



Brexit Briefing - MAC report

In July 2017, Amber Rudd, the then Home Secretary, requested a report from the Migration Advisory Committee (MAC) on the current and likely future patterns of EEA migration. An interim update on this report was published in March 2018. On the 18th September they [published](#) the 140 page final report. The report focuses on assessing the impact of EEA migration on a wide range of areas including the labour market, productivity, innovation, investment and training, prices, public finances, public services and communities. The key highlights from the report are as follows:

Labour Market Impacts

- Migrants have no or little impact on the overall employment and unemployment outcomes of UK born workers.
- Migration is not a major determinate of the wages to UK born workers.

Productivity, innovation, investment and training impacts

- Immigration has a positive impact on productivity.
- High-skilled immigrants make a positive contribution to the levels of innovation in the UK.
- There is no evidence that migration has a negative impact on the training of UK born workers.
- There is some evidence that skilled migrants have a positive impact to the quantity of training available to UK born workers.

Consumer and house price impacts

- Migration has reduced the price of personal services, particularly in middle and low-skilled personal services.
- Migration has increased house prices, especially in areas with more restrictive planning policies.

Public finance and public fund impacts

- EEA migrants pay more in taxes than they receive in benefits.

Public service impacts

- EEA migrants contribute much more to the health service and the provision of social care in financial resources and through work than they consume in services.
- There is no evidence that migration has reduced the quality of healthcare.
- There is no evidence that migration has reduced parental choice in schools or the educational attainment of UK born children.

Community impacts

- Migration does not impact levels of crime.
- There is no evidence that migration has reduced the average level of subjective well-being in the UK.

Until now there has been no real indication of the nature and structure of the immigration system for European nationals beyond December 2020. This report sets out key proposals for the future immigration system in the UK. While the Government is not required to follow the MAC's recommendations, these have historically strongly influenced the shape of immigration policy.

Significantly, the MAC has indicated that there is no economic argument for treating European nationals preferentially. They propose that the immigration system in place for the rest of world is applied equally to European nationals. This system allows highly skilled workers to secure visas to work in the UK. The MAC recommends that this is expanded to include medium skilled workers, thereby making over 140 new roles eligible for a work visa. They also recommend removing the current cap on the numbers of visas which may be issued.

The MAC recognises that there needs to be some provision for lower skilled categories of work. They do not however propose a new category for low skilled workers. Rather they endorse the proposed Seasonal Agricultural Workers Scheme which would enable people to come to the UK for a period of six months to work in the agriculture sector. They do not propose any other sector specific schemes, instead suggesting that the Youth Mobility scheme is expanded to meet the shortage of low skilled workers in the UK.

The MAC do accept that while there is no economic argument for granting preferential access to the UK labour market to European nationals, this may form part of the final political deal agreed between the UK and the EU.

If you have a question about any aspect of our Brexit Briefing, please [get in touch](#).



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