

Home Secretary: Immigration limit oral statement

Tuesday 23 November

Introduction

With permission Mr Speaker, I would like to make a statement on immigration.

Controlled migration has benefited the UK, economically, socially and culturally. But when immigration gets out of control, it places great pressure on our society, economy and public services.

In the 1990s net migration to Britain was consistently in the tens of thousands each year.

But under Labour, net migration to Britain was close to 200,000 per year, for most years since 2000. As a result, over Labour's time in office net migration totalled more than 2.2 million people – more than double the population of Birmingham.

We can't go on like this.

We must tighten up our immigration system, focusing on tackling abuse and supporting only the most economically beneficial migrants.

To achieve this, we will have to take action across all routes to entry – work visas, student visas, family visas – and break the link between temporary routes and permanent settlement. This will bring significant reductions in non-EU migration to the UK and restore it to more sustainable levels.

We aim to reduce net migration from the hundreds of thousands, back down to the tens of thousands.

Work routes

On the work routes, all the evidence shows that it is possible to reduce numbers, while promoting growth and underlining the message that Britain is open for business.

After consulting widely with business and with the Migration Advisory Committee, I have decided to reduce economic migration through Tiers 1 and 2 from 28,000 to 21,700 – this would mean a fall of over a fifth compared with last year in the number of economic migrants coming through Tiers 1 and 2, excluding intra-company transfers.

Business groups have told us that skilled migrants with job offers – Tier 2 – should have priority over those admitted without a job offer – Tier 1.

I have therefore set the Tier 1 limit at 1,000 – a reduction of over 13,000 on last year's number.

Such a sharp reduction has enabled me to set the Tier 2 limit at 20,700 – an increase of nearly 7,000 on last year's number.

The old Tier 1 – supposedly the route for the best and the brightest – has not attracted highly skilled workers. At least 30% of Tier 1 migrants work in low-skilled occupations such as stacking shelves, driving taxis or working as security guards and some don't have a job at all. So we will close the Tier 1 (General) route.

Instead, I want to use Tier 1 to attract more investors, entrepreneurs and people of exceptional talent.

Last year investors and entrepreneurs accounted for fewer than 300 people – that is not enough. So I will make the application process quicker, more user-friendly, and I will not limit the numbers of these wealth creators who can come to Britain.

There are also some truly exceptional people who should not need sponsorship from an employer but who we would wish to welcome to Britain. So I will introduce a new route within Tier 1 for people of exceptional talent – the scientists, academics and artists – who have achieved international recognition or are likely to do so. The numbers will be limited to 1,000 per year.

Tier 2 has also been abused and misused. Last year there were over 1,600 certificates issued for care assistants to come to the UK. At the same time, more than 33,000 care assistants who are already here were claiming jobseekers allowance.

So I will restrict Tier 2 to graduate-level jobs.

On intra-company transfers, we have listened to business and will therefore keep these transfers outside the limit. However, we will place a new salary threshold of £40,000 for any intra-company transfers of longer than 12 months. Recent figures show that 50% of intra-company transfers meet these criteria. This will ensure those coming are only the senior managers and key specialists that international companies need to move within their organisations.

I would like to thank the Migration Advisory Committee for their advice and recommendations. Next year I will ask the Committee to review the limit in order to set new arrangements for 2012/13.

Students

But the majority of non-EU migrants are, in fact, students. They represent almost two-thirds of the non-EU migrants entering the UK each year and we cannot reduce net migration significantly without reforming student visas.

Honourable Members might imagine that by students we mean people who come here for a few years to study at university and then go home.

But nearly half of all students coming here from abroad are actually coming to study a course below degree level and abuse is particularly common at these lower levels – a recent check of students studying at private institutions below degree level showed that a quarter could not be accounted for.

Too many students, at these lower levels, have been coming here with a view to living and working, rather than studying. We need to stop this abuse.

So, as with economic migration, we will re-focus student visas on those areas which add the greatest value and where evidence of abuse is limited.

I will shortly be launching a public consultation on student visas. I will consult on restricting entry to only those studying at degree level, but with some flexibility for Highly Trusted sponsors to offer courses at a lower level. I will also consult on closing the Post Study route, which last year allowed some 38,000 foreign graduates to enter the UK labour market at a time when one in ten UK graduates were unemployed.

Family

Last year, the family route accounted for nearly 20% of non EU immigration.

Clearly British nationals must be able to marry the person of their choice but those who come to the UK must be able to participate in society.

From next week we will require all those applying for marriage visas to demonstrate a minimum standard of English. We are also cracking down on sham marriages and will consult on extending the probationary period of settlement for spouses beyond the current two years.

Settlement

Finally, we need to restrict settlement.

It cannot be right that people coming to fill temporary skills gaps have open access to permanent settlement. Last year 62,000 people settled in the UK on that basis.

Settling in Britain should be a privilege to be earned, not an automatic add-on to a temporary way in.

So we will end the link between temporary and permanent migration.

Conclusion

I intend to introduce these changes to the work route and some of the settlement changes from April 2011. I will bring forward other changes soon after.

Mr Speaker, this is a comprehensive package that will help us to meet our goal of reducing net migration at the same time as attracting the brightest and the best and those with the skills our country needs.

This package will serve the needs of British business. It will respond to the wishes of the British public. And it will give us the sustainable immigration system that we so badly need.