

## Migration Indicators: August 2010

### Background

On 26<sup>th</sup> August 2010 the Office for National Statistics (ONS), in combination with the Home Office and the Department for Work and Pensions (DWP), published the Migration Statistics Quarterly report, which provides a summary of the official quarterly migration data releases. The geography used in these datasets varies, but in all cases relate to the UK. In this *Update* most data are presented for 12 month periods at the end of the second quarter (ie mid-year) together with the latest quarter, however National Insurance data are based on financial years, the end of the first quarter.

This *Update* presents these indicators of demographic change as they relate to the UK and London.

### Internal Migration

Estimates of migration within the UK are mainly based on patient re-registrations in cumulative 12-month periods. The full dataset is for countries of the UK and English regions showing flows between regions, hence the UK figure is the total number of inter-regional moves.

Table 1 shows that the net outflows from London increased by 3.6 thousand in the last two quarters of 2009, reaching 38.1 thousand in December 2009. This follows seven consecutive quarterly declines after September 2007.

The outflow of 216 thousand is the second consecutive quarterly increase after seven successive quarterly declines since September 2007. On the other hand the slight decrease in the gross inflow to London from the rest of the UK to 178 thousand is the first decline in this statistic since December 2007. The net loss from London of 38 thousand at the end of December 2009 was less than half that at the end of December 2007 (83 thousand).

Table 2 shows that London experienced a 13.0 per cent decline in its outflow in the two and a half years since mid-2007 and had a 6.6 per cent increase in its inflow. London was the only region to experience an increase in its inflow in this period. Over the same period the total number of inter-regional movements in the UK fell by 6.1 per cent. Overall the number of inter-regional movements in the UK, at 1.153 million, was a marginal recovery but still one of the lowest levels for twenty years.

The recent changes in inter-regional migration are clearly dependent upon recession effects. Many Londoners who would normally have moved to the adjacent regions are remaining, whether voluntarily or forced by economic and financial circumstances, and not moving to owner-occupied accommodation in the surrounding counties. The increase in the flow to London is not as straightforward. The inflow is dominated by young workers and students, who mainly move to rented accommodation. The recession has affected employment in London to a lesser extent than in other regions.

The decline in the outflow from London was proportionally highest for people at or approaching retirement age, a group that often plans on the equity they take when selling in London and buying

cheaper property elsewhere. Some of these people may not be able to afford to leave London until the housing market recovers sufficiently, others may now never leave.

**Table 1: Internal (UK) migration to and from London, thousands. 12-month periods ending at quarter 2 and the latest quarter. ONS/PRDS**

**London**

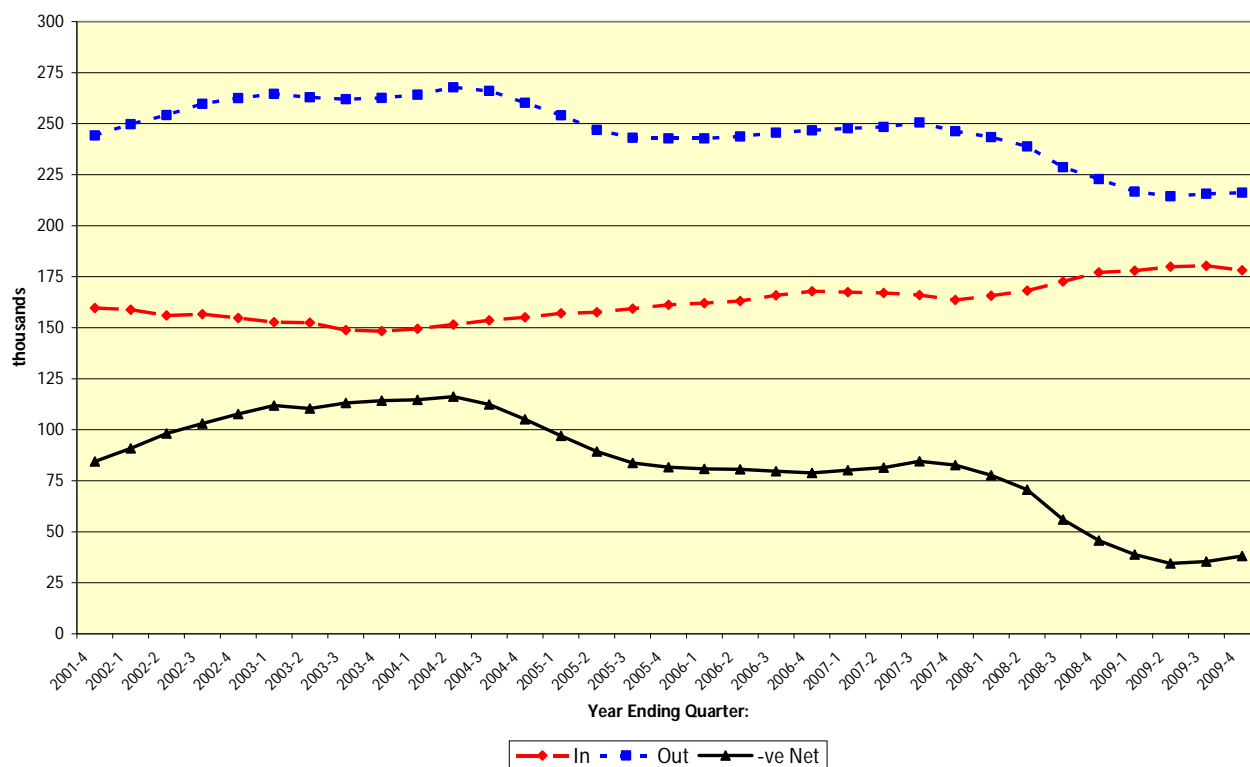
	2002 Q2	2003 Q2	2004 Q2	2005 Q2	2006 Q2	2007 Q2	2008 Q2	2009 Q2	2009 Q4
<b>In</b>	156.0	152.5	151.6	157.6	163.1	167.0	168.2	179.9	178.1
<b>Out</b>	254.2	262.9	267.8	246.9	243.7	248.4	238.8	214.4	216.2
<b>Net</b>	-98.2	-110.4	-116.2	-89.3	-80.6	-81.4	-70.6	-34.5	-38.1
<b>UK</b>	1,268	1,263	1,270	1,213	1,212	1,227	1,190	1,152	1,153

**London Flows as % of UK**

	2002 Q2	2003 Q2	2004 Q2	2005 Q2	2006 Q2	2007 Q2	2008 Q2	2009 Q2	2009 Q4
<b>In</b>	12.3	12.1	11.9	13.0	13.5	13.6	14.1	15.6	15.4
<b>Out</b>	20.0	20.8	21.1	20.4	20.1	20.2	20.1	18.6	18.8

In Chart 1 the net flow is shown as a positive number – rather than its true negative values. This is to enable a better overall presentation of the gross and net flows on a single scale.

**Chart 1: Internal (UK) migration to and from London, thousands, cumulative 12-month periods since 2001, thousands. ONS/PRDS.**



**Table 2: Percentage change in migration flows between 2007 Q2 and 2009 Q4, ONS/PRDS**

		From:				
		East	London	S East	Rest UK	Total
To:	East	-	-17.3	-7.3	-3.3	-9.7
	London	3.6	-	1.8	9.8	6.6
	S East	-8.9	-13.9	-	-4.5	-8.9
	Rest UK	-11.1	-8.7	-13.2	-	-
Total		-7.0	-13.0	-8.3	1.7	-6.1

## Student Flows within the UK

In May 2010 ONS revised the estimates of internal UK migrants used in the mid-year estimate change analysis by including flows of students from home to higher education and to next destinations after completing a course. These data came from the Higher Education Statistics Agency (HESA) and were added to the GP re-registration data. Table 3 shows the resulting adjustments to the internal migration flows shown in Table 1. Flow data have not been published for 2001-02 and 2002-03. London has gained over 40 thousand net internal migrants as a result of this adjustment, although the level of gain has tended to fall through the decade.

**Table 3: Student Flows to and from London, thousands. 12-month periods ending at quarter 2. ONS/HESA.**

	2002 Q2	2003 Q2	2004 Q2	2005 Q2	2006 Q2	2007 Q2	2008 Q2	2009 Q2
In	-	-	17.4	21.5	23.7	24.7	24.0	25.3
Out	-	-	11.4	17.0	19.8	20.5	21.1	22.8
Net	9.2	7.4	6.0	4.5	3.9	4.2	2.9	2.5

## International Migration

Data on international migration are based on a number of sources, principally the International Passenger Survey (IPS) but also separate estimates of moves to and from the Republic of Ireland (up to 2008 but now included in the IPS), asylum seekers and visitor switchers. The full dataset relates to calendar years and mid-year to mid-year periods for countries of the UK and English regions. Extracts are shown in Table 4. The latest national data relate to calendar year 2009. London in the year to mid-2009 experienced an international inflow of 156 thousand and an outflow of 117 thousand, leading to a net inflow of 40 thousand, the lowest this century. London's estimated share of international immigration to the UK has fallen through the century, but its share of emigrants has been more stable. London is now the net recipient of less than a quarter of the estimated net international flow to the UK compared to over a half in the years 2001-02 to 2003-04.

Some indication of trends in international flows based solely on the IPS has been made available on a quarterly basis for the UK. The most recent figures are provisional and are displayed in Chart 2 and show that in the year ending December 2009 528 thousand persons arrived in the UK (10 thousand fewer than in 2008) and that 337 thousand persons left (72 thousand fewer than in 2008). The net inflow therefore increased by 62 thousand to 191 thousand in the year to December 2009. However, given that these figures are only a part of the full analysis of migration, no firm conclusions can be drawn as to the most recent direction of change of international flows.

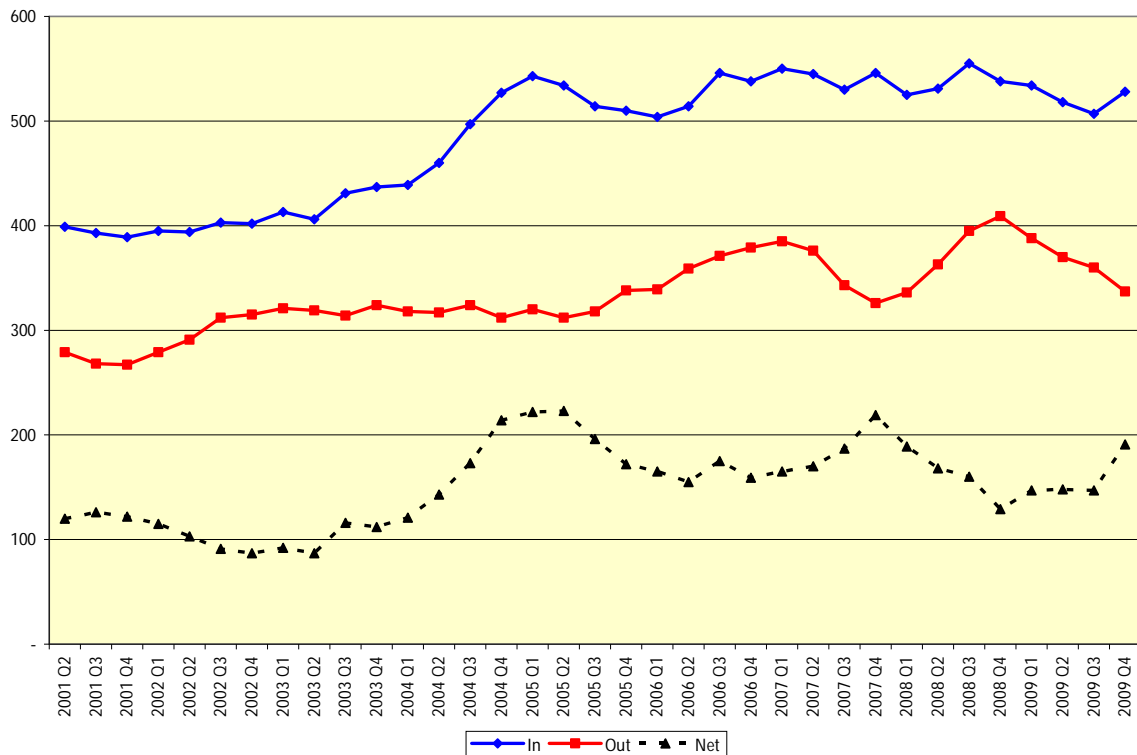
**Table 4: International migration to and from London and the UK, thousands, 12-month periods ending at quarter 2 and the latest quarter. ONS.**

		2002 Q2	2003 Q2	2004 Q2	2005 Q2	2006 Q2	2007 Q2	2008 Q2	2009 Q2	2009 Q4
UK	In	491	508	528	596	565	595	571	<b>563</b>	<b>567</b>
	Out	342	360	354	336	388	387	375	<b>398</b>	<b>371</b>
	Net	148	148	174	260	177	208	196	<b>164</b>	<b>196</b>

		2002 Q2	2003 Q2	2004 Q2	2005 Q2	2006 Q2	2007 Q2	2008 Q2	2009 Q2
London	In	182	176	179	188	172	172	156	<b>156</b>
	Out	93	113	91	94	101	114	101	<b>117</b>
	Net	90	63	88	94	71	58	56	<b>40</b>

		2002 Q2	2003 Q2	2004 Q2	2005 Q2	2006 Q2	2007 Q2	2008 Q2	2009 Q2
London as % of UK	In	37.1	34.6	34.0	31.6	30.4	29.0	27.4	<b>27.7</b>
	Out	27.1	31.4	25.8	28.1	26.0	29.5	26.9	<b>29.3</b>
	Net	60.6	42.3	50.6	36.2	40.3	27.8	28.4	<b>24.1</b>

**Chart 2: International migration based on the International Passenger Survey, United Kingdom, cumulative 12-month periods since 2001, thousands, ONS**

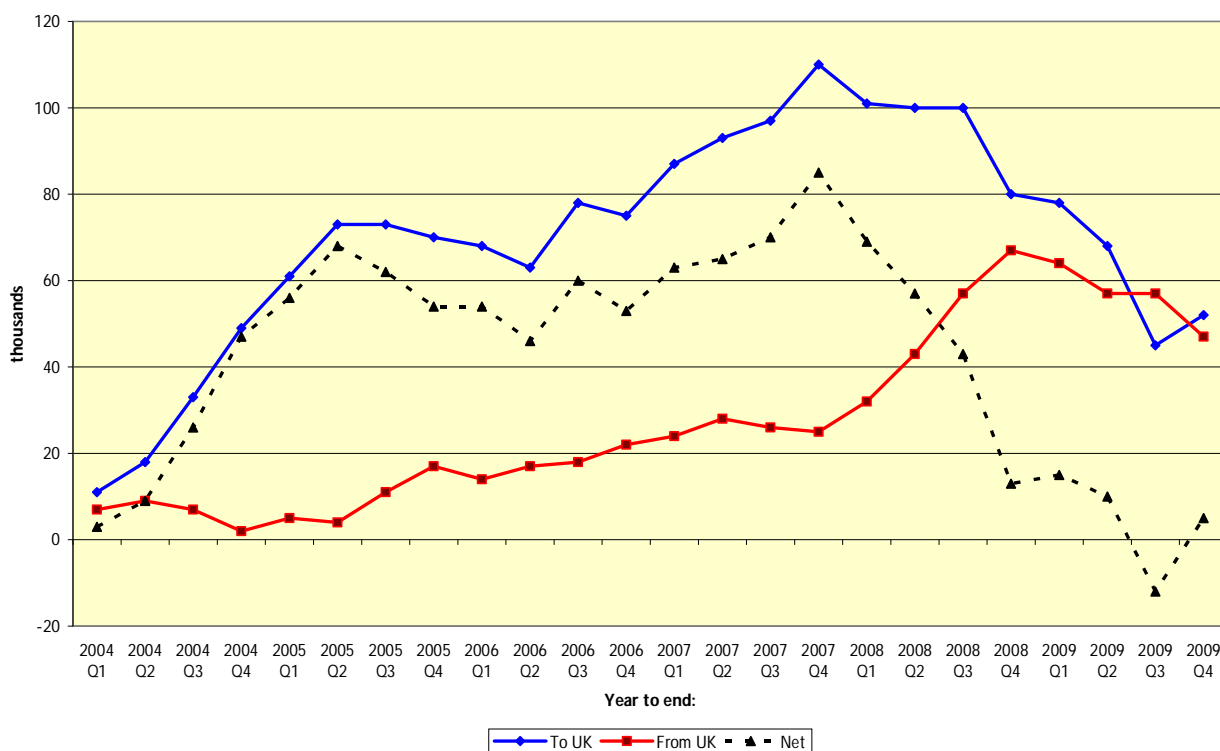


Recent international flows show a significant change in the numbers of citizens of the A8 Eastern European countries that acceded to the EU in 2004. The trends in inflows and outflows of A8 citizens since mid-2003 are shown in Table 5 and trends are shown in Chart 3. The year to December 2009 confirmed the continued decline in the gross inflow to the UK from the peak of 110 thousand in the year to December 2007 to less than half that figure. The number of return migrants however, dropped slightly from 67 thousand to 47 thousand between the years to December 2008 and December 2009. The net flow into the UK plummeted from 87 thousand at the end of December 2007 to just 5 thousand at the end of 2009. A net outflow was recorded in the year ending September 2009.

**Table 5: Migration of A8 citizens to and from the UK, 12 month periods ending at quarter 2 and the latest quarter, thousands. ONS.**

	2004 Q2	2005 Q2	2006 Q2	2007 Q2	2008 Q2	2009 Q2	2009 Q4
<b>To UK</b>	18	73	63	93	100	68	<b>52</b>
<b>From UK</b>	9	4	17	28	43	57	<b>47</b>
<b>Net</b>	9	68	46	65	57	10	<b>5</b>

**Chart 3: Migration of A8 citizens to and from the UK, ONS.**



## National Insurance Numbers (NINos)

New NINos allocated to overseas nationals by the DWP have become a useful way of monitoring the flow of citizens of EU accession states coming to the UK for work. The data, rounded to the nearest ten, are available for all local authorities in the UK by a full range of origin countries for financial years.

**Table 6: National Insurance Numbers allocated to Overseas Nationals, 12-month periods ending at quarter 1, thousands. DWP.**

		2003 Q1	2004 Q1	2005 Q1	2006 Q1	2007 Q1	2008 Q1	2009 Q1	2010 Q1
<b>Total</b>	<b>UK</b>	346.2	373.5	435.4	663.1	705.8	733.1	686.1	<b>572.7</b>
	<b>London</b>	149.6	157.4	169.7	235.4	240.9	272.7	275.6	<b>249.2</b>
		2003 Q1	2004 Q1	2005 Q1	2006 Q1	2007 Q1	2008 Q1	2009 Q1	2010 Q1
<b>EU A8</b>	<b>UK</b>	11.4	19.9	107.8	269.3	309.0	293.8	215.2	<b>151.3</b>
	<b>London</b>	5.8	8.4	33.2	61.0	64.6	63.4	52.8	<b>38.0</b>
		2003 Q1	2004 Q1	2005 Q1	2006 Q1	2007 Q1	2008 Q1	2009 Q1	2010 Q1
<b>Bulgaria &amp; Romania</b>	<b>UK</b>	5.8	8.4	7.8	5.7	6.8	36.9	39.9	<b>30.2</b>
	<b>London</b>	3.8	5.2	4.2	1.7	3.4	23.4	20.7	<b>11.8</b>

The total inflow peaked in calendar year 2007 at 797 thousand and the flow from the EU A8 countries (Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia) peaked in the year to September 2007. The A8 flow to the UK continued to fall by another 30 percent (similar to the previous year) to 151.3 thousand, at the end of the first quarter of 2010. This was also the trend in London, where registrations continued to decline to just 38 thousand compared to the peak of 64.6 thousand, a drop of 41 per cent since 2007.

Continuing the decline in flows since 2008, there was a significant drop of 43 per cent in the year to March 2010 in the flows from Bulgaria and Romania, which joined the EU at the beginning of 2007.

## Flag 4 GP Registrations

A 'Flag 4' is generated when a person registers with a GP and has either been born outside the UK or has a previous address outside the UK and has been outside the UK for at least 3 months. The 'Flag 4' is removed from the record when the person re-registers with another GP.

**Table 7: Flag 4 Registrations in mid-year to mid-year periods, thousands. ONS/PRDS.**

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
<b>England</b>	398.3	420.0	445.1	460.7	520.9	551.6	581.3	588.0	577.6
<b>London</b>	165.2	164.0	171.1	176.5	192.6	190.6	192.8	193.0	204.1
<b>London as % England</b>	41.5	39.0	38.4	38.3	37.0	34.6	33.2	32.8	35.3

Source: Patient Register Data Services (PRDS)

ONS first published these annual data in August 2009 – although they have been available on request for internal research purposes in recent years. New registrations in England in 2008-09 were 10.4 thousand lower than a year earlier. On the other hand, London's share of registrations has risen again to 35.3%, with an increase of 11.3 thousand since 2007-08, following a downward trend since 2000-01.

For London the Flag 4s are invariably higher than ONS estimates of international inflow, even though they would not include most returning British citizens. It is therefore likely that the '3 month' rule means that there are short-term migrants included amongst the Flag 4s.

## Conclusions

The most recent migration data generally show a diminution of the sizes of most migration flows. The two measures that are used by ONS to prepare the mid-year estimates – internal and international migration - imply that London has moved from a period of net migration losses (12 thousand in 2007-08) to a small gain.

In 2008-09 the mid-year estimates showed the net gain to be 7,600. The only element of this calculation that can be updated to the end of 2009 is the GP re-registration part of internal migration. This shows that London's net loss to the rest of the UK has increased by 3,600 since mid 2009. Therefore the overall net gain would have been reduced to about 4 thousand if the student and international flows remained unchanged.

The flows are changing. In the second half of 2009 more people have left London to go to the rest of UK. At the same time the international flow from the UK has reduced, leading to a significant upturn in the net inflow to the UK. However the net inflow of A8 citizens in 2009 was at the lowest level since accession to the EU in 2004.

The general decline in the numbers of people moving between regions and particularly those leaving London in the last few years is an indication of the impact of the present financial downturn.

The impact of global economic uncertainty and the UK recession shows up in the recent declines in new NINo registrations, as well as the level of return migration to A8 countries. The previously buoyant NINo inflow from Bulgaria and Romania was nearly halved in the year to March 2010. Whether migration flows respond to the UK economy having officially moved out of recession and return to previous levels will not be able to be detected from the official statistics until the ONS migration releases due in November 2010 and February 2011.