Immigration policy and constitutional change: The perspective of Scottish employers

This briefing paper examines Scottish employers’ and industry representatives’ views on current UK immigration policies, and situates these perspectives within the context of the constitutional change debate. The research is based on an online survey of more than 700 Scottish employers, supplemented with 20 in-depth interviews. The survey revealed that employers overwhelmingly perceived unrestricted migration for EU citizens as positive for Scottish business, and Scotland more broadly. Employers are concerned that Scottish independence, or the UK changing its relationship with the EU, may interrupt the freedom of EU citizens to live and work in Scotland. Conversely, some employers viewed the current Points-Based System (PBS), which regulates non-EU migration, as restrictive and failing to meet their business needs. They saw the constitutional change debate as presenting an opportunity to lobby the UK and Scottish Governments for a more nuanced immigration policy that better meets their needs; whether or not Scotland remains a part of the UK.

Key Points

• Two-thirds of Scottish employers responded that EU status and migration was an issue of importance to them, and one-third of employers said that they would like to see issues around immigration and visas receive more attention in the constitutional change debate.

• Employers have differing views concerning immigration policies governing EU verses non-EU migration.

• Employers felt that Scotland’s needs from immigration policy were not different to other parts of the UK’s, but that the rest of the UK has different needs from London and South-East England.

• Many employers and industry representatives claimed that they were actively lobbying the Scottish and UK governments on immigration policy matters.

• Regardless of the 2014 referendum outcome, there are a number of opportunities and challenges for Scotland in seeking to implement an immigration policy that better meets its needs.
Employers’ views of immigration policy in the context of constitutional change

The online survey revealed that Scottish employers would like to see immigration issues receive more attention in the ongoing constitutional change debate, particularly if it seemed likely that Scotland would become an independent country. The results are shown in figure 1.

Two-thirds (65%) of respondents said that EU status was an important issue to them. While not exclusively focused on immigration, it was clear throughout the interviews that many Scottish employers view the free movement of EU citizens to live and work in Scotland as one of the biggest benefits of EU membership.

Visas and immigration issues were selected as being important by one third of employers surveyed (36%), a significant minority. However, these two figures hide considerable sectorial variation, which are presented in figure 2.

Figure 1 – Issues that employers would like to see have more importance in the constitutional change debate

Figure 2 – Percentage of employers who said that ‘visa and immigration laws’ and ‘EU status’ were issues of at least some importance to them (based on the ONS UK Standard Industrial Classification. Sectors with fewer than 10 responses excluded)

Table 1 – Quotations from employers describing their views on EU and non-EU immigration policies

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<thead>
<tr>
<th>EU migration policies</th>
<th>Non-EU migration policies</th>
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<td>“Obviously if my EU staff weren’t allowed to come and work in Scotland through EU regulation, that would be a big no-no.” (Thomas, Director, hospitality recruitment firm)</td>
<td>“But I do think that we need to make special dispensation for trained doctors to be able to come and work here. And that should be from around the world and not just the European Union.” (Rory, Chairman, healthcare provider)</td>
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<td>“And of course, any problems with our ascension to the EU will cause us problems with the free movement of people.” (James, representative, logistics and transport)</td>
<td>“It’s a restriction, but it’s a restriction to our movement because it’s not a kind of - it’s too formulaic in a way, in that everybody is - well, we think that it’s very old fashioned. [...] I don’t sit thinking about what I have to do in the UK, I’m thinking about stuff worldwide.” (Olivia, Director of Human Resources, oil and gas company)</td>
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Source: Authors’ analysis of online survey data, 2013
Employer views and concerns with current immigration policies

Our interviews revealed that Scottish employers have differing views and concerns with regard to the two immigration policy systems which govern EU and non-EU immigration. Open policies which permit the free migration of EU citizens to live and work anywhere in the UK were viewed as beneficial by Scottish employers in meeting their business needs. Employers were concerned that any interruption of this, either through Scottish independence or changes in the UK’s relationship with the EU, would be highly disruptive to them. On the other hand, many employers viewed the current Points-Based System (PBS) regulating non-EU migration as restrictive and failing to meet their business needs. Employers are concerned that this policy will not change, or will become further restricted, in the future (table 1).

Scotland’s need for a ‘different’ immigration policy?

In its recent White Paper, ‘Scotland’s Future’, the Scottish Government claimed that current UK immigration policies do not serve Scotland’s interests, and that Scotland has particular needs that are different to other parts of the UK. While employers claimed that the current immigration system does not work in the interests of Scotland, they felt that it does not meet the needs of any UK region outside of London and South-East England. Wayne was particularly eloquent in making the point that it is London which is ‘different’, not Scotland.

I think there are some challenges to the current UK set up about immigration as well, in the sense that we are developing an immigration policy in the UK which is focusing on the South-East of England, which is overheating and has some real problems with immigration […] but Scotland’s problems in that area are not the same at all, and we shouldn’t allow UK immigration to be dictated by London, I’m afraid.

(Wayne, Director, inter-company organisation)

Lobbying on migration issues

Employers are not passive actors in policy formation and many employers and industry stakeholders claimed that they were lobbying the UK and Scottish Governments on immigration issues; arguing that the constitutional change debate offered Scotland the opportunity for immigration policy to be better addressed, regardless of the outcome of the 2014 referendum.

I think that our position of constitutional flux, whether in nominal independence or whether within a revised devolution settlement, gives you scope to revise things that looked a bit settled and to see if there are ways in which a policy environment can be formed to our further advantage, for instance in relation to the Scottish immigration regime.

(Toby, Representative, Scottish higher education)

Discussion: The future of immigration policy in Scotland

There are a number of opportunities for Scotland to implement distinctive immigration policies, regardless of the outcome of the 2014 referendum. Policy options are open to Scotland in both outcomes, and both a Yes and No vote present challenges and opportunities for Scotland in relation to immigration policy.

Drawing on the evidence from the interviews, these challenges and opportunities are presented in table 2.

Table 2 – Challenges and opportunities for Scotland in implementing autonomous immigration policies, within or outside of the UK

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Opportunities</th>
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<tr>
<td>Scotland in the UK</td>
<td>Scotland out of the UK</td>
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<td>Sub-national immigration policies; where the Scottish Government implements its own immigration policies, within a broader UK framework</td>
<td>An independent Scotland would have the political powers to enact its own immigration policies</td>
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<td>Continued free movement within UK and Ireland</td>
<td>The Scottish Government could promote a positive case for immigration to Scotland</td>
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<td>Restricted by ‘one size fits all’ UK-wide immigration policy</td>
<td>If an independent Scotland wanted to remain within the Common Travel Area (CTA), then it could not implement immigration policies vastly different to the UK.</td>
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<td>Practical and political difficulties with sub-national immigration policies: would be seen (and potentially used) as a ‘back door’ to mobility to other parts of the UK</td>
<td>Uncertainty regarding an independent Scotland’s relationship with the EU e.g. may have to sign up to Schengen agreement</td>
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Source: Authors’ analysis of interview data, 2013