



# Brexit negotiation: Publication of UK objectives

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## Summary

1. There is a perfectly feasible way forward on immigration which meets the main concerns of all participants, except for some relating to new arrivals of low paid migrant workers. Early publication of the UK's objectives (but not the strategy) would help calm concerns without weakening our hand.

## Introduction

2. In advance of the opening of negotiations there is widespread uncertainty about the outcome on immigration. Some of this could be dispelled if HMG were to outline their objectives as is now being called for in Parliament. Indeed, many of them are unlikely to be a cause of dispute. Publication need not affect possible linkage with trade aspects although this is best avoided as there are no concessions on immigration that could attract significant concessions on trade.

3. Independent states do not normally negotiate their immigration policies with other states. Indeed the Government have already made it clear that UK immigration policy will be decided by the British Government. However, given the extensive relationships that have been built up over decades with Continuing EU member states, it would make sense to reach an understanding on how each side intends to proceed.

4. Accordingly, this paper considers the objectives that the UK should select and their negotiability.

## Objectives

5. The objectives should be as follows:

- a) That the rights of EU citizens already in the UK should be preserved provided that there is reciprocity for British citizens now living elsewhere in the EU.
- b) Visa free access should be preserved for EU tourists, genuine students, business visitors and the self-sufficient (such as pensioners) as they do not compete for work and have little impact on the permanent population. This must be reciprocal.
- c) Genuine marriage should not be restricted.

- d) EU Nationals who wish to work in the UK should be brought within the existing British scheme for work permits. This requires a job offer, qualifications close to degree level, and a minimum salary of £20,800 for new entrants to the labour force and, from April 2017, £30,000 a year for experienced workers. It would be for consideration whether a cap was necessary.
- e) Consideration might be given to a “key workers scheme” that would permit access to less skilled workers who were essential to particular sectors of our economy. The sectors could be selected by the Migration Advisory Committee and the numbers would be tapered to encourage employers to train replacements. A Seasonal Agricultural Workers Scheme is also a possibility.
- f) Intra Company Transfers (ICT’s) should be unrestricted, save for any measures required to prevent abuse.
- g) There should be no access to income and housing benefits for five years for EU citizens, as is currently the case for non EU citizens. There is no reason for government to subsidise cheap labour from abroad.
- h) The Common Travel Area with Ireland should continue.
- i) The overall package should take due account of the interests of the devolved administrations (see below).
- j) Juxtaposed controls at Calais and Dover are not a matter for the EU but there should be an understanding with France that they should be preserved.

## Negotiability

6. All sides have an interest in minimising economic and social disruption. There should, therefore, be no particular difficulty about objectives a), b), c) and f).

7. It is also the case that a two way flow of skilled workers is advantageous to all sides. This could be arranged by the inclusion of EU citizens in the current UK work permit regime (d). In return, we could accept that British citizens wishing to work in the EU would be brought under the EU’s Blue Card scheme.

8. The main bone of contention will be the denial of access by EU workers to low paid jobs in the UK. This will be important to East European members for political as well as economic reasons. However, to grant this on any scale would be to fly in the face of the referendum result. At a later stage it might be possible to offer a scheme for agricultural workers provided that it was for seasonal workers, was capped and was limited to a six month stay. A highly selective key workers scheme might also be helpful (e).

9. As for the EU “principle” that free trade necessitates free movement of people, it is clear that this has already been breached by their agreements with the Ukraine, Georgia and Moldova.

## Modalities

10. The present UK immigration system could, quite readily, be expanded and adapted to include those EU citizens, mainly workers, for which a measure of control would be needed. The details are outside the scope of this paper.

## The Devolved Administrations

11. The main concerns of the Devolved Administrations are for tourists, students and skilled workers. The first two would not be affected and any limit for skilled workers could be set at a level that did not cause any difficulty for these administrations. For example, the number of skilled Tier 2 work permits granted for firms in Scotland is of the order of 2,500 a year. A key workers scheme could also be applied to Scotland, Wales and Northern Ireland.

## Conclusion

12. None of these broad objectives would come as any surprise to our EU partners but they would provide a framework for taking the dialogue forward, as well as reassurance to the many British people concerned about uncontrolled immigration from the EU. Indeed, we estimate that a system based on these ten points would see a significant fall in EU net migration of the order of 100,000 each year. There is therefore a good case for publishing the UK's objectives on the lines summarised above.

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