age profile than Scotland, which has a lot of baby boomers and fertility is lower. We all have ageing populations, but the working-age population seems to be the one that is going to be impacted most.

Professor Wright: Those zero net migration projections are very informative. You can think of them in two ways: either the door is shut—nobody leaves and nobody comes in—or the number of people coming in equals the number of people who leave. Those are two different scenarios. Even Nigel Farage, or anyone who wants to stop immigration to Scotland, will not stop people leaving. People will leave—they are leaving now, as well as coming. We can stop people coming in if we leave the EU, because our immigration system will allow that, but it will not stop people leaving Scotland. The projections are, therefore, optimistic: they tell a good story relative to what the story is likely to be if there are big reductions in immigration.

Professor Boswell: This might be moving the debate on to policy issues, but we must premise our discussion on a realistic sense of what the policy scenarios are. We are currently talking about the scenario in which there is no future EU immigration in the event of cessation of free-movement rights, but I find that scenario highly implausible. It is much more likely that the UK Government will have to find ways of preserving the volume and composition of current flows from the EU. We can discuss the policy scenarios in which the UK Government could do that, but I do not think that anybody—even the most rabid Brexiteer—is suggesting that there will be a cessation of the flow of EU nationals to the UK. The question is this: what will be the post-Brexit policy scenarios and how might a Scottish Government try to influence policy and shape those programmes in a way that is most beneficial to Scotland? I can elaborate on the point. I wanted to inject that policy factor into the debate.

Professor Kay: I understand why, at Scotland-wide level and at a higher policy level, there is interest in the make-up of the population and of the workforce, in particular. Economic factors are also important to migrants themselves, but it is important to recognise that for the people who come to live here and to make lives here, many other experiences influence their decision to come here in the first place and their decision whether to stay for the long term. Those things need to be factored into policy responses, both in terms of the Brexit negotiations and in terms of what can currently be done by the Scottish Government and local authorities to deal with the uncertainties that Brexit has caused. You have to look at migrants' lives in the round and recognise the factors—beyond the legislation that says whether people can come here—that might have a big influence on whether people see Scotland as a place they want to come to and, once they are here, as a place where they and their children have a future. There is quite a lot that we could discuss around that.

Angela Hallam: I want to make a point about what we know about the migrants who are already here. The best source for that information is the census, but the census data are now getting quite old. Last year, the Scottish Government published a report "Characteristics of Recent and Established EEA and non-EEA migrants in Scotland: Analysis of the 2011 Census" and, in October, we published a follow-up that extended that analysis to compare them with the Scottish-born population and the rest of the UK-born population. It is clear to see that recent EEA migrants, in particular, are much more likely to be in employment or to be students. If we are thinking

about our situation and how migrants add value to the Scottish economy, it is useful to start with that information in mind.

Lorraine Cooke: I want to clarify the issue of outcomes with regard to Robert Wright's comments about population growth. My comments were very broad brush, but if you unpick the outcomes and look at them in more detail, you will see that they are really to do with the working-age population. Local authorities are acutely aware of their ageing populations and of the different make-up of populations and demographics in their areas.

Rebecca Kay made a point about the sense of imposed uncertainty that people are living with and the importance of leadership and getting the message across. We have heard different announcements from chief executives, leaders and, of course, the First Minister, but we need to ensure that people know that they and their contribution to their local areas and, indeed, to the country, are valued.

Rachael Hamilton: I have to say that I agree with Christina Boswell, but I want to go back to where we started and to Robert Wright and Kirsty MacLachlan's comments about how our country would be affected were we to shut our doors. I wonder whether Kirsty MacLachlan can describe her graph about projected needs in terms of EU migration in order for Scotland to have the required population. [*Interruption*.] Is this your paper I am holding up, Ms MacLachlan?

Kirsty MacLachlan: It is.

Rachael Hamilton: As I said, we started off by looking at how we would be affected if the doors were shut and there were no EU migrants coming into Scotland. Does the first graph project the migration that is needed?

Kirsty MacLachlan: It does not project the migration that is needed. You would probably be better looking at figure 5, which shows the principal projection. It shows the 2014-based projections, which do not include Brexit. All the assumptions have been tested and checked with the expert group and the work was carried out on our behalf by the Office for National Statistics. The principal projection is the one that for us has most weight, but we have also produced variant projections that deal with high and low fertility, high and low mortality, and high and low migration. There are many variants that show how uncertain things might become the further into the future we go.

The lighter green blobs and bars in the graph are the projections that we published earlier in the year before Brexit. For example, we projected that the total population would grow by 15 per cent in the UK as a whole and by 7 per cent in Scotland. We also showed projected growth in England, Northern Ireland and Wales: it is clear that, at 17 per cent, England would account for most of the total population growth in the UK. However, the situation varies quite a lot according to age structure. In all the UK countries life expectancy is increasing, which means that there will be more pensioners.

We see a real difference in the principal projections of the number of children and of the size of the working-age population. According to the principal projection, the number of children in Scotland is projected to increase by 1 per cent, while the figure for England is 10 per cent and for the UK as a whole is 9 per cent. There is quite a big difference in that respect. Moreover, Scotland's working-age population is projected to increase by 1 per cent over the next 25 years, whereas the projected increase for England is 13 per cent and for the UK as a whole 11 per cent.

What is different is the balance of the age structure. That is what we were projecting before Brexit.

Professor Wright: Population dynamics are rather complicated, so I will try to take a different approach to answering the question.

The most recent data that we have, for last year, estimated that 85,000 immigrants have come to Scotland and that 47,000—or 55 per cent—of them came from the rest of the UK. We have no control over that, unless we become an independent country, so we do not have to worry about those 47,000. The other 37,000 people—let us call it 40,000—came from the rest of the world, and more than half of them came from the EU. In other words, if the door is shut, you will miss out on 25 per cent of immigrants.

I agree with Christina Boswell, but not totally. If we look at what EU immigrants to the UK are actually doing, we see that most are in low-skilled jobs. The UK immigration system has a low-skilled tier that has never been used—tier 3. All the rhetoric and discussion that we hear on television and radio about visas and so on is just about reactivating that tier.

It is not necessarily the case that someone from Poland who would come to work here for two years would apply for a tier 3 visa. Under the post-Brexit system, tier 3 may attract low-skilled people from other places. If Brexit goes through, I do not think that we are going to have lots of Poles with high levels of education doing low-skilled jobs. I do not think that that will happen; it should not.

In those circumstances, there would be a labour market mismatch, in which there would be people with high skills and people with low skills and high turnover in the labour market. Labour market turnover is expensive, so the idea is to match people and their skills better to the jobs, which the

immigration system in Canada does. The UK copied that points-based system but never used tier 3 because it did not need to as it got a lot of low-skilled people who were allowed to work and stay in the UK because of the EU arrangements. Not everybody comes from the EU, but it is currently an important component—25 per cent—of immigration. That may be a partial answer.

Rachael Hamilton: There are two points in our briefing. One is that, when the economy is not good, wages are lower, particularly for EU migrants. The second is that the migrants are almost dumbing down their CVs in order to get jobs and end up in low-skilled jobs for which they are much more qualified than they need to be.

Professor Wright: There is a cost both to the economy and to the individual from that, because it creates a lot of labour market turnover.

Lewis Macdonald: I am interested in that, but there is a wider point here on how the system currently operates.

Many people arrive to do lower-skilled jobs than their qualifications would suggest they should have. Is it the case—it certainly is in the north-east of Scotland and, I suspect, in urban areas besides Aberdeen—that many people arrive to do relatively low-grade jobs but then very quickly find their way through the labour market into other employment? I would be interested to hear views from around the table on that. Is there social mobility within the EU population more generally? I have the sense that there is in the area that I represent, but I am not sure how typical it is.

Professor Kay: In our research, social mobility appears to be very varied in the different regions of Scotland. We have done research in Glasgow, Aberdeen, Aberdeenshire and Angus. Aberdeen stood out as an area in which there is a relatively attractive labour market and in which migrants can upskill more easily or work in contexts in which they are able to increase their English language skills and therefore put into practice the qualifications and skills that they brought with them.

I realise that this is being a bit picky, but I am not sure that people come here to take up low-skilled jobs. They come here to make a life, and their starting point for that is to accept lower-skilled work.

In some areas where we have been working, particularly the more rural regions, we have found that people have been stuck for a very long time in very unskilled work that is not commensurate with their qualifications or skill set and can be in a vicious circle in which the forms of employment that they are engaged in make it very difficult for them to increase their English language skills.

For migrants who are working double shifts in a fish-gutting factory, getting to a language class is difficult. If they are part of a workforce that is almost entirely other central and east Europeans, the fact that they are living in an English-speaking place does not mean that their English language ability rapidly increases.

Lewis Macdonald: So are there two very different experiences?

Professor Kay: Yes—there are two very different experiences. The experiences are replicated, for example, in Glasgow, where we have found that people who have gone into work that is very much dominated by other central and east European migrants have struggled because of that.

The Convener: I see that Mr Wilson from the Fife Migrants Forum is nodding his head; is that something that resonates with you?

09:30

Colm Wilson: That is very true. There is no stereotypical migrant coming into Scotland. People come for various and numerous reasons; sometimes it is as simple as somebody coming over to spend a few weeks with a friend and deciding that they would like to stay. They may start in a low-paid job. Many of the migrants we have are capable of doing a lot more than the jobs that they are in at present. They are ambitious so that when they get knowledge of their environment, they want to move on into higher-skilled jobs. That is a great thing—it is great for the economy. For example, I work from Kirkcaldy where, in the last year or so, we had a high street that was dying. Now it has seven or eight businesses that have been set up by migrants who arrived in Fife. They are not employing a lot of people, but they are providing employment.

Lewis Macdonald: You have described migrant labour as being in essence in a rural poverty trap. Is there evidence that gangmasters are employing people illegally, at wages below the national minimum wage? Is there evidence of illegal migration from eastern European countries, outwith the EU, coming through EU channels?

Colm Wilson: There is certainly evidence of gangmasters. We have had a few cases recently of that being organised from one of the east European countries to provide employers with low-paid employees and to exploit those employees. We have seen evidence of wages being paid to workers through banks that are not European. It seems to be more prevalent at the moment than it has been for a while.

Lewis Macdonald: Is that illegal activity?

Colm Wilson: Yes—illegal.

Professor Kay: We have looked less at questions about gangmasters or illegal migration or irregular migration status, but we have found a huge variance in the ways in which employers treat their workers, and that has an enormous knock-on effect for people, including their ability to progress. For migrants, work on a farm where wages are paid irregularly, accommodation is of a very low standard and transport is not facilitated—in a region where public transport might be difficult—is very different from work on a farm or at a food processing factory that provides decent accommodation and where there is a big effort to help people to integrate with other workers from different countries and so on.

Even where working arrangements might be completely legal, that borderline between a good employer and a less good employer can be very significant.

Professor Wright: I want to go back to what some people call social mobility—moving up the occupational ladder. There is lot of evidence on that, such as from the census, even though it is five or six years old now.

First, there is a big skills mismatch between their education level and what EU migrants are doing—it is huge. There is a lot of variability and a lot of regional variation, but those are just numbers and they can be commented on.

The other point is that there is very little evidence of significant social mobility among this group: Ireland has done a lot of research that shows that there is hardly any social mobility there at all. Because of that, a lot of people return to the country that they came from. That was the choice made by a lot of EU migrants when the recession in Ireland hit really hard. It is not the case that somehow they get here and take low-skilled jobs because that is all they can get. Of course they have aspirations, but the data says that for the vast majority of those people those aspirations are not realised. What do they do? They are stuck in those jobs—the poverty trap, as you call it—or they return home. When they return to where they are from, we cannot ask them questions because we do not have information on them, so we are guessing. The only way to get a handle on a lot of those issues is to collect information on social mobility and then collect information about people who return to the country where they came from. That does not seem likely to happen on a large scale.

Angela Hallam: I was going to make the point that Robert Wright has just made. From the census, we know that EU accession migrants are in very different types of jobs. The census breaks down by degree-level qualifications whether people are in managerial posts, semi-routine or routine occupations. There is a massive difference between the EEA accession migrants and all the other groups. They are very likely to be in low-skilled jobs. Robert Wright made the point that we have evidence that shows that.

"The impacts of migrants and migration into Scotland" review, which was published in October, found that there is a U-shaped pattern in wages for EU migrants. There is a real cluster at the low-skill end, a cluster at the high-skill end, and not much in between. What Professor Kay said about Aberdeen is a case in point. Obviously, Aberdeen is quite a mixed environment. There are very high-skilled jobs in the oil industry there, although there may not be as many of them in the future.

Professor Boswell: To build on the discussion about social mobility, one of the clear risks of Brexit is that it will further limit options for the social mobility of EU nationals and potentially enhance vulnerability to exploitation because, if people do not have the full panoply of rights associated with free movement, they are obviously much more likely to enter through some of the more rigid schemes, such as under tier 2, which is linked to particular occupations and jobs, or perhaps under tier 3 or a seasonal labour scheme in which there are quite limited rights with a very fixed-term period of employment. That is one of the clear changes. Even if, post-Brexit, there is an attempt to preserve the existing volume and composition of flows from the EU, which is likely, we will see that low-skilled workers especially will be much more vulnerable and there will be more rigidity in schemes for recruiting higher-skilled workers.

The Convener: It would probably be helpful for our record if somebody explained the tier system. Who would like to volunteer to do that?

Professor Boswell: There are five tiers. Those that are most relevant to a post-Brexit scenario include tier 2, which covers a range of different programmes, including intra-company transfers and the shortage occupation list, which defines the occupations that face acute shortages. There is a special list for Scotland, but it is very minimally used.

It is very important to think about tier 2, because expanding it is one obvious route for trying to expand possibilities for recruiting EU nationals post-Brexit in the tier system. There is an opportunity there for Scotland to try to identify particular occupations or sectors that will face acute shortages and which need to preserve a flow of EU nationals into them. Tier 2 tends to cover skilled or highly skilled people.

Tier 3 covers the low skilled, but it has not been activated since the points-based system was set up. That is because of EU enlargement, which is

seen to fill the requirement for low-skilled migration.

Tier 5 covers temporary migrants—people should correct me if I am wrong, please. At the end of November, there was a House of Commons debate on seasonal agricultural workers, which members might have followed. I think that there is likely to be a move to try to expand seasonal worker schemes post-Brexit precisely to fill the shortages that will emerge as a result of stopping free movement. We expect to see very strong lobbying from affected sectors. There is already a mobilisation of the agricultural lobby to try to put in place a replacement scheme.

In general, there could be an expansion of the tier system. Bespoke programmes or systems could also be put in place specifically for EU nationals, which give them preferential treatment. Those are the two scenarios that are most likely to emerge. A points-based system is less likely. I think that there could potentially be a fresh talent scenario, because there will be an interest in providing incentives for EU students to continue to come to UK universities.

We have to consider the full range of possible options for post-Brexit immigration schemes and not be too fixated on the points-based system and fresh talent. We should look at the occupational and sector-based schemes, as well.

Professor Kay: I want to pick up on the question of seasonal workers and link it back to my previous point about the economy and the labour force being important, but not the whole picture. It also links to what Lorraine Cooke said about particular local authorities for which outcome agreements around population growth and the demographic structure of populations are important.

Angus is one of the places where we have been working, and the region clearly has a big need for seasonal workers. However, we found a lot of evidence—albeit in a qualitative piece of research—that EU migrants who come over for seasonal work repeatedly might then stay and begin to develop a practice of permanent residence in Angus, moving between different kinds of seasonal work and accessing their rights as EU citizens during periods when there is a gap in their employment. We found a lot of people who spend the spring picking daffodils, the summer working on the berries, the autumn lifting potatoes and the winter working in packaging around the Christmas season. Those people bring families with them and have children. Professor Wright talked about fertility rates, and the higher fertility rates among migrant populations plays in there.

A tiered system that is focused on the needs of the labour market ignores the wider issue of what the migrant population may be bringing to particular areas. We need to look beyond narrowly defined labour market needs to demographic profiles and communities. There are communities in which 50 per cent or more of the intake year in primary schools are the children of central and eastern European migrants. What will happen to those schools and communities if those families are not there?

Professor Wright: Tier 4 is the student one and, post-Brexit, EU students could be considered under that tier according to whatever arrangements you want to make.

I find it surprising that you have a points-based immigration system that, on the economic side, allows you to match people to jobs, which is what the whole system is about, more or less. There are other forms of immigration for refugees and family unification—you can list them—but they are not part of that system. Why is everybody so concerned that, in the future, it may not be somebody from Poland doing the low-skilled jobs but somebody from Indonesia or somewhere else? It should be the best person with the appropriate skills who does those jobs. I hate to say it, but Brexit may give you an opportunity to establish a more rational immigration system that does a better job of matching people to jobs and reducing job turnover.

We should not discriminate on the basis of country of origin. The points-based systems were established because people wanted to get away from that form of discrimination and attract people with the best-suited skills. They widened the net. Therefore, I do not agree with Christina Boswell. I think that whatever system is in place in the future will stop the immigration of highly skilled workers from the A8 countries to Scotland and the UK to take up low-skilled jobs—and so be it. The challenge is to ask where you can get the people that you need. How are you going to do that in Scotland, which has no say in immigration policy but which has a points-based system in place? That is a challenge but it is also an opportunity.

We have got a little bit lazy about the current system because we do not have to do anything. People know that the jobs are there and they show up with high skill levels—largely in English language skills—so we just continue. We have taken that for granted, but we now have to think about what we are going to do if those people are not available.

Lorraine Cooke: Our fears about the points-based system are that it is focused on restricting and reducing migration—that is its primary focus—and that it lacks flexibility. There are a lot of examples of points-based systems, including in Canada. We have the Scottish shortage occupation list—as Christina Boswell says, there

are a couple of occupations on it—but it lacks the flexibility to reflect Scotland's needs and the needs of local areas. Our issue is that the system is creating more barriers. Over the years, the bar has risen for the shortage occupation list. Social care used to be on it but, with qualifications and suchlike, salary scales have risen and it has come out of tier 2.

09:45

That would be our issue: that lack of flexibility and the focus on reducing migration in general. To go back to Professor Kay's point about the importance of the wider benefits that people bring with them, we were responding to the Migration Advisory Committee inquiry on impact on services, so we sent out questions to local authorities and their response was overwhelmingly positive. There are some issues, such as English as an additional language in schools, but a lot of the feedback that we got was about the benefits that people brought with them. As Professor Kay said, there is the example of small schools that have been able to remain open because of migrant families.

Stuart McMillan: My question is mainly for Professor Wright, in connection with the comments that he made a few moments ago. Is there a possibility that, post-Brexit, there should be a differentiation in immigration policy in the UK?

Professor Wright: Yes, of course. I have always said that. You can have shared responsibility for immigration—Australia and Canada have had that for decades—because it is a matter of political agreement, rather than technology. However, I do not see that the probability of that will increase or decrease as a result of Brexit, because the position has been clearly stated. Just the other day we were told that it was not going to happen.

Let us not get too carried away with the occupation list that Christina Boswell mentioned, because she is correct to say that it would be out of date as soon as it was published. It is just a distraction from the real issues of how to attract the people that we need. We know who those people are; we do not need a list to read from.

It does not change anything with respect to the Scottish situation and having further responsibility for immigration. It means that we have to pay more attention to how we plug the gap that will result when the door to the rest of the EU is shut.

Professor Boswell: I have a different view. It is inevitable that UK immigration policy will be in flux in the context of Brexit: something is going to have to change, whether that is an expansion of the current points-based system or new bespoke programmes. The reason why I emphasise occupational sectoral shortages is not because I think that it is the most wonderful, ideal scenario for immigration policy—it is very rigid and does not take into account the wider set of factors that are of concern in the Scottish policy-making context—but because I am giving more pragmatic consideration to the fact that, based on the records of the current Government and the previous Labour Government, there is a fixation with labour market shortages and systems that define migration needs based on acknowledged shortages in particular occupations or sectors. That is why this is an opportunity for the Scottish Government to get better data on where those shortages are, so that it can take a pragmatic approach to negotiations and have some leverage to try to secure a more generous model or programme that better suits Scottish needs. That would be better than a highly restrictive approach that substantially reduces EU immigration flows.

Angela Hallam: I want to flag up that the Scottish Government is doing work to examine in greater depth which sectors EU migrants are working in and to get better co-ordinated data on that. Some of that data is quite difficult to get. We get a lot of data through the annual population survey and we are digging deeper into the census data. Agriculture is a key area and there is a difficulty getting a handle on that. Our colleagues in rural policy are investigating the agricultural census and are commissioning more work to look at the agricultural sector to get a better grip on the contribution of seasonal migrants.

The Convener: Is that likely to be ready?

Angela Hallam: I can report back to the committee on the research that I mentioned. It will start next year and I think that it will be reporting in 2018—I will check on that. The better sectoral analysis is on-going. We have some annual population survey analysis that I can share with the committee if that would be helpful.

The Convener: We would appreciate that.

Rachael Hamilton: I concur with what Christina Boswell says about the evidence: we need to look at sectoral importance. A lot of people from different sectors who have appeared before the committee have expressed a need for EU migrants in their sectors, in particular in agriculture.

Angela Hallam, we have information in our meeting papers that is based on figures from the ONS. We all know that the hotel and restaurant industry has a great need for EU migrants; they make up about a third of the current workforce. However, the paper says that the estimate of EU nationals in Scotland's agriculture, forestry and fishing sector is not considered "statistically robust" and so is not included in the figures. I find that surprising, considering that Professor Kay's

research says that that sector is of so much importance and considering the evidence that this committee has gathered.

Angela Hallam: There is great difficulty in getting a handle on the agricultural system, because migrants come and go, and they migrate from job to job as the season progresses. My rural affairs colleagues looked at the agricultural census, which records the number of days that people work but not the number of workers. Their estimate was somewhere between 5,000 and 15,000. We need better work to address that.

Professor Wright: I do not understand the statement, "We need EU migrants." You have job vacancies that are not being filled by Scottish people or people from the rest of the UK, and they need to be filled by somebody. It is not a need for EU migrants; it is a need for someone to do the work. That is how you should think about it, because you cannot take it for granted that it will be EU migrants who fill those jobs in the future. You have to think about what you need to do to fill the vacancies, not what you need to do to keep EU migrants coming to Scotland. That is very different. You have to start thinking that way if Brexit goes through, as a lot of us believe that it will. This is the problem: the work needs to be done by somebody and, domestically, you do not have the people or the people do not want to do that work.

Professor Kay: To pick up on that point, I do not disagree that it should not matter to Scotland, in some ways, whether it is Polish or Indonesian people who are coming to do the work, but I reiterate that migrants are more than economic units. If the Scottish Parliament and Scottish Government are going to have a joined-up policy approach to migration, and if that approach is to use a tier-based system and bring in people from wherever they may be to do the jobs, what do we do with them once they are in the country, and what other policies are required to properly accommodate their lives in the round in the country? What does it mean, for example, for the demographic profile of the country?

People from Poland—because of its proximity, transport, and EU further social rights that have allowed them to bring dependants and family with them—might have embedded in communities, had an impact on fertility rates and kept schools open. Someone from Indonesia is much more likely to come as a single worker and not be able to form those sorts of ties—or they would be able to, but doing so would require that policies other than just labour market policies be structured around them.

Professor Wright: I am sorry, but that is just not factually correct in a place such as the United States or Canada. Those countries set the hurdle to immigrate very high, so people who want to immigrate commit to go, and they stay. Return migration from Canada and the United States is very low, because the hurdles to coming are so high. Someone from Poland comes for three weeks, is disappointed and goes home.

Professor Kay: No—many people from Poland come for three weeks and stay for 10 years.

Professor Wright: That is right, but we know that return migration is clearly much higher in that group than it is among people who move from, for example, Malaysia and the Philippines to work in the health sector in Canada. The numbers are there. How do we square that with your opinion?

Colm Wilson: Migration has worked for the agriculture industry in Scotland because it is simple. A farmer can get the employees he requires for a week, a month or a year without having to work with Governments or officialdom. Migrants flow in and out and jobs are filled. Some of the employers in Fife tell me over and over that their businesses would not exist if it were not for migrants. If it is complex or difficult to employ people from the Philippines or wherever, businesses will go to the wall. Migration works now because it is simple.

Professor Boswell: I will make a point about the desirability of EU as opposed to non-EU nationals occupying temporary or seasonal migration schemes. The experience in Europe is that it is typical for countries to have bilateral agreements with neighbouring countries—as well as, traditionally, central and eastern European countries and north African countries—to fill seasonal and temporary labour migration needs. I do not see any reason why that would not be the case. It has been the case under the seasonal agricultural work scheme—SAWS—in the United Kingdom, for example.

There are many reasons why it is more convenient to have such agreements with neighbouring countries where there are established patterns of pendular or circular migration and established migrant networks. Not least is the fact that, in the political context, it might be part of a package of agreements with countries that have typically been sending countries for lower-skilled employment, such as Poland. That pattern is highly likely to continue regardless of whether it is ideal from an economic point of view.

The research that we carried out some years ago on Polish and Romanian migration showed how such mobilities are pendular. It also showed that people in a particular locale in countries of origin tend to rely on such forms of temporary migration to sustain local livelihoods. It is often a family strategy for a member of the family to go

and take up, say, six months' seasonal agricultural work in an EU country.

There is a likelihood of similar two-way agreements with high-skilled migration. For example, the UK Government will have every interest in preserving the possibility for UK nationals to go and work in high-skilled jobs in Germany, and I can imagine it being the object of a bilateral agreement.

There are strong political, economic and cultural reasons why it may be preferred or inevitable that EU migrants continue to occupy such jobs.

Angela Hallam: The labour market in general is subject to the state of the economy and migrants are a flexible source of workers during a strong economy but, when there is a recession, there are fewer jobs around. However, agriculture has a constant need for migrants.

Richard Lochhead: The evidence so far has been fascinating. I note that many of the witnesses are confident that some pragmatic solution will be reached to address any gap that is left by any reduction in EU immigration. However, the defining issue of the Brexit referendum, particularly south of the border, was immigration, so politics south of the border will no doubt overtake the pragmatic solution that many of the witnesses seem to think will be put in place. We will see what happens.

I am struck by the startling statistics in figure 5 of Kirsty MacLachlan's paper. I am not sure that many people in Scotland appreciate that the projections show that, between 2014 and 2039, the number of children is set to increase by 10 per cent in England but reduce by 5 per cent in Scotland and the working-age population is set to increase by 13 per cent in England and go down by 3 per cent in Scotland—[*Interruption*.] I apologise: the working-age population in Scotland will increase by 1 per cent in Scotland and by 13 per cent in England. There is no equivalent statistic for a post-Brexit reduction in England.

That is a startling difference for the working-age population. I will repeat the statistic so that we get it accurate: there will be a 13 per cent increase in England and a 1 per cent increase in Scotland. It is a massive difference. The context for my question is the importance of immigration and its influence on those projections. Will immigration and attracting people from overseas have a huge influence on those statistics, or are there other factors?

10:00

The Convener: I will ask Kirsty MacLachlan to start off, as she is responsible for the figures.

Kirsty MacLachlan: The three assumptions that go into the projections are fertility, mortality or life expectancy and migration. For Scotland, most of the increase is through migration because we have lower fertility. England has a younger age structure for the population, so we are ageing faster than the population in England is. We have proportionately more baby boomers—people born in the 1950s and 1960s.

Professor Wright: As I said earlier, it is complicated to understand these population dynamics. There is something called population momentum. Population change and demographic change are very slow, and what Richard Lochhead had highlighted has been known for some time. The population momentum in Scotland is for a decline in population and in population growth. The momentum in the UK is for low growth, and much higher growth in younger age groups. If we look at the older population, in which I will include myself, of 55 and above, there is not much difference between the UK, which is basically England as the biggest country, and Scotland. The difference is the young people, so the education sector is in for a bit of a shock, and the labour force, which is growing in Scotland only because more workers are coming than are leaving. The net migration of people in that age group is positive.

The situation is critical. What happens if things change and we do not have the opportunity to bring people in in the future? If the situation changes, and we do not want to make the points-based system more rational, we could increase the participation of people. That is a possibility. There are still low participation rates among women compared with many other countries, so that would generate more workers. There are lots of other things that we could do. Scotland could have an education system that moves away from higher education to further education and more skills. There are four or five other things that could be done besides immigration.

From the research that I and most economists have done, the bottom line here is that, without immigration, it will be tough for the other policies to fill the gap. A multi-pronged approach is needed, but the demography in the diagrams has been determined over four or five decades. It is not going to change. That is what we are in for: the demography is known. What is not known is how much the labour force is going to grow, if at all.

Professor Boswell: I want to respond to the scenario of the UK not being able to restrict EU immigration significantly. That is based on the experience in 2010. The current UK Government has been committed to reducing net migration since 2010. However, the trend for non-EU immigration has been a rise in net migration. The

Government has rolled out a panoply of measures to try to restrict non-EU immigration since 2010 and has spectacularly failed to do so. There are no grounds for thinking that it will be better equipped to restrict EU immigration. Liberal democracies find it very difficult to restrict immigration when it is beneficial to the economy to do so.

Richard Lochhead: That was going to be my next question. I should record that the projection was that the number of children would go up by 1 per cent in Scotland by 2039 and by 10 per cent in England. The projected reduction of 5 per cent in the number of children in Scotland is a post-Brexit figure, but there is not an equivalent post-Brexit figure for England. It would be interesting to have that figure in the future.

Many people who voted to leave the EU will tell us not to worry if people are not going to come from Europe to work and live in Scotland, as people can come from the rest of the world to do so. That is a big issue in the NHS, for example. When we say to people that we rely on EU staff in our hospitals, they will tell us not to worry because the places will be filled by non-EU inward migration. In the light of Professor Boswell's comments, is that the case? Will it really be easy to replace EU inward migration with non-EU inward migration?

Professor Boswell: That is a very complex question that would need some unpacking. As I have said, I suspect that there will be an attempt to preserve existing EU flows. It is possible that the supply will reduce in the medium to long term, because quite a large proportion of EU immigration is currently from the southern EU countries that are affected by austerity policies. I suspect that the level of intra-EU flows will decline over the next five to 10 years and that there will be a gradual replacement by non-EU immigration.

Whether it will be easy to attract non-EU immigrants to the UK, including Scotland, is a very complex question. That partly depends on how the Scottish economy is doing, existing networks, communication flows and, obviously, how attractive the types of packages that are offered are and what the competition is with other economies that are trying to attract similarly skilled migrants. Therefore, it is very difficult to answer that question.

Perhaps one of our other colleagues wants to talk about some of the levers that can be put in place to try to attract immigrants to Scotland. There are a number of soft levers. The package of rights and entitlements that is offered as part of a migration scheme would certainly be influential.

Professor Wright: The long-term population projections that Kirsty MacLachlan has put together assume that EU migration will be zero in the long term. There is an implicit assumption that immigrants will come from somewhere else. That is built in, but it is not highlighted, as a person is a person. I sat on a committee at the ONS that set those assumptions for the national projections, and that is what we assumed.

The important issue is a moral one. I have said this before and I will say it again to this audience. Should we be going into countries such as Poland and stripping out the youngest and the brightest to come to work in Scotland? We are currently in an economic relationship with them. Those economies are growing and their populations are ageing more rapidly than ours. It is not as if they have a surplus of workers. We are harming our colleagues with whom we are supposed to be in an economic relationship.

According to the numbers that I have, we are talking about 25,000 people. The global population is 8.3 billion, so the potential supply of immigrants to come to Scotland out there is infinitely elastic. We need 25,000 people from 8.3 billion. Is that a big challenge? We should not go into Poland to get those people; we should go further afield to tap into the huge stock of people who want to come here. We know that people want to do that.

The other thing to remember is that there is managed immigration with the points-based system and unmanaged immigration because of the EU agreements. The Government is trying to reduce net migration by pushing down immigration. We do not know the counterfactual of what would happen if it did not have that policy in place. At the same time, we see immigration from the EU rising, which is hardly surprising. It is like a teeter-totter: if one side is pushed down, the other side goes up. One is controlled and one is not controlled. The only way to reduce immigration and net migration is to have control of all potential sources of immigrants. I do not know why the Government said that it could do that with the type of system that it has in place. As Christina Boswell has said, it has failed.

Ross Greer: So far, with regard to EU citizens, we have almost entirely—and quite understandably—talked about their labour and what they contribute to the economy, but the fact is that they are individuals whose rights are currently at risk. We have already touched on emigration as well as inward migration; indeed, Professor Wright was the first to do so, and it would be interesting to hear from Colm Wilson or anyone else who has any evidence about the feeling among existing EU migrant communities in Scotland. Do many of the people who are already here expect to still be here in the coming years, or are people beginning to think that they might want to return home or go to any of the EU 27 countries?

Colm Wilson: The beauty of the European Union is that we have stopped talking about national borders and started looking at people and that we now have an ebb and flow of migrants and people from all different cultures mixing with one another and enjoying one another's company. That has been one of the great things about Scotland: people from the rest of Europe feel that they are accepted here.

I was recently in Manchester, and the mood there is totally different. There is fear among migrants in the rest of the UK. Migrants in Fife—and I suppose that this speaks for the rest of Scotland—do not have the same fear that they are all suddenly going to be put on boats and sent back to Poland or wherever.

Ross Greer: There has been a broad political consensus in Scotland to try to make that message as clear as possible.

Colm Wilson: It has worked.

Ross Greer: That is exactly what I was hoping for.

The Convener: That is encouraging.

Professor Kay: I want to pick up on a few points. First of all, Christina Boswell talked about soft leavers and what would encourage people to come back or even to stay. The consensus in Scotland seems to be that people should not just fill temporary gaps; in some local authority areas, we want people to settle and make Scotland their home.

That is not just my opinion; that view is based on quite extensive—albeit qualitative—research into the experiences of the people who are here, which shows that the social rights that are available through the EU have made a big difference. That brings me back to my question about what people coming from Indonesia or other parts of the world need in terms of social support, integration policies and accompanying packages for family migrations, settlement, access to education and healthcare. All of those things might or might not be the same as the support that has been available to EU migrants, and such questions need to be looked at in the round as the policies are discussed, not addressed as an afterthought once people are already here and we find that they do not fit neatly with what support might or might not be in place.

As for the intentions of EU migrants who are currently here, I agree that many people have been positively influenced by the political leadership in Scotland and by the different message that is being put out in Scotland. However, it is important to avoid complacency and think that Scotland is simply a better place for people to be. Many Scottish areas have more recent experience of multicultural and diverse communities in which there have been lower community-level interactions and lower access to community-level networks for people. Certainly no spike in hate crime has been reported but, anecdotally, people have reported discomfort, their children having problems at school and so on, albeit that has been at a much lower level than elsewhere.

We should also bear in mind that the assumption as to whether people will or will not go home is not a straightforward one. For many people, their past home is not an easy one. A person who has lived in Scotland for the past five, six or seven years might have a Scottish partner, or their child might have been born in Scotland either with a Scottish partner or with, say, a Polish partner. That person might have no property in a central or east European country, and the economy might not be an easy one for them to go back into. People might well remain here without their necessarily feeling particularly comfortable about it. The repercussions of the loss of their social rights are likely to play out at local authority rather than at national level.

A whole mosaic—in fact, a maze—of policy making and policy actors is needed to look at potential outcomes. In that respect, I go back to Ross Greer's point that, in order to understand that policy landscape, we need to treat people as people and not as economic units.

Professor Wright: There is quite good evidence out there on people's intentions about staying or not staying.

Professor Kay: But intentions do not matter.

Professor Wright: I know, but the fact is that there has been low reporting of people who have stayed for a long time. Other countries have policies in place to respond to some of these issues. We just have to learn from the experiences of others.

I think that it is an exaggeration to say that Scotland is more positive—it is just less negative than the rest of the UK. If we look at the surveys, we will see that they are all below 50 per cent, but that is higher than what is usually reported in England. To say that, in this country, the man or woman on the street is really positive towards immigration is a major exaggeration. The attitude is still negative, but it is less negative than other parts of the UK.

Emma Harper: I was an economic migrant in California working with nurses and doctors from South America, Africa, Indonesia and other places. Obviously, post-Brexit immigration policy needs to be changed so that we can accommodate skilled people from all over the world. For our older population, we need general

practitioners, nurses and carers, and I am interested in getting some clarity on what tier they come under. What has to happen post Brexit to address immigration? What does such a policy need to look like?

10:15

Professor Boswell: In the case of health professionals, the shortage occupation list could, as we have discussed, be expanded under tier 2. One could imagine learning from other countries' practices. Some countries have sector-based schemes, in which sectors or occupations are identified as being in need of labour and people with the relevant qualifications are allowed to enter and to seek work. An example is the German green card scheme of 2000, when a social democratic party and Green Government decided to expand opportunities for information and communications technology specialists to come to Germany. Those seeking work had to show that they had particular qualifications, and once they done so, they could look for work on the labour market. A scheme like that is a bit more flexible than a shortage occupation list scheme in which an individual needs to have a job offer.

Another scheme is where the employer has to meet certain criteria—that is, an occupation has been identified as facing acute shortages—and is then able to recruit from overseas for a specific job. There is also a more flexible system in which people in a sector or an occupation can come here and get a permit to look for work in those areas. Those are two possible ways of addressing sectoral shortages.

There is a spectrum of flexibility. The most flexible scheme is a human capital-based system similar to the Canadian and Australian points-based system. Under that scheme, a person who accrues a certain number of points based on their qualifications or other characteristics associated with their human capital can simply enter the country and look for any job, but the risk is that the countries that run such schemes are more susceptible to deskilling.

There are also issues about whether there can be a devolved arrangement for any such system. That raises various retention issues and a concern that, once people have stayed for a period and have accrued permanent residency rights, they might leave and relocate to other parts of the country and so on. Nevertheless, a range of options could be—and needs to be—explored.

The Convener: On that point, when the committee took evidence from the Secretary of State for Scotland, David Mundell, a few weeks ago, he did not suggest that Scotland would have its own immigration system, but he acknowledged that different parts of the country had different immigration needs. Would it be possible to design a system for Scotland without its being an independent country?

Professor Boswell: Absolutely. As Robert Wright has indicated, such models exist in Australia and Canada. There has been quite a lot of debate about the idea of a devolved points-based system. Indeed, you might recall that during the EU referendum, Michael Gove wrote a letter to the First Minister suggesting that, in the event of Brexit, Scotland could have a similar devolved regional points-based system. It would appear that Theresa May's Government favours such a devolved approach less.

The fresh talent initiative was an example of a devolved policy. That could be explored again; indeed, I know that there are moves to reinstate it. The third precedent in the UK would be a Scottish shortage occupation list where, in principle at least, Scotland would have leverage to identify additional occupations that face acute shortages. That is a possible devolved scheme.

The Convener: We had discussed that issue with London Assembly members when we visited London, where a lot of work is being done on the idea of a London visa. Their issues are different from ours; here, we have a big demographic issue. However, because of the income tax powers that are coming, we know who lives and works in Scotland. In a way, we are even better placed to set up our own Scottish system than those in London seeking to set up their own London system.

Professor Boswell: Yes. I will make two other quick points on that. First, there are practical issues associated with such schemes, but they can be overcome. The Swiss have a cantonal-based scheme, where cantons have quotas but can bid for more; there is a kind of free pool that can be allocated across them. Perhaps that is another scheme that can be looked at.

Secondly, for as long as the UK Government retains a net migration target, its overarching goal will be to reduce immigration across the UK. A priority would be to improve the data and develop robust data on net migration to Scotland and to other areas of the UK. Once we had that in place, if we then saw a reduction in net migration in England or parts of the UK but the numbers remaining steady or slightly increasing in Scotland, it would be more politically viable to say that what was happening in Scotland need not be as politically compromising to the Conservative Government.

Lorraine Cooke: On the issue of flexibility and Scotland having its own points-based system, Rebecca Kay raised the importance of taking a

holistic view of an immigration system that also takes wider rights into consideration. If we look at the visa system, we will see that there has been an erosion of rights with regard to health and other services, so it is crucial that we take a more holistic look at the matter instead of seeing it as just being about labour shortages. The two go hand in hand.

Angela Hallam: I just want to make a quick point. The impacts of migration review identified that we needed better information. However, we have quite good information sources; indeed, Kirsty MacLachlan might want to comment on that, because NRS has done a lot of work on improving data sources. What is important is that we make better use of the data that we have and extend it to collect the information that we need.

Kirsty MacLachlan: We are dependent on GP registration as the source of our information for moves to the rest of the UK. We do not have a population system index; instead, as I have said, we have to rely on people's moves to different GPs in order to record people's cross-border moves. We are using administrative sources to improve the data sources, but you have no idea how difficult it is to get access to data from the Department for Work and Pensions and Her Majesty's Revenue and Customs. However, that would give us a lot of information and help us know who is where, who has moved and so on. We are starting to use Higher Education Statistics Agency data to try to understand students better, because it is difficult to capture that group, including when they move.

Data linkage is another area that we are looking at. If we can link data in a safe environment, taking account of all the privacy aspects, we will be able to do a lot more analysis and try to determine where moves are taking place, people's characteristics and so on. A lot of work is going on in the background to improve the data sources, but it takes time to get access to data, go through all the privacy panels and that sort of thing.

Professor Wright: We do not need a list, because we know where the shortages are—they are in the areas where immigrants are taking the jobs. Ever since we have had data to look at, the position in that respect has been pretty stable.

We know that we are going to need more healthcare workers, including doctors and nurses, because the population is ageing. Because growth is going to be very slow and the numbers of young people are going to reduce, we are not going to be able to train up sufficient numbers of those people to do those jobs. A decision will therefore have to be made. In Canada, there were two types of nurses: nurses, who had higher education degrees; and nursing assistants, who had college degrees. Nursing assistants are not generated in Canada any more; they stopped training up young Canadians as nursing assistants. Instead, they come from abroad, and they are a special category in the immigration system. In that model, hospitals would indicate if there was a shortage and the immigration system would react. However, that comes down to a political decision about what you are going to teach young people.

As Christina Boswell says, this is old news. It is a political issue about whether you want to share policy between two levels of government. The technology is there; it is proven, and it has been in place in Australia and Canada for a long time. Yes, there are problems with it and it might not work perfectly, but it seems to work. Indeed, they have expanded the system.

One way of dealing with this issue would be to devolve immigration completely; the other way would be to share it with, for example, provincial nominee programmes. That would simply be a matter of agreement; it would not be a matter of any difficulty or technology. All the provinces in Canada and the three territories have those arrangements with the federal Government. It is a workable approach, but it is also a political issue.

Lewis Macdonald: Before we move towards conclusions, I want to come back to a wider question about migration from the European Union. We have talked a lot about Poland and Polish workers—quite rightly, because they are by far the largest group—but if we take Polish workers out of the picture, there are twice as many people from the original EU14 as from the accession countries. Christina Boswell made a brief reference to migrants from southern Europe, who are coming as a result of austerity policies in those countries. They are not from central or eastern Europe and appear, from the facts that are in front of us, to have a different pattern of qualification and employment from the Polish example. Is there anything else that we should understand about what is a substantial part of the migrant population?

Professor Boswell: There is very little research to date on the profile of EU15 migrants, particularly those from southern European countries that are affected by austerity, although other members of the panel might correct me. Based on experience of previous flows, trends in migration from particular areas are typically—this is a stylised model—what is often called an inverted U shape. The process starts with pioneer migrants who might be self-selected because they have good language skills or are confident about managing well in a new environment. Once they have established themselves, there is a so-called herd effect—apologies for the jargon—whereby other nationals or people from similar locales follow them, thinking that there are opportunities in

that country. We then see an increase in migration flows between particular locales. Over time, there is a saturation effect whereby migration to that country becomes less attractive.

That is a typical model of an evolution of a migration system between different places; it is obviously highly stylised, ideal and so on. However, arguably, we are seeing something a bit like that in the substantial rise in immigration from the A8 accession countries since 2004. With Romania and Bulgaria—the A2 immigration flows—we are still seeing a rise, but the populations of those countries are not so substantial that it will be indefinite; it will probably peter out, to some extent. The southern European countries now comprise about half of all EU immigration flows to the UK, which is quite substantial. That may rise in the next few years but, over the longer term, we can assume an ebbing of that migration as those economies pick up in the next five to 10 years. Within the next 10 years or so, I suspect that we will see levels of intra-EU migration return to normality.

EU mobility—freedom of movement—was never intended to comprise substantial flows from poorer to richer regions. Broadly speaking, it was meant to be a partnership of equals, in which income disparities were not significant enough to generate large-scale flows. I suspect that we will eventually return to that scenario but, for the moment, people from the EU15—especially those from southern countries—are likely to remain a significant portion of immigration to the UK. I am speaking in very general terms; there might well be empirical research that could underpin some of those general claims.

Angela Hallam: I stress that the impacts review that looked at the impacts of migrants and migration found that almost all the recent evidence is on migrants from the accession countries. If the characteristics of migrants from the census are divided into EEA recent and EEA established, and we look at the EEA established to get a better idea of that group, they are much more similar to other populations in terms of employment patterns, age, qualifications and experience. It is the recent migrants who are different.

10:30

Lewis Macdonald: The point that struck me was that the annual population survey figures suggest that migrants from the EU14 tend to be older and to be more likely to work in education and health and much less likely to be in agriculture or in hotels, and that their employment grades are also different. Christina Boswell's point about the difference between normal and abnormal flows of migration is perhaps relevant here. I would be interested in comments on that.

Angela Hallam: I want to make the point that housing tenure is also different. People who have been here longer are much more likely to be owner-occupiers and much less likely to be in the private rented sector.

Lewis Macdonald: I have a question that I think it is important to ask on the record. Quite a number of EU migrants, particularly people who have migrated earlier from longer-established EU countries, have applied for and obtained permanent residence status in the UK. Is there any view on that? I presume that once permanent residence status is granted, it cannot be revoked, but I want to confirm with witnesses that that is indeed the case, given the questions that have been asked about people who are here feeling welcome and secure.

Colm Wilson: There has not been a great rush to apply for permanent residence. A few people have done so and a few people have come and asked questions about how it is done and all the rest of it, but my experience is that there has not been a stampede or anything like that. It is the same for—I am sorry; I have lost my track. We have not seen a rush.

Professor Wright: There will have to be a cut-off date somewhere along the way. We will have to say, "After this date, free movement stops." There will be a spurt when that is announced, so the announcement is very important. In economics, we fixate on how you announce and when you announce. The big rush will come following the announcement of the cut-off date, when there will be a difference one day before and one day after.

Colm Wilson: Yes, I agree.

Professor Wright: I think that the rush will be pretty big, but it will be a one-off, so there will be a bulge.

I am from Canada and my mother is English, so I had right of abode here, but I became a British citizen because they can change the rules any time they like. That concerned me, because my career is here, so I became a British citizen. I think that we will see the spurt happen, but it will occur only once it is announced that Brexit will happen, that article 50 will be triggered and a date is set for when someone from an EU country cannot come to work and live here as they could previously, if that is what happens.

Rachael Hamilton: It is important that we show the same respect to UK nationals working in the EU. We have not mentioned that issue today. Their acquired rights are just as important as those of anyone who comes here and that issue has not been mentioned. Does anyone want to comment on that point?

The Convener: We will look at acquired rights in detail next week. The experts here today are experts in migration into the UK, but if anyone wants to comment on that point, that is fine.

As no one does, Stuart McMillan has some questions.

Stuart McMillan: Some aspects of this issue have been touched on, but I want to take a bit further the discussion on the costs of providing services to migrants who have come here. Does the panel feel that the costs of migrants coming to Scotland and the UK have far outweighed the benefits or that the benefits have far outweighed the costs?

Angela Hallam: The benefits certainly outweigh the costs. A lot of evidence shows that the migrants who are coming to Scotland are young, healthy and want to be in employment. Their use of the health service is low, because they are young and healthy. Evidence suggests that the longer they stay in Scotland, the more likely they are to become more like the Scottish population. In terms of public health, as their eating habits and use of alcohol change, that may have an impact but, at the moment, they are young, they are taking jobs and they are integrating, and there is quite a lot of evidence that they are not a strain on public services.

There is some evidence that education services are having to adapt to changing needs for language provision in schools, but there is no clear link between migration and crime, for example. I think that all my colleagues would agree that there is very good evidence that the benefits of migration certainly outweigh the costs.

Lorraine Cooke: Given the feedback that we get from local authorities, I very much agree with what Angela Hallam said. As I said earlier, we responded to the Migration Advisory Committee about the impacts on services from migration, but the feedback that we had on that from local authorities was overwhelmingly positive. The only caveat was about provision for English as an additional language, but the view generally was that migrants were bringing benefits to local areas.

Angela Hallam: There is also evidence that suggests that children benefit from having pupils alongside them in their schools for whom English is an additional language.

Stuart McMillan: On that point about education, the curriculum for excellence that we have in Scotland allows younger people to become more rounded individuals and to have more understanding of issues around them so, in that sense, surely inward migration will be a benefit that will help the teaching of CFE.

Professor Kay: I did a small piece of research in Glasgow several years back in collaboration with COSLA that showed that there was a strong feeling among education authorities that having pupils from elsewhere around the world in classes assisted with the aspirations of, and possibilities for, Scottish-born children, particularly in areas of multiple deprivation where Scottish-born children might have fairly limited experience of life beyond Glasgow, never mind of the wider world.

Professor Wright: This is an important issue, but there is a lot of misinformation about it. A huge study was done at University College London that showed the opposite of what has been suggested: that, in fact, immigrants pay much more into the system than they take out. That makes sense even at a simple level, because most immigrants are young and are working. If a Scottish young person who is working is not taking more out of the system than they are putting in, why would a young, working immigrant be doing that?

Comparing the fertility rates of the Scottish population and the Polish population is not the statistic to look at, because the immigrants are younger and are having more children, which is why there is extra demand for education services or whatever. However, there is no evidence that such immigrants are somehow stealing jobs from Scots or sponging on the welfare state. In fact, the position is the opposite by a significant margin, if we believe the research. At the end of the day, that is another reason why we can say that immigrants are very important economically. We get rhetoric from the anti-immigration lobby, but some very good research shows that the situation is the opposite of what that rhetoric claims.

The Convener: We have a supplementary question from Emma Harper.

Emma Harper: I would like a quick clarification of something that Professor Kay mentioned earlier. One of the NFU Scotland guys said to me on Monday night, “Why can’t we just train our own to be dairymen?” I think that the answer is that nobody here wants to do that, which is why we need our immigrants, whatever country they come from, to be our dairymen. Is that correct?

Professor Kay: I found some employers in Angus who said that they had made a deliberate attempt to recruit local people and to offer them training packages, but there was no uptake. That reflects Emma Harper’s point that, even if there is unemployment in an area and young people need employment, there are some jobs that local people will not take up.

Professor Boswell: That is an example of the quite well-known phenomenon of labour market mismatch, which can be the result of a mismatch of skills, of preferences or of locations. It might just

be that those are remote areas to which people do not want to relocate for employment, even if they are currently unemployed. That is a known problem.

Perhaps, if we are drawing to a close, I could make a wider point on the issue of public opinion and the politics of immigration in Scotland, if I may.

The Convener: Yes, please.

Professor Boswell: Recently, the climate and debate on immigration in the context of Brexit have been highly charged and very heated in the rest of the UK in particular. There are risks and opportunities for the Scottish debate when we observe what is happening in the rest of the UK. We should not be complacent that Scottish public opinion is significantly different from that in the rest of the UK. In the event of the Scottish Government making a case for a slightly distinct approach—one that is perhaps more liberal than that of the rest of the UK—there is a risk that immigration could become more politically salient in Scotland than it is at the moment.

There is also the permanent risk that immigration could be an object of party-political mobilisation. We know that there is a constant temptation for centre right and populist right parties to mobilise on anti-immigrant platforms. That could be a scenario in Scotland, and we must think seriously about how we can engender and foster a more responsible and well-informed debate on immigration here. One part of that has to be about securing buy-in across the Scottish political spectrum for a vision on immigration that is shared, progressive and informed by evidence. I know that there is an anti-expert, post-truth dynamic in the immigration debate at the moment, which we must think about carefully, but there is a window of opportunity right now for Scotland to do things differently and to have a more progressive, informed and open debate on the issue.

The Convener: Colm Wilson is nodding.

Colm Wilson: Yes. What Professor Boswell is saying about the debate is happening now. Migrants feel that Scotland is a good place to be, because we are not anti-immigrant, we have an open debate about the issue and we always talk about the positive aspects of migration, rather than the negatives.

Professor Kay: I agree but, to pick up on what Christina Boswell said, it is extremely important that we have an informed, evidence-based, progressive and popular debate with the settled population so that the political leadership and the migrants can look at that and see their views. We cannot ignore the fact that there are large numbers of people in the Scottish population who do not necessarily share the progressive views, but who do not express their views day to day in their interactions with migrants. However, that could shift quite quickly.

Colm Wilson: We in Fife Migrants Forum are doing a bit of research on education. One of the things that we are seeing is that, in schools where there is a large migrant population, there seems to be a tipping point at which mainstream parents feel that the ethos and culture of the school has been taken away from them. We have to be very careful about that. Somebody said to me—about migration as a whole—that other parts of the UK have already reached their tipping point, which is why there is much more negativity there. For the most part, Scotland has not reached the tipping point yet, so we have to be very careful, watch what we are doing and carry on as we are.

Professor Kay: That would fit precisely into the idea of this being a moment of opportunity, as there does not have to be a tipping point here and there does not always have to be a tipping point in other parts of the UK. We can look at London and the way in which it has acted as an exception. London has the highest possible levels of migration and diversity, yet it is often in the neighbouring regions where there are lower levels of migration that people are most prone to believing anti-migration rhetoric. That is also a danger for Scotland, as we have regions that have relatively low numbers of migrants and relatively low lived experience of what that means, but which are vulnerable to the negative discourse that says, "They are going to come and this is what the outcomes of that will be."

Angela Hallam: I echo what everyone has said about now being a time of opportunity, but with the caveat that we need to remember that attitudes are not fixed and that they can change really quickly, so we should avoid complacency. There is some evidence that greater exposure to migrants actually increases tolerance and understanding but, if people feel overwhelmed, there is a very fine line.

The Convener: That is a good point to end on. I thank the witnesses for coming and contributing today. We are over time and I know that you all have other places to be.

I bring the public session to a close.

10:45

Meeting continued in private until 11:18.

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