

E.R.

Tuesday, 24 October 2006

Home Office

Romania and Bulgaria

The Secretary of State for the Home Department (John Reid): The House will wish to know what arrangements will be in place here in the UK to support the accession of Romania and Bulgaria on 1 January.

Global movement is a fact of life. In the UK we have over 90 million visitors a year. This openness ensures we have a vibrant society and a strong economy.

Over the years Europe has prospered by letting people move and trade freely. But as the EU expands this poses new challenges which have to be managed properly. Here, as elsewhere, managed migration is the right approach.

In 2004 when 10 new countries joined the EU, we gave their people access to our labour market – but the Workers Registration Scheme ensured people came to work and not claim benefits.

This has been a success. Workers from the new Member States have filled skills gaps, including in key public services such as the NHS and social care, and have contributed to UK growth and prosperity. Studies have found no evidence they have taken jobs away from British workers or undercut wages. Employers and customers alike have welcomed their skills. Very few have brought dependants and the proportion attempting to claim out of work benefits has been less than 1%.

In 2004 only Ireland and Sweden took the same position. Since then Italy, Spain, Finland, Portugal and others have followed our lead and lifted restrictions. Germany has admitted 500,000 Eastern European workers.

Over the last few months, I have set out ambitious plans to ensure that our immigration system is both effective and fair, including; plans to ensure immigration rules are advised by an independent Migration Advisory Committee; plans to double spending on enforcement; and plans to introduce ID cards for foreign nationals. There have also been some transitional impacts from the last round of Accession. A small number of schools have seen a significant increase in admissions. Some local authorities have reported problems of overcrowding in private housing. There have been cost pressures on English language training.

Because we believe in the principle of managed migration we believe that before we take further steps, our plans for immigration reform should be further advanced, that we should understand any pressures in detail, and we should ensure that appropriate

measures are in place to ameliorate them. Our plans to manage accession have been developed on this basis, and today I can set out for the House three key steps.

First, the Department of Communities and Local Government (DCLG) will work in partnership with local areas to spread best practice in meeting isolated and specific pressures that have arisen as a result of recent migration.

Second, the Department for Education and Skills (DfES) will provide £400,000 to fund a new Excellence Programme, which will support schools that have limited experience of teaching new migrant pupils with English as an additional language.

Third, the UK will maintain controls on Romania and Bulgaria's access to jobs for a transitional period. The opening of our labour market will take account of the needs of our labour market, the impact of the A10 expansion and the positions adopted by other Member States.

Furthermore, we will expect employers to look exclusively to workers from EU nations to meet any low-skilled labour shortages within the UK. We can therefore announce today that from 1 January 2007 we will be phasing out all low-skilled migration schemes for workers from outside the EU.

Places on the two low-skilled migration schemes for non-EU workers (the Seasonal Agricultural Workers Scheme and the Sectors Based scheme which between them currently have 19,750 places) will now be restricted to nationals from Romania and Bulgaria with this cap maintained at its present level.

In the first instance, food processing and agriculture will be the only sectors open to less-skilled A2 nationals. But we will listen to industry representatives where it is felt similar schemes are needed in other sectors. Employers will need to convince the Government there is a genuine labour shortage and such schemes would be limited by quota.

Once we have brought forward proposals for a Migration Advisory Committee (MAC) we will suggest that in due course the MAC will advise on how the quotas on low-skilled migration are managed.

Highly-skilled A2 workers that qualify for the Highly Skilled Migrant Programme (currently just under 100 a year) will also be admitted, as they are now, along with any dependents.

Romanian and Bulgarian students studying in the UK will also continue to be able to work part-time, providing they are enrolled at an approved college on the DfES Register of Education Providers.

In addition, Romanian and Bulgarian workers with specialist skills that are needed in the UK will be able to come here to do jobs that cannot be filled by resident labour, provided they meet our tests on qualifications and earnings. This is already the case. 1,740 Romanians and Bulgarians entered the UK last year on this basis. Again, work permit holders will be able to bring dependents as they can today.

These arrangements will be reviewed annually.

The terms of the Accession Treaty do not allow us to place restrictions on EU nationals' rights to come here to set up a business. So the self-employed will continue to be able to work here (and in all other EU countries), if they can prove when challenged that they are genuine, and not in fact employees posing as contractors.

We look forward to welcoming Romanian and Bulgarian workers here, provided that they comply with our rules and obey the law.

Visa regimes for the new Accession countries will be maintained up until Accession. Bulgarians and Romanians will therefore continue to need to have visas for entry to the UK up until midnight on 31 December 2006. But after that people from Romania and Bulgaria will be able to travel about the EU freely.

However, if they want to take employed work they will need a work authorisation document. As set out above to get such a document they will need to have passed the tests to get onto the Highly Skilled Migrant Programme, have secured a work permit for a skilled job, proved they are a student at a reputable college, or got a place in the quota for agriculture or food processing.

The House will expect to know how this system will be policed. I must be clear to the House that policing the system against a background of free movement to the UK will present some challenges. But workers or employers who are tempted by this into breaking the rules should be aware that they will be robustly enforced.

Subject to debate in this House, we will take powers to make it an offence for an A2 national to work without such a document. We plan to make this punishable by an on-the-spot fixed penalty.

It will also be an offence for an employer to take on undocumented A2 nationals. This will be punishable by a heavy fine. Employing illegal workers undercuts legitimate business and leads to exploitation. It will not be tolerated.

Employers will rightly ask for assistance in fulfilling their responsibilities. There will be, therefore, an information campaign for employers, backed up by a toolkit and helpline, to ensure that firms are aware of the rules and their responsibilities. Employers and employees must be clear that they have a duty to play by these rules or suffer the consequences.

Through this measured response to Accession we will ensure that migration is and continues to be managed in the best interests of the country as a whole.