Introduction

Britain’s population has suddenly become a topic of intense political debate. Net immigration is running at record levels, and new projections suggest Britain could experience a sharp rise in overall population over the next half century. In one hypothesis the number of people living in Britain would rise from 61 million now to 88 million by 2081.1

Politicians have joined local authorities, teachers and even the police in warning that public services in areas of high immigration could be overwhelmed by the sudden influx of new arrivals. The government has responded by talking up its proposed reform to immigration controls and sharpening its anti-immigrant rhetoric – most notably in prime minister Gordon Brown’s claim to want “British jobs for British workers”.

Meanwhile, David Cameron, the Conservative leader, has talked more widely about the range of demographic challenges facing Britain, including the decline of the traditional nuclear family, and the potential negative impact on public services and society.

In the space of a few months, it has become received wisdom that Britain’s current rate of population growth is (in Cameron’s words) “unsustainable” and that a “significant cut” in immigration is needed. There is growing pressure on the government to put in place a population policy designed to curb growth over the medium to long term. At its most extreme, the Optimum Population Trust has attracted some support for its call to halve Britain’s population over the next 80 years in an effort to reduce our environmental impact.

Yet it is only two years since politicians on both the left and the right were suggesting a population policy was necessary to increase Britain’s population. The left-leaning think tank IPPR, for example, gave warning that changing demographics would place an ever growing strain on Britain’s welfare state.2 It argued the government should support both immigration and ‘pro-natal’ policies designed to raise the birth rate. David Willetts, the Conservative politician, has also argued strongly in favour of policies designed to encourage women to have more children.

This short paper explores the reasons that population politics has suddenly become so urgent an issue. It considers whether a government-led population strategy is desirable and outlines what can practically be done to respond to demographic change.
1. A statistical dilemma

The trigger for the latest outburst of panic over rising population was a series of revisions to demographic projections conducted by the Office for National Statistics (ONS). The ONS recently issued a new set of figures based on 2006 population data which took into account a small increase in fertility rates, a further rise in longevity and a large net rise in annual immigration, from 145,000 to 190,000. The higher immigration rate reflected some improvement in survey coverage (see box, page 4) and technical changes to the ways in which the numbers were calculated (especially in estimating how many people entering the country would stay longer term).

These revisions have had a dramatic impact on population projections over the long term, as Figure 1 shows. The population is now projected to grow to 80 million in 2061. In contrast, the projections from just two years previous – which were based on a total fertility rate of 1.78 and annual net (legal) immigration of 185,000 – had the population reaching just 70 million in 2061. An easy way to understand the impact of the changes is to consider the combined replacement rate – an overall measure of fertility and immigration rates. This has risen from 2.08 to 2.38 per woman. To put this in context, demographers calculate that fertility rates above 2.1 per woman would lead to population growth in the UK over the next half century (this is due to the impact of rising longevity – without this the rate would be 2.1).

But is this scenario – or other more extreme projections – likely? Demographic projections, unlike, for example, economic forecasts, are mainly static, rather than dynamic calculations. This means that they rely almost entirely on extrapolating from the previous year’s figures. Any movement up or down, compounded over time, can lead to dramatic revisions. There is a long track record of such predictions proving to be wildly inaccurate. For example, projections of rapid population growth made in the early 1970s were based on expectations that the baby boom period would continue indefinitely. However, the birth rate dipped to record lows in the 1980s (while net immigration was negligible or even negative) – which generated projections of a static or even falling population.

In the current projections, increased fertility and rising life expectancy account for around 30 per cent of the expected increase in population. Fertility rates have risen a little since the beginning of the decade. However, they are projected to remain below replacement levels as they have done since the early 1970s. This means that without other mitigating factors the population would eventually begin to decline.

Meanwhile, life expectancy has been rising far faster than expected. Longevity for men is now expected to increase from 77 in 2006 to 81 in 2026 and for women from 81 to 84 during the same period. This compares with projections from 1991 of 77 for males and 82 for females in 2031. Both the fertility and life expectancy projections seem plausible. But it is important to remember they are simply assumptions, based on the most recent evidence, and it would be surprising if these rates continued throughout the entire period.

The more substantial projected boost to the population growth rate comes from the sharp jump in immigration rates. Britain moved from being a net exporter of people in the 1980s to a net importer during the 1990s. Immigration rates jumped especially sharply following the admission of ten new member-states to the EU in 2004 and Britain’s decision to maintain an open door policy for these countries. Since 1997, annual immigration has risen from 320,000 to 574,000.

The sheer volume of immigration in the last few years – and its impact on population projections – has generated a good deal of hysteria. It is

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4 ONS, ‘Fifty years of UK population national population projections: how accurate have they been?’, 2007.
important to put the increase in perspective before trying to assess whether it provides a plausible basis for a population policy.

The first thing to note is that Britain’s experience is in line with that elsewhere in the developed world. There has been a sharp increase in international mobility rates – in part a reflection of the development of an increasingly global labour market as countries compete for the highly skilled. The City of London is an obvious case in point – a recent survey found that around one quarter of workers in the City came from abroad. The UK has also fought hard to tempt international students to study here. Last year 157,000 people came to the UK to study, more than a quarter of all immigrants. OECD data shows that the proportion of foreign born in the UK is slightly above OECD average, and nearly twice that of the early 1950s, but well below that of the US, Canada, Australia, Switzerland and even Ireland (See Figure 3).

This high rate of mobility works both ways – the number of people leaving the country has also risen sharply. A record 400,000 left the UK in 2006, including 207,000 British citizens. Overall, there are still as many Britons living abroad as foreigners resident in the UK – around 5.5 million (equivalent to 9.2 per cent of UK population). A further 500,000 live abroad for at least part of the year.

There are, however, some unique factors about the recent surge in immigration into the UK. Britain, Ireland and Sweden were the only EU countries not to impose restrictions on migration when the East European countries joined in 2004 (although Britain has subsequently introduced them for Bulgaria and Romania, which joined in 2007).

There are three good reasons to believe these numbers are likely to fall substantially from the current high point. First, the last few years marked the first point at which the entire working age population of the new member-states could freely come to the UK. Many of those who want to come are likely to have already arrived. The numbers should settle down to a more steady flow in the coming years.

Second, there is evidence that a majority of those already here will return to their home countries in the coming years. A recent report suggested just one quarter of EU migrants plan to settle permanently. This phenomenon of workers taking advantage of new cheap transport links to seek temporary employment abroad has been dubbed the rise of the ‘Ryanair migrants’. There should be substantial outflows of migrants in future years, reducing net migration rates.

Third, all EU countries – including large economies such as France and Germany

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Does Britain need a population policy?

– will have to remove restrictions on workers from the new member-states by 2011. This means the UK will no longer be the only sizeable economy providing opportunities for Eastern European migrants.

All of this suggests that even without taking measures to reduce immigration, the recent influx of new arrivals is likely to prove the exception rather than the norm over the coming years. Any fall in net migration will have a major impact on projected population growth. On the other hand, population growth will always remain sensitive to external and unpredictable factors. For example, the number of asylum seekers has fallen since the beginning of the decade, reflecting the end of nearby conflicts. This could change in the future resulting in a rise in immigration. But this very lack of predictive power – the fact that short term and hard to anticipate swings in population movements can have such an impact on demographic projections – presents a serious problem for any government which seeks to employ a population target or strategy.

2. Is a population policy desirable?

Population policies have long been seen as the preserve of authoritarian or nationalist governments seeking to raise population growth, or, more recently as in the case of China, to control rapidly growing population through its one child policy.

However, in the last few years governments across Europe and elsewhere in the developed world have begun to take a more active interest in managing population growth. In the EU, governments have sought to justify fiscal or labour market interventions to raise birth rates on evidence that women are on average not achieving their desired family size. They argue on liberal grounds that such an approach seeks to remove the economic or other obstacles to women who would like to have more babies. On the other hand, environmentalists have increasingly extolled population control as a means of reducing what they argue is the unsustainable impact of humans on the environment.

In the last couple of years in the UK the argument about the need for a population policy has shifted towards a variation of the latter point of view. In particular, the rise in immigration levels, with its implications for population projections, has led to claims that Britain’s demography is not sustainable. Sustainability is a notoriously imprecise concept. But in the current political context it has three distinctive elements: concern about the quality of the environment, specifically rising population density; the stresses placed on public services by demographic change; and the impact of immigration on social cohesion.

Getting the data right

The constant revisions to the population and immigration data have added to the public perception that the government has lost control of population flows. Most notoriously, the government severely underestimated the likely influx of workers from new EU member-states. Any errors also cause major headaches for local authorities, which rely on head count assessments for the allocation of central funding.

The ONS is trying to improve statistics by making better use of two important surveys, the International Passenger Survey (IPS) and the Labour Force Survey.

The IPS is the key tool for assessing migration flows. But its sample size is too small to catch reliably the full complexity of migration movements. The IPS surveys around 300,000 people a year, but this represents just 0.2 per cent of total traffic. Only 1 per cent of this sample (3,000 people) are migrants. The survey has also failed to keep pace with the growth of air traffic. For example, passenger numbers between Poland and the UK doubled between 2003 and 2005 but this growth took place primarily at smaller airports which were only sparsely covered by the IPS.

The Labour Force Survey can provide more timely evidence of where immigrants are working – but by definition it does not pick up those who are not in employment (or illegal), including dependents such as children who are likely to use public services such as education.

The government thus relies heavily on out of date census information for allocating funds to local authorities. This results in ‘pinch points’ in public service provision in areas in which the population unexpectedly increases. Of course, this problem is not only a result of immigration but of any change in internal mobility patterns.

The ONS is at present undertaking a number of useful statistical reforms. It is seeking to ensure the IPS reacts in a more timely fashion to changes in transport and migration patterns.

The government’s e-border system, due to be put in place by 2014, will show more clearly inflows and outflows of people. While these changes should lead to more accurate historical data, they will not overcome the lack of any means reliably to predict future migration flows.
Environment/population density

There is a widespread belief that Britain is overcrowded. This perception can be seen in the fierce battles over planning applications or complaints about congested roads. Many people fear the further loss of countryside to development as a result of population growth and other demographic changes, such as the increase in single person households.

In global terms, Britain is a relatively, although by no means the most, densely populated country, ranking 51st in the world with 246 people per square kilometre. Parts of England such as the South East and North West have higher density levels, however.

Yet even at these levels, land use figures show that the vast majority of the country is not urbanised. Overall, just 8 per cent of Britain’s land is built environment. Even if all the government’s planned 3 million new homes were built outside built-up areas, it would amount to just a 1 per cent loss of non-urban land.7 As Evan Davis, the BBC economics editor, has pointed out, people’s perceptions of the impact of population growth on the landscape are often far worse than the reality. If the UK had the population density of Jersey, which is not commonly regarded as overcrowded, it could support a total population of 180 million. Nor is there a simple link between population density and overall welfare. More densely populated countries, such as the Netherlands, score higher than the UK in the various happiness indices.

Public services

In recent months a number of local authorities, the National Association of Head Teachers and the Chief Constable of Cambridgeshire Constabulary have claimed that the sudden influx of immigrants is placing public services under intolerable strain.

There is little doubt that some public services have been slow to respond to rapid population changes. At the root of this problem is the way that money for local services is allocated. The vast majority of money is distributed from the centre to local authorities on a per capita basis. Yet, as the box on page 4 has shown, the population data is often inaccurate and remains largely determined by the increasingly outdated 2001 census.

This has led to a number of authorities complaining that the government is significantly underestimating their populations. For example, Slough has calculated that the government underestimates its population by 6,000, around 5 per cent of the borough’s population, as a direct result of recent immigration. Similarly, some boroughs claim to be dealing with substantial levels of illegal migration, which are, by definition, even harder to measure. Westminster has estimated it is home to more than 13,000 illegal migrants although government figures, and therefore allocated money, suggest migration levels are falling. This funding lag does not just work against authorities with rising populations. It also enables those with falling populations to preserve some extra services.

But it is important to note that these problems are fundamentally the result of an overly centralised state and would (and did) exist without large scale immigration. Immigrants pay taxes and are also widely employed in the public sector, in areas such as the health service or the care of elderly people. They do not, therefore, contribute to an overall resource shortage. The core problem is the slow and inflexible system of resource allocation.

The Local Government Association recently called on the government to set up a £250 million contingency fund. This money would provide a budgetary stop-gap for local authorities experiencing a sudden population influx, although there are still questions about how this would be allocated. Moreover, this is not a long term solution. Local councils need greater revenue raising powers to ensure that funding more accurately reflects changing population. In particular, a local income tax would ensure that all new legal arrivals – whether internal or external migrants – would start contributing directly to local services as soon as they began work.

Social cohesion

The impact of rapid population growth on social cohesion is extremely hard to measure. The fact that immigration has become one of the public’s major concerns suggests that it is perceived to be a threat to social cohesion. A recent poll found that 62 per cent of people believe British identity is under threat from new arrivals.8 On the other hand, the government’s measure of community cohesion has shown overall improving neighbourhood relations in recent years, although it records increased tensions prompted by

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immigration in some areas. Other research has found that tensions are centred around perceived favouritism for immigrants in access to core public services, particularly housing.

These apparently contradictory responses may reflect some confusion about relations with the newly arrived immigrant groups and more settled ethnic groups, who are predominately British citizens. Perception undoubtedly also plays a role – many people have little interaction with immigrants but reflect what they see through the prism of the media. The government’s recent community cohesion report found that while more than half of people believed nationally some immigrant communities were gaining unfair access to services or housing, only a quarter responded in the same way when asked about their direct local experience.

In general, British society seems to have coped well in the last few years with a far higher influx of immigrants than anyone expected – or even initially realised were here. As yet, there have been no major outbreaks of social tension such as the riots and vigilante attacks targeted at the Romanian (largely Roma) arrivals in Italy. Nor has there been a significant rise in support for xenophobic or extremist political parties. Much of the debate about the problems of integration focuses not on recent arrivals but the established second and third generation Muslim communities (who are British citizens).

As a result, the government continues to direct its cohesion policies at established ethnic groups rather than new immigrants. Its efforts to encourage integration among the latter has been largely limited to the creation of citizenship ceremonies and specific help for refugees – the small numbers of asylum seekers granted leave to stay. There is a strong case for developing integration policies designed for the new wave of immigrants to help ensure social conflict does not arise in the future. This must include improving communication with existing communities. Here political leadership – placing the rise in immigration in its proper economic and social context – is vital to help alleviate misconceptions.

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One noticeable factor absent from this discussion of the sustainability of population growth is its impact on the economy. In contrast to the difficulties apparently faced by some public services, the economy as a whole has had no problem in absorbing a large number of immigrants. On the contrary, there is evidence that immigration has helped to contribute to the last decade of low inflation and sustained growth. Few critics have directly reverted to using ‘lump of labour’ arguments – claiming that immigrants are taking jobs away from those already here. The fact that unemployment has not risen in years of record high immigration categorically disproves this theory.

However, there has been an attempt to link the ongoing failure to tackle substantial pockets of underemployment with immigration. It is essential that the government presses ahead with reforms designed to encourage more people back into work. But this action should be taken regardless of immigration levels. While certain types of unskilled immigration may suppress some wages at the bottom end, overall, there is no evidence that immigration has made it more difficult to get people off benefits and into work.

The case that population growth is now occurring at an unsustainable pace is far from proven. The economy has successfully integrated more than a million immigrants in the last few years. While rapid rates of immigration have caused some localised problems for public services, this principally strengthens the case for reforms which will make the public sector more flexible and responsive to population changes. Immigration has clearly become a major public concern, but record levels have not provoked any major social conflict. In any case, as the previous section argued, there are good reasons to believe that the main driver of population growth – immigration – is unlikely to remain at such high levels in the coming years.

3. Can a population policy work?

Even if we accept that the population is growing too fast, there are a number of difficulties in trying to turn this into coherent policy.

The first difficulty is that of setting a target. As the previous section has shown, the notion of ‘sustainable’ population growth is somewhat fuzzy. Few beyond environmentalists have sought to define what this means in practice. In his much reported speech on the subject, David Cameron avoided placing any firm figures on what he believes is ‘sustainable’. But he stated the Conservatives would seek to make a very

‘significant cut’ in immigration and manage this via an annual target formulated by a committee of experts.

This approach is hugely problematic. It implies the government will be able to micromanage labour demand and migration flows. In theory, once the quota is reached the government would have to resort to a ‘one-in/one-out’ policy if the target is to have any meaning. Moreover, it is not clear how an annual target could adjust to take account of the other factors driving demographic change. How would it be affected by rising and falling birth rates or changes in household patterns for example? Would the target be revised upwards if promised reforms ensured public services could safely absorb higher levels of population growth?

A further problem is the efficacy of the policy levers available to curb population growth. Broadly speaking there are three ways governments could seek to influence demographics.

The first is by trying to raise or lower fertility rates. Across Europe there is a growing debate about how fiscal and other incentives such as childcare provision might be employed to increase birth rates. Yet there is little convincing evidence that governments can significantly or predictably alter birth rates without employing coercive measures. In developing countries it is possible to put in place non-coercive measures which should indirectly curb fertility – such as encouraging high levels of female education, promoting economic development and urbanisation, and ensuring free access to family planning services and contraception. But none of these factors apply to a developed country like Britain. Given that fertility rates in the UK have remained below replacement levels for three decades it seems highly unlikely anyway that any government would seek to further lower birth rates.

The second means, and one specifically mentioned by the Conservatives, is encouraging marriage. The argument is that ‘pro-family’ welfare reforms and the abolition of ‘couple penalties’ in the tax and benefits system should take pressure off resources by reducing the large number of people living alone (although not overall population growth). Any discriminatory distortion of the benefits system should of course be removed on equity grounds. But the suggestion that fiscal measures can impact on marriage rates (or indeed, divorce rates) remains untested.

The modest measures likely to be proposed by Cameron would succeed only if people are not staying married (or getting married) because of fiscal barriers. Moreover, even a successful


An annual immigration target is hugely problematic: it implies the government will be able to micromanage labour demand and migration flows policy is likely to have only a limited impact on single household formation. The growing numbers of elderly households with only one surviving partner, and an increasing trend for individuals to choose to live alone, are of equal significance.

The final and most credible way to curb population growth in the UK is through immigration controls. There is no question that government could reduce immigration to a trickle with draconian controls. However, the political and economic costs of such an approach would be substantial. Tougher border controls would reduce all forms of mobility including the 30 million visitors each year who arrive for tourism or short term business; making it more difficult and expensive to acquire a working visa would curb skilled migration; and revoking EU laws (since a substantial part of current migration flows are people taking advantage of EU cross-border working rights) would damage Britain’s relationship with Europe. All these actions would be likely to have negative consequences for the freedom of movement of British citizens as other countries reciprocate.

None of the mainstream political parties are currently prepared to support such drastic curbs on the freedom of movement (although the government in December 2007 announced measures designed to make it much more difficult for visitors from developing countries to enter even on a tourist visa). So the question remains how it might be possible to achieve a “significant” cut. The Conservatives have ruled out seeking to reverse the policy of permitting free movement from the new member-states – with its major implications for Britain’s relations with the EU. Migrants from EU member-states made up around 28 per cent of the total last year.

In addition, the Conservatives are unlikely to risk howls from businesses and universities about harming Britain’s competitiveness by seeking to reduce greatly the high levels of skilled economic migration and students who arrive each year. Similarly, the party has backed away from an earlier plan to impose quotas on asylum seekers. The numbers of asylum seekers, according to government figures, have in any case fallen significantly from a peak of 45,145 in 2002 to 8,305 in 2006. This means that any controls must be targeted at just two forms of immigration: non-EU
unskilled and family reconciliation. Of the 550,000 arrivals in 2006 just 26,700 arrived on unskilled work permits. The majority of these were seasonal agricultural workers. The government has in any case stated that it will now restrict unskilled immigration work permits to small numbers of Bulgarian and Romanian workers (who have not been granted the full right to work as EU members).

Both Labour and the Conservatives have also pledged to try and cut the numbers arriving in Britain for family reconciliation purposes. The government has recently announced it will introduce an English language test for incoming spouses and raise the minimum age at which spouses can enter the country to 21. This latter approach is based on a system already operating in countries such as Denmark. It is commonly presented as aimed at stopping forced marriages. While this goal might seem justifiable in itself, its impact on immigration rates is likely to be minimal. In 2006, 4,390 women aged between 16 and 24 from the Indian sub-continent arrived in the UK. Even in the unlikely event that all those under 21 arrived for the purposes of marriage, this would amount to considerably less than 1 per cent of the total immigration rate.

In reality, whichever party forms the next government is likely to be able to claim success in reducing migration without doing much more than making the existing rules function more effectively. As the first section showed, the huge inflow of immigrants from the new EU member-states represents a temporary adjustment that should be replaced by a smaller steady flow. East Europeans may even become net migrants from the UK as the overwhelming majority who said they intended to return home begin to leave. The expected downturn in the economy should also make the UK a much less attractive option for immigrants.

**Conclusion**

The recent sharp rise in UK immigration, and consequent revisions to demographic projections, have sparked widespread concern about the pace of population growth. But there are good reasons why policymakers should continue to resist the pressure to devise a ‘population policy’.

First, it is an axiom of credible policy making that decisions and targets must be based on a sound evidence base. But as this paper has shown there remain serious difficulties in measuring existing demographic changes, let alone forecasting the long term future. Better, and more timely, data would help service providers respond more effectively to population movements. However, it would not ensure governments could reliably set meaningful population quotas.

Second, the ability of governments to control demographic change – short of implementing a far more coercive approach – remains limited. The Conservative’s claims to be proposing a population strategy are largely based around the micromanagement of a small part of immigration policy. There appears a very real danger that those policy makers who have raised the rhetoric on this subject will find it very difficult to deliver their promises – given the huge range of other factors affecting demographic change which they do not intend to control. To its credit, the government has shied away from announcing an explicit population policy, although arguably the impact of its recent changes to immigration law will be virtually identical to those proposed by the Conservatives under the guise of a grand strategy.

In a more mobile society, immigration pressures are unlikely to abate. Britain is not alone in experiencing this phenomenon – the UN estimates there are now 190 million people living outside their country of birth. The make-up and pace of immigration to the UK will continue to ebb and flow. Effective and proportionate immigration controls, such as an auction system for work permits, will remain necessary on the grounds of security. But people coming to the UK is an inevitable corollary of the desire of our own population to travel, to work or retire overseas and (a particularly British habit) to own property abroad.

The key challenge for the government should be to find policies that will enable the economy and society to adapt to a more mobile society. Some elements, such as a flexible economy, are already in place. But reforms that decentralise control of public services and, in particular, give greater fiscal freedom to local authorities, will help the public sector respond more effectively to population movement. It also means the government should place much greater emphasis on ensuring those immigrants who do stay in the UK are fully integrated into society.