Over 70% of working migrants who arrived in 2023 on a work visa impose net cost on the Treasury

Analysis by the Centre for Migration Control has revealed that 70.6% of long-term migrants who arrived in the UK in 2023 via a Certificate of Sponsorship earned less than the £38,000 needed for them to make a positive economic contribution.

According to a report produced in 2018 the Migration Advisory Committee – the quango tasked with advising the government on the immigration system –a non-EEA migrant will only begin to "break even" if they are earning over £38,000 per year.¹

The figure of 70.6% is a huge increase on previous years. In 2022, 55% of those using a Certificate of Sponsorship were set to enter a job in which they would earn less than £38,000 per year. In 2021 this figure was 53%.

This figure reveals – for the first time – the scale of the changes that have taken place to the UK immigration system since the Conservative government of 2019 introduced its new visa rules. They show that Britain's immigration system has become overwhelmingly dominated by low-wage migration which imposes a net cost on the taxpayer.

About the analysis

The CMC requested the following information from the Home Office via a Freedom of Information request:

- 1) Please provide the number of COS that have been 'used' in the calendar years 2023, 2022, and 2021, broken down by pay band and, if possible, the visa type for which the certificate was used (Skilled worker, health and social care, graduate etc)
- 2) If possible, please also provide the number of used COS, by pay band, that were granted by UKVI/Home Office.

The data returned can be seen on the accompanying Excel document.

In 2023, excluding those that were used for temporary positions, there were 308,510 Certificates of Sponsorships that were used. Of this figure, 218,050 were used by individuals that would be earning less than £38,700 per year, and just 90,460 were used by those who would be entering roles that paid more.

In 2018 the Migration Advisory Committee found that "the "break-even" point seems to be about £30,000 for EEA migrants and UK-born and nearer to £38,000 for non-EEA migrants. The "break-even" point is higher for non-EEA migrants than EEA because non-EEA migrants are more likely to have dependent children and non-working adults in part because family migration is more important".²

¹

assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/741926/Fin al_EEA_report.PDF

² Final_EEA_report.PDF (publishing.service.gov.uk)

ONS figures show that, in the year ending December 2023, those entering the UK for work came disproportionately from non-EEA countries, with around 80% coming from countries outside the European Economic Area (60,000 from EEA countries, and 204,000 from non-EEA countries).³

Indeed, data on applications for Certificate of Sponsorships show that, in year ending March 2024, just 4% of applications came from citizens of EU member states, with 31% coming from Africa and 45% from South Asia.

Entry Clearance visa data shows that 91% of individuals awarded a Certificate of Sponsorship to work have their application for a visa approved by the UK Home Office.⁴

Adjusting the £38,000 "break even" point for inflation would mean that that in 2023 a non-EEA migrant would be required to earn £47,427 in order to be making a positive economic contribution to the Exchequer.⁵

Analysis of data provided by the Home Office to the CMC shows that around 82% of migrants who used a Certificate of Sponsorship in 2023 would be earning less than £50,000.

About Certificate of Sponsorships

Certificates of Sponsorship are the best proxy available as to the earning profiles of new migrants arriving in the UK.

Any worker hoping to apply for a worker visa must first receive a Certificate of Sponsorship from a registered UK employer. This means that anyone arriving in the UK to work will have been allocated a certificate before applying.⁶

As the Immigration Advice Service stipulates: "A Certificate of Sponsorship (CoS) is necessary for migrant workers who are applying for their Skilled Worker Visa or Temporary Worker Visa".⁷

Robert Bates, Research Director at the Centre for Migration Control, said:

"These figures confirm that the UK's current immigration system is a huge economic burden, admitting hundreds of thousands of individuals who earn far less than is needed for them to "break even".

Those coming to the country should be only the very best and brightest. It is a privilege to live and work in Britain, and one that we should not be awarding to those who offer us no economic advantage.

³ Long-term international immigration, emigration and net migration flows, provisional - Office for National Statistics (ons.gov.uk)

⁴ Immigration system statistics data tables - GOV.UK (www.gov.uk)

⁵ Inflation calculator | Bank of England

⁶ <u>Certificate of Sponsorship (For Employers) | DavidsonMorris</u>

⁷ <u>Certificate of Sponsorship: A Guide For Employers (iasservices.org.uk)</u>

Our public services are crumbling before our eyes, our under resourced and undertrained police are chased off the streets, millions of Brits languish in economic inactivity, and getting an NHS dentist appointment is a pipe dream for one in five of us.

We are being gaslit and told that the only way out of this economic malaise is to continue with the discredited policy of mass migration. Enough is enough. The British public have been let down by both the Labour and Conservative parties for too long."