

Scottish Affairs Committee

Oral evidence: Immigration and Scotland, HC 488

Tuesday 13 March 2018

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Members present: Pete Wishart (Chair); Deidre Brock; David Duguid; Hugh Gaffney; Christine Jardine; Ged Killen; John Lamont; Paul Masterton; Tommy Sheppard; Ross Thomson.

Questions 472-553

Witnesses

I: Dr Alasdair Allan MSP, Minister for International Development and Europe, Scottish Government; Rachel Sunderland, Head of the Migration and Free Movement of People Unit, Scottish Government; Craig Thomson, Migration Strategy Team Leader, Scottish Government.

Examination of witnesses

Witnesses: Dr Alasdair Allan MSP, Rachel Sunderland and Craig Thomson.

Q472 **Chair:** Thank you very much, Minister, for helping us out in our inquiry into immigration and Scotland. For the record, please say who you are, who you represent, introduce your colleagues and say anything by way of a short statement. Minister Alasdair Allan.

Dr Allan: Chair, thank you very much for the opportunity to be here. As you have indicated, I introduce Rachel Sunderland and Craig Thomson from the Scottish Government.

I am glad to have the opportunity to provide the Committee with the Scottish Government's perspective on immigration. As well as the remarks I have to make and the answers I will offer today, the Committee will be aware that, in the course of the last two or three months, we have published quite a lot of information on migration and I hope that will be able to inform your thinking. In November last year, we published a response to the Migration Advisory Committee call for evidence, which contained detailed analysis of the demographic, economic and social benefits of migration for Scotland. In January this year we published "Scotland's Place in Europe: People, Jobs and Investment" that set out what we gain from free movement of people from the EU and why we want to retain it by the whole of the UK staying in the European single market and customs union. Last month we published a discussion paper on future migration policy, and this included proposals on how new powers for the Scottish Parliament to create a new migration route tailored for Scotland's needs but within the UK system could work, in our view.

The evidence we have published paints a very clear picture of the huge value of migration for Scotland. We found that EU citizens living and working in Scotland contribute on average over £10,000 per head to government revenue and over £34,000 to GDP. We also found that reducing migration, as you would expect, therefore has a knock-on effect on GDP. Across the UK we are seeing more EU citizens leaving the country after the Brexit vote and fewer choosing to come here. That Brexit-driven reduction in migration translates in Scotland to a GDP loss of almost £5 billion per year by 2040.

Where Scotland has distinct needs is demographics and the role of migration in sustaining the working age population. All of Scotland's population growth over the next 25 years will come through migration. There will be more deaths than births each year. The pension age population in Scotland will grow by 25% by 2041 and the population of over-75s in Scotland will increase by 79%. The crucial point is that the working age population in Scotland is essentially flat, growing by only 1% in the principal projection. In variant population projections, which assume lower migration, Scotland's working age population actually falls. That is not true for the rest of the UK or the UK as a whole. Even without



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EU migration, the working age population will still increase. The combination of people living longer and people having fewer children or having them later in life is, of course, common in many developed countries, including the rest of the UK, but the particular role that migration plays in Scotland in sustaining the working age population means the risk or threat of reduced migration is especially concerning to us.

Scotland's population growth is down to free movement from the EU and we want that to continue. We also think Scotland's population needs are distinct and need a different approach to migration policy. We would like to see a tailored approach for Scotland that lets us bring in the skills we need with a greater emphasis on the importance of family life in the migration system. I am very happy to answer your questions.

Q473 Chair: Thank you ever so much for that. You have been through issues such as demography and population growth, and these are some of the issues that this Committee considered in our demography and population growth inquiry in the last session of Parliament. Are these significantly different in Scotland to the rest of the United Kingdom that would require us to do something different when it comes to immigration or are these issues, as we are constantly told, in different parts of the UK too?

Dr Allan: Of course, Chair, if the UK were doing something across the UK that met our needs I would not be here making this argument for doing something different. I think it is important to say that the Scottish Government and the Scottish Parliament more generally are not coming at this from the position that things have to be done in a different way in Scotland if the UK is prepared to do something sensible. However, we do have to keep our options open if the UK does not do that, for the demographic reasons that I have indicated. The demographic point that I am making and stressing everywhere I go is that, yes, to answer your question, the demographic needs of Scotland are different. In almost any circumstances you can envisage, the UK population will go up and that is not necessarily the case for the Scottish population. We do have more of a demographic issue that depends 100% in the coming years on our ability to take in people from around the UK but also from around the Europe and the world.

Q474 Chair: Are there any other things that are within the gift of the Scottish Parliament that you can do to stimulate population growth and tackle this demographic issue that you are explaining and describing to us?

Dr Allan: One of the debates in Scotland is what more could Scotland be doing, for instance, to attract more people from around the UK and indeed from other places in the world. We have roughly 8% to 9% of the population of the UK and, depending on how you measure it, we have between 6% and 8% of the inward migration, not very far off our population-based share, particularly when you consider the unique draw that London represents in this debate. I think it is fair to say that we would like to do everything we humanly can in Scotland. We are very



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busy upskilling the population, providing more educational opportunities and filling the skills gap, but the important point is that even if we had zero unemployment in Scotland, even if we had full employment in Scotland, the demographic question I have just outlined would not be addressed and it certainly would not be addressed in circumstances of decline in migration or anything like it.

Q475 **Chair:** Obviously you speak to the UK Government. Do you sense that the UK Government understand that Scotland has specific issues when it comes to population and demography and how do they respond to these points that you are bringing to this Committee?

Dr Allan: We do try to make the argument. I think it is significant that the argument is not merely that of one party or the Scottish Government but in debate in the Scottish Parliament a number of parties now appear to accept the need for a distinctive migration policy to meet Scotland's distinctive needs. We do seek to influence the UK Government on and we also, of course, seek to outline to the UK Government some of the things that it could be doing within its own existing powers without any question of powers being transferred. I think it would be fair to say that it is not an easy conversation to have but it is one that we have.

Q476 **Chair:** One thing I saw you specifically ask for, and I think it is in the discussion paper that you talked about there, is for the UK to abolish the net migration target or to exclude Scotland from the figures. Why do you think that is a necessary move?

Dr Allan: If the UK ever came anywhere near meeting its stated targets of reducing net migration to the tens of thousands, there would be a disproportionate effect on Scotland's demographic position. I will ask Rachel to say something about the projections for that over the next 10 and 25 years.

Rachel Sunderland: Our projections are that in a scenario where net migration to the UK was reduced to the tens of thousands in line with the UK Government target, Scotland would lose over £10 billion per year in GDP by 2040, so the impact would be significant.

Q477 **Chair:** Is this based on what the Minister described as the economic impact of people who come to live in Scotland from elsewhere in Europe and the world?

Rachel Sunderland: Yes.

Dr Allan: The scenario that I think we are talking about, or the one I am envisaging anyway, based on what you are saying, is where the UK met the 100,000 target, in those circumstances, instead of seeing a miniscule growth in our working age population we would start to see a 3% decline, I believe, over the coming years in the total number who are of working age in Scotland. I think it is important also to say that this comes, as you know, on the back of 200 years of more outward migration than possibly any country in Europe, except Norway and Ireland, have ever seen in the



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last couple of hundred years. Scotland also missed out, in a way, on the inward migration in the 1950s that parts of England experienced. We have been experiencing net inward migration only since about 2001 and it is only because of that that our population has been going up. The population in Scotland has essentially been static since the Second World War.

Q478 Chair: I heard you say in your opening contribution that most of the population growth in Scotland is due to migration. I remember not that long ago, probably about 15 years ago, there was real concern that Scotland's population would fall below the iconic 5 million mark and efforts were made to try to rescue the situation. If we did lose access to immigration to grow our population, what sort of issues do you think we, as a nation, would confront? Is there anything we could do to try to mitigate and ensure that we would not have that hitting our economy?

Dr Allan: One of the problems that Scotland would face—and again I do not pretend it is completely unique but it is distinctive—is the impact this would have on rural areas and areas that are suffering population decline. In all these scenarios we are talking about for the future—and Rachel can specify which ones the different figures apply to—I think the UK might see 3% of its local council areas in a depopulation situation. Scotland is in a situation where one-third of our local authority areas are heading for depopulation unless we are very careful. I think there are things with the impact on rural Scotland that apply to us in quite a distinctive way.

Rachel Sunderland: I think the only thing that might be helpful to know is that we have commissioned some specific research from the James Hutton Institute into demographic change in remote and rural Scotland. That is due to be published next week and we would be very happy to send a copy to the Committee, if that would be helpful.

Chair: That would be helpful, particularly when James Hutton is based in my constituency and we always like to hear from them.

Dr Allan: I have a constituency interest also in that the areas concerned, not exclusively but in large part, relate to my own constituency in the Western Isles.

Q479 Christine Jardine: I wanted a slight clarification. You were saying that all the parties in the Scottish Parliament, or a number of parties in the Scottish Parliament, now agree the need for a specific Scottish immigration policy or that Scotland has specific immigration needs. But would you agree that while they might agree that it has different needs, they do not all agree on the way to go about it? Some think devolution is a good idea; others think that simple differentiation within the UK system would be the best approach.

Dr Allan: I am not sure that the positions that you describe are very far apart. The Scottish Government's position is that we would like to see these things fixed at the UK level. We would like the UK to stay in the single market and the freedom of movement maintained for the whole of



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the UK. I do not think there is any great debate about that between the parties who are of a similar mind on this in the Scottish Parliament. When motions have been debated and passed in the Scottish Parliament about where we go from here, I think there is also a shared understanding that if that is not on offer then we do have to consider at least and we do have to look at the benefits of differentiating solutions. I am not here to argue for a separate, independent immigration policy for Scotland, despite where I come from politically. That is not what the consensus is about. I think you used the word “differentiated” and what most of us in Scotland are arguing for is a differentiated system that takes account of some of Scotland’s needs.

Q480 Ged Killen: Can we turn to EU citizens who are already living in the UK at the moment? Can you tell us what your views are on the UK Government’s proposed arrangement for those citizens post-Brexit?

Dr Allan: I spend a lot of time in my job meeting with communities in Scotland of people from other EU countries. I spend a lot of my time visiting workplaces and organisations, public meetings, where people are asking about their own personal circumstances. I think it would be fair to say that people in Scotland from other EU nationalities have been kept waiting far too long. The main concern is about the lack of information. People regularly come to me—and I am sure they will come to you in your constituency capacities—looking for information that we don’t have about what the UK’s intentions are in detail when it comes to their rights in the future. People come about very practical things, and people may come to you about this as Committee members too. If you can’t explain to a mortgage company where you are going to be living in a year’s time, it is very difficult to get a mortgage. If you can’t explain what the UK Government’s position is likely to be on your status, life does become more uncomfortable. I think there is a wide agreement in Scotland that we have to try to overcome that as best we can but we have to point out the consequences of a lack of information, and that is the biggest issue for people.

Q481 Ged Killen: There have been some concerns that the UK has become less attractive to EU migrant workers since the referendum and EU citizens have already left the UK in some cases. What steps are the Scottish Government taking to reassure EU citizens in Scotland and to provide them with information about their likely future status?

Dr Allan: On the first point about reassuring people, I very much agree with the tenor of your question about the need to provide reassurance and we have sought to do that where it is possible. In the hours after the European referendum, the First Minister made the statement that people from European nations living in Scotland were welcome but also she said, very crucially, that they were needed, which brings us back to the demographic point. I think there is quite a wide understanding in Scotland that people are welcome and probably a wide understanding that they are needed. What people do not have is much information about things like settled status and how that will work and also



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particularly how it will work for family members in the future. If we want to make people feel genuinely welcome and we want them to be genuinely included as part of our society and our economy, we have to allow them to have their families living with them. That will be one of the issues we will be pressing the UK Government for information on in the future.

Q482 Hugh Gaffney: There is a lot of talk about decline and you mentioned a 3% decline in migration and people are not coming to Scotland. Do you know where they are going instead? Is it UK wide or just Scotland? Where are they going to?

Dr Allan: This anxiety applies to the UK as a whole. I suppose the consequences are bigger for us in Scotland because of our demographic situation. To take an extreme example, I believe there were figures showing that some nursing courses across the UK had a 96% decline in applications from students from the EU. The situation will be the same throughout the UK for the threat to migrants coming here but the argument I am making is that it is particularly urgent in Scotland because we do not have an awful lot of other options in ensuring we have a workforce that keeps up the momentum.

Q483 Paul Masterton: Between the middle of 2016 and 2017 we had a rather large outflow of about 55,000 people leaving Scotland, many of whom were of working age. Why do you think that was?

Dr Allan: I will bring in others on the statistics, but we have always had people leaving Scotland. What we have had since 2001, if you look at that period overall, is net inward migration to Scotland. About 58% of that has come from across the EU or outwith the UK and 42% has come from within the UK. It is not a simple picture, but there are people who leave Scotland. We don't try to stop them leaving Scotland, we are not against people leaving Scotland, but what we do want to make sure is that if we have freedom of movement of people, for instance, there are benefits in that, not just for migrants coming into Scotland but for people in Scotland and throughout the UK who wish to exercise the rights that they still have at the moment to travel in Europe as well.

Q484 Paul Masterton: It is not just a question of attraction. There is a question here about retention as well. What I am trying to get at is while you are talking broadly and you have talked about some of the things you are doing and would like to do in attracting people to come to Scotland, what are you doing to ensure that there is retention, particularly from those who may be highly skilled, high earners who are leaving Scotland to go elsewhere in the UK? They are not leaving Scotland to necessarily go back "home" or internationally.

Dr Allan: You are quite right to say that there is a traffic in that direction but every year since 2000, 2001, more people have come to Scotland from the rest of the UK than have left going in the opposite direction, so we must be doing something right in Scotland to attract people. But you



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make an important point, which is about making sure that people feel they have career, training and education opportunities in Scotland to make them want to stay. It is important to note which way the balance lies, and it is in Scotland being an attractive place to come to.

Q485 John Lamont: The Scottish Government have said that the post-Brexit migration system for EU citizens should replicate as far as possible the existing system. Could you clarify whether that is on a UK-wide basis or is that just for Scotland?

Dr Allan: As I have indicated, we would like to see, if at all possible, the benefits that the whole of the UK derives from freedom of movement of people being continued for the whole of the UK in the future. We think everyone in the UK benefits from that, so we would like to see that continuing. However, we have to prepare ourselves for the possibility, given what the UK Government have said and done in the last few months, that the UK do not understand that.

Q486 John Lamont: What does that mean, preparing ourselves for that possibility?

Dr Allan: That means that we have to put forward intelligent ideas to the UK Government about how the immigration system might be tailored in those circumstances, for instance, to allow UK visas to be issued that would allow people to settle in Scotland where there is a consensus that they are wanted.

Q487 John Lamont: How would that work in practice if there was a different approach taken in Scotland compared to the rest of the UK, particularly in light of what the Prime Minister has already said about continued membership of the internal market and the free movement principle?

Dr Allan: We obviously are not of one mind with the Prime Minister about the importance of the single market and the free movement of people. One of the reasons we are not of the same mind, apart from the fact that the country that we both represent voted to stay in the European Union, is because of the fact that many people—I would suggest most of the people—who voted to leave the European Union were unaware of the possibility that they would also be leaving the single market and abandoning the free movement of people, given that the campaign to leave the European Union, suggested exactly the opposite.

Q488 John Lamont: I am not asking you to give an opinion on the many millions of reasons why people voted to leave the European Union. What I want to know is how it is going work in practice in Scotland—particularly for somebody representing a Borders constituency—if there is a different immigration policy in Scotland compared to the rest of the United Kingdom?

Dr Allan: One of the things that we have put forward to the UK Government is that we are not suggesting that we have our own independent immigration system. We are suggesting that when UK visas



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are issued there is a possibility for the Scottish Parliament and Scottish Ministers to have a role in ensuring that visas can be issued for the purposes of settling in Scotland. On your question about the Borders, I originally come from the Borders and I understand the point you are making, but the fact is that the gatekeepers of the system across the UK are increasingly employers. If a UK visa is issued with permission to be resident in Scotland, there is no option for that person to get either a house or a job elsewhere in the UK anyway. If there is the option of us in Scotland benefiting from the movement of people and benefiting economically from that as a society and culturally, we do not really see the fact that these things may not be happening in other places in the UK as a *prima facie* reason for there not to be a system to allow us to continue to benefit in that way.

Q489 John Lamont: If a system was put in place whereby the residency component of the visa insisted that they stayed in Scotland, there would be an extra onus and obligation on employers to ensure that that was complied with.

Dr Allan: No, there would be the existing onus on employers because, as I say, it would not be possible and it is not possible for someone whose visa restrictions are inapplicable to get a job or a house. It is important to state that this could only be achieved by some kind of consensus and agreement with the UK Government. We seek and we try to have that conversation with the UK but I think it is only responsible that in so doing we explain what the consequences are for us if we do not reach some kind of solution, either on a UK basis or a Scottish basis, that allows for a more reasonable attitude towards migration in Scotland.

Q490 John Lamont: International immigration across Scotland is about 40,000 a year but the bulk of that goes to the central belt. Areas like my own in the Borders, for example, had net migration of just three people last year and the year before it was minus 50. Why are certain areas so poor in attracting migrants and why is it so focused on certain parts of Scotland?

Dr Allan: It is true that there is always a draw to urban areas. However, socially I can see the benefits of even relatively small numbers coming to quite rural areas. I think it would be fair to say that in the area that I represent in the Western Isles there are schools that probably would be struggling to be open were it not for the fact that a local fish factory has people from eastern Europe there. The absolute numbers may not be big but the impact that they can have on fragile rural economies, like the ones we represent, in relatively small numbers can be big. We have to think about new ways of attracting people to rural and fragile economies too and we should absolutely do that.

Q491 Tommy Sheppard: I have a follow-up to John's question. The more we debate this, I sense that there is an intellectual understanding within the British Government that the migration needs for Scotland are different but there is some resistance to having any differential arrangements because, put simply, they do not want Scotland to be the back door into



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England. This concern about how a differential system would be regulated in order to be contained within the territory it was designed for seems to be quite acute in the British Government. Have you come across that sort of attitude and do you think that reason can triumph here over fear or ideology?

Dr Allan: I am a natural optimist and I have an innate faith in the triumph of reason ultimately. I think Robert Burns had that faith too. Sometimes it can be quite trying to have that faith but I do make an attempt. The question you are putting is about the fear that there may be in some quarters about migrants essentially using access to Scotland to settle elsewhere. Already we have a system that makes it very difficult for anyone who does not have the appropriate permissions, or it makes it impossible for them, to get either employment or a house. It is difficult to see what the attraction would be in somehow breaching the conditions of a UK visa that had residency in Scotland as a requirement. It should also be said that although they have very different migration systems in some ways, it would hardly be a unique situation for us to have such a system. Although they are different systems, you can look at Australia or Canada, or Switzerland even, as examples of places where quite localised migration systems work very well.

Q492 **Paul Masterton:** I have a follow-up on one of the points that Mr Lamont was making. It is the Scottish Government's preference to retain, post-Brexit, a two-tiered immigration system whereby it is much easier to have low-skilled labour coming from the EU than it is to have highly-skilled labour coming from the rest of the world. Do you still believe that there should be a distinction in approach between EU nationals and individuals from the rest of the world?

Dr Allan: I think I see where you are going, which is possibly the argument that Brexit and the Brexit referendum was all about trying to get more people from outside the EU to come and settle in the UK. I don't wish to put words in your mouth but I recognise that argument from elsewhere. I won't put them in your mouth. I don't particularly buy that argument. We would like to try to replicate or maintain something that is essentially, as you say, a status quo that gives certain rights to European and EEA members and also maintains the freedom of movement of people. I don't see why that would be impossible to continue in the future.

Q493 **Paul Masterton:** What work are you doing in the Scottish Government in settling the status of Scottish nationals in EU nations currently? There is a distinction between the offer that is on the table from the UK Government for EU citizens here and the reciprocal arrangements offered by EU states. What discussions, if any, have you been inputting in that process?

Dr Allan: I will ask others to come in on this, but we have raised this and it should not be overlooked that in all this, although there has been much focus on the rights of migrants from other countries in the UK, it is equally important that there is a fair deal on the table for UK nationals in



other European countries. However, as time moves on and we get nearer to the March deadline we also need to know what happens to the people you have described in a situation of a no-deal Brexit. Obviously we all want to avoid that happening but the consequences are as acute for UK nationals abroad as they are for other nationals in the UK if we reach that scenario.

Q494 Chair: While I do admire your faith in being able to come to some sort of solution with the United Kingdom, wasn't it the case that most of the discussion and conversations about the EU referendum was predicated on immigration? The chances of the Government being open to conversations, discussions and solutions that are anything to do with immigration are going to be quite limited. I don't know if you have heard anything that would support your faith in some solution being brokered or what your observations are about the tone of the debate and that the predication has always been on immigration.

Dr Allan: On the tone, I want to say that there are many people who take a totally different view from me on Brexit and do so entirely respectfully and argued for the UK to leave the European Union in an entirely respectful, sane, rational way, so I don't want to take away from that fact. But I think it would be fair to say too that the tone of the referendum, at least across the UK, was something that lingers in the mind of any EU national resident in the UK I have ever spoken to and it is something that is mentioned. I don't want to overstate that because I think people, as I mentioned earlier, do feel welcome. We have no evidence in Scotland that the tone of the referendum led to any kind of spike in hate crimes or anything like that. The tone of the referendum has had consequences for our bilateral relationships with our European partners but it has also had consequences in the way that many people from EU countries resident in the UK viewed it as an experience to live through.

Q495 Christine Jardine: We have already heard that some sectors in Scotland are particularly dependent on EU migrant workers. For example, the National Farmers Union Scotland is concerned about potential loss of EU migrant seasonal workers and has proposed a seasonal agricultural workers scheme. What do you think of that proposal?

Dr Allan: We would be very open to pursuing or seeing pursued any policies that meet the needs of specific sectors, not least in agriculture, as you rightly identify. I think the overwhelming picture that comes out of this research and these studies for us is that the need for EU workers or for movement of workers crosses all sectors. If we were to try to come up with a sectoral solution for Scotland we would have to name about 40 sectors for it to work. Agriculture is absolutely a vital example of the need to continue with a flexible system but I think the reason why the sectoral solution more generally would fall down in Scotland is that it probably overlooks the fact that so many sectors are affected, whether it is tourism, agriculture, highly skilled jobs in academia or people picking raspberries—to use the Scottish word for raspberries—in Perthshire. So many



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sectors are affected that a sectoral solution is likely to be very complicated and inadequate.

Q496 **Christine Jardine:** You think that targeting immigration, for example for the Scottish care sector or other sectors of the economy, would be inadequate?

Dr Allan: I am not against anything that helps any sector but I could reel off, and I am sure people around the table could reel off, dozens of sectors that are affected. If we help out only some sectors, that does not solve the demographic problem. The demographic problem is only likely to be addressed by us remaining open to people who may come in for one job and move to another. If we are too narrowly sectoral in our solution, we overlook the importance of emerging sectors such as the gaming industry or whatever it might be, but your point is well made that there is a particularly acute problem when it comes to agriculture.

Q497 **Christine Jardine:** Without wishing to go back over the reasons why people did or did not vote to leave the EU, do you think that EU nationals differentiate? You have mentioned the atmosphere post-Brexit or post the referendum. Do you think that EU nationals differentiate between Scotland and the rest of the UK when they are thinking about coming to the UK or have you found, like me, when you go abroad that people don't think specifically about Scotland in separate terms? Perhaps anyone who is thinking of coming to the UK is not going to investigate whether there is a specific visa for Scotland and they are going to think about coming to the UK.

Dr Allan: As the situation stands now, I think you make a fair point, which is that what people see will be the UK position. People who are here, however, most certainly do make a distinction in their minds, because they have told me at public meetings up and down the country. They certainly do make a distinction in their minds between what the political consensus is about migration in the UK and what the political consensus is in the Scottish Government or the Scottish Parliament. They understand that and they make that distinction. I also think that if we did have a differentiated system in the future there is nothing to stop Scotland explaining its position overseas and making sure we attract the best.

Q498 **Christine Jardine:** You mentioned a differentiated system again. Could that work in a way where if seasonal workers were coming to this country it could be pointed out to them by the UK Government—if they were just generally applying to the UK for visas, not just from the EU but from elsewhere—that there was a differentiated scheme and it might be easier for them to come to Scotland than the rest of the UK?

Dr Allan: Indeed, because with a differentiated visa issued by the UK Government, it would, as you say, be up to the UK authorities to explain what that was when people applied for a visa. It is certainly something that the Scottish Government will have to explain to people if it happens,



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but there is nothing to stop the UK's agencies around the world explaining what it is. In other countries such as Canada or Australia, the central government is perfectly able to explain how localised settlement systems work.

Q499 Christine Jardine: Notwithstanding the fact that I would much prefer that we did not have to think about this in terms of leaving the European Union, the UK visa system as it currently operates is perfectly capable of differentiating and creating a differentiated system that would encourage immigration to Scotland without any huge structural change?

Dr Allan: Yes, is the answer. It would come down to political will but I think administratively, especially now that it is easy enough to identify Scots by national insurance number and so on and particularly with the existing role of employers in the system, there is no reason I can see why political will is not the main obstacle to this.

Q500 Paul Masterton: I think you are right about the political consensus in Scotland being slightly more open and liberal in the approach to migration but the underlying public consensus is largely identical to that across the rest of the United Kingdom. Do you have concerns that if Scotland were to pursue or achieve that there is a softer approach to immigration that that potentially could cause issues down the line with public tensions? It is very clear from the social polling that has been done that Scots do not believe that Scotland should have a different approach to immigration or it should be easier for people to come to Scotland than the rest of the United Kingdom. How do you plan on treading that balance whereby public attitudes to immigration are not necessarily as open across Scotland as they may appear from leading politicians?

Dr Allan: The first thing to be said about that is that I don't think anybody wants to see us softer on immigration or a free for all. You didn't use the word yourself but we are not proposing a free for all on immigration. We are proposing something different from the UK but probably not radically different from what we have now. I think it is important that we set it in that context. I think what is distinctive in the attitudes is when people are asked to make a choice on, for instance, what is more important to trade off one against the other: is losing freedom of movement of people a price worth paying for tighter control over migration? Most people in Scotland would prefer to see freedom of movement of people in that context. It is also notable that some people have given evidence to you, such as the National Farmers Union Scotland, not unlike what I am saying here now, that we would rather have a common UK approach but if that is not going to happen then we are up for a discussion about we might implement something that affords Scotland to do its own thing. We are saying we are up for that discussion if others are.

Q501 Chair: This is on purely selfish constituency interests and a seasonal agricultural workers scheme. We had a debate a couple of weeks ago, which I think, looking around this Committee, several of my colleagues



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took part in. The view I was starting to get from that debate was that this is something the UK Government are considering although there are no plans in place for it to be pursued. I was encouraged by what the Secretary of State had to say at the NFU conference a couple of weeks ago about this. If the UK Government decided they were not going to put in place a seasonal agricultural workers scheme, would it be something that the Scottish Government could do, and you have talked about a variation for Scottish immigration rules? Would that be something that you would welcome? When you are answering, have you had conversations with the Secretary of State about a seasonal agricultural workers scheme and does he understand how important this is to Scottish agriculture?

Dr Allan: There has certainly been correspondence at a Government level specifically about the soft fruit industry, I think. I am looking to reassure myself on that point, but there has been correspondence about the soft fruit industry in places like Angus and Perthshire. We have indicated that we are more than open to the UK coming up with solutions that help that sector, notwithstanding what I said about the need of other sectors too. The point is sometimes made in retaliation to the Scottish Government talking about these things that the needs of someone who grows strawberries in Perthshire are maybe not different from someone who grows daffodils. I am not sure which parts—maybe the south-west of England—grow daffodils.

Chair: We are familiar with those arguments, yes.

Dr Allan: I think the point is that the impact on our national economy and on our demographics is different and I keep coming back to that as a reason why it is a more urgent problem, but it does not mean it is not a problem in other parts of the UK.

Q502 **David Duguid:** The current UK immigration system for migrant workers uses salary as well as specific skills. Do you think this approach is correct and, if not, how else might the immigration system make decisions about a job's skill level in terms of the specific demands of Scottish business employers?

Dr Allan: One of the weaknesses of the system now is that because of the cap you sometimes find at different points of the year that the salary required changes. We had the bizarre situation in Scotland recently where somebody applying to become a primary teacher in Argyll was told that they did not have the requisite salary on offer to them to qualify for immigration purposes. We do recognise that there are limits in the system, things that could be changed to improve it, and one of them would be the cap. Another would be family being able to join people, which is one of the real means by which we feel migrants can be integrated properly.

Q503 **David Duguid:** On that thing about family, I need to declare an interest here because my wife is from outside the EU, so she is very much aware



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of the restrictions on family joining her whereas the proposal from the UK Government is to allow family members, at least parents and dependent family members, immediately after Brexit to join them. Do you not think there is an opportunity here to level the playing field and to open up opportunities beyond the EEA?

Going back to the earlier questions about sector-specific requirements, in my constituency of Banff and Buchan, as you will know, fishing is a somewhat influential sector, but a lot of the foreign crew members that are employed there come from places like Philippines, Sri Lanka, Ghana. Going back to the original question about skills versus salary and how you relate to the actual demand, do you think an improvement could be made in the system to identify which particular skills are needed? Whether those are regarded as particularly high skills or academic, is there something that could be improved to make sure that we are getting the skills that our Scottish industries need?

Dr Allan: There are things that could be improved and I suspect there would be agreement when it comes to fishermen. I, too, represent a constituency with fishing interests and it has been frustrating that the present system does not recognise what I would take to be quite a skilled and difficult job in fishing not to be a skilled job for the purposes of immigration for people from outside the UK. But I think the overwhelming need, as I say, is cross-sectoral and needs to be solved on cross-sectoral basis.

Q504 **Christine Jardine:** In the last Parliament this Committee found that only 6% of tier 2 sponsors were located in either Northern Ireland or Scotland. Why do you think Scotland is under-represented in the proportion of employers sponsoring tier 2 visas? What do you think we could do about that?

Dr Allan: As I say, we have 9% of the population and the figures you mentioned suggest 6% for tier 2. Some other aspects of immigration suggest figures as high as 8%, but regardless of what exactly the figure is, there is a disproportionate influence within this of London that acts as a draw. On the statistics that you mention, I will bring in Rachel Sunderland.

Rachel Sunderland: It is probably fair to say that we do not know exactly why there are fewer tier 2 sponsors in Scotland. I think the London effect is probably very significant and it would be interesting to see how the Scotland statistics compare with other parts of the UK when you remove London from the equation, because they will probably have quite a significant distorting effect. We hear, and I think the Committee has heard, a number of concerns from employers about the challenges of the tier 2 system and also what we have just been talking about, the fact that the cap has been breached and the criteria suddenly change and employers find themselves in a shifting position where they thought they were adhering to the rules but suddenly the rules had changed around them.



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Dr Allan: If I may come back on that, the example I quoted earlier on of a teacher in Argyll, I think by the time she applied for that post she was told that unless she was applying for a post that was over £50,000 she did not have much of a chance, if I am recalling that accurately. These are some of the reasons that perhaps put some employers off but I can't speak for all employers.

Q505 Christine Jardine: The Scottish Government have recommended a review of the immigration skills charge. You say it is an unhelpful burden. Would you like to see the charge removed altogether and what evidence do you have about the potential impact that would have on Scottish businesses?

Dr Allan: I think it would be helpful, not least for the public sector. The obvious example to take there is the NHS in Scotland, which in many cases is paying these charges on people when it really does not have other opportunities to recruit people in many specialist areas. It is difficult to see what the charge does either to help employers or the public sector or to see how it really promotes the growth of skills among people who are not immigrants. It does not strike me as a policy that works very well.

Q506 Tommy Sheppard: Minister, I would like to turn to students. Andrea Nolan from Universities Scotland suggested to us that student numbers should be removed altogether from Government migration targets. Do you have a view on that?

Dr Allan: Yes. You will not be too surprised to hear that I think the UK should remove students from its target on net migration. Probably the political consensus on that is even wider than the political consensus about the need to make changes to the immigration system in other respects. Ruth Davidson, the Conservative leader in the Scottish Parliament, has talked about that she does not see the case for students being included in that target. It is also the case that the Scottish Government, in another context, have argued very strongly for the post-study work visa to be brought back.

Q507 Tommy Sheppard: I wanted to go on to that, but before I do, there is a good consensus in Scotland on students. Let's assume that that consensus is not replicated here; do you think there might be the possibility for a differential solution with regard to students in the future?

Dr Allan: Certainly if the UK is not prepared, at a UK level, to take students out of the equation for the net migration target, I do not see why Scotland should have to suffer the consequences of not finding a solution that fits Scotland's needs and not removing students in Scotland from that equation. When it comes to the post-study work visa, I don't think I have ever seen anything that has attracted quite the degree of political consensus in Scotland, which is not something that is easy to find. When we talked about the post-study work visa not only was the academic sector and industry and society and all the political parties in



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the Scottish Parliament united, as far as I could see, on the subject, but people wanted to see something done about it.

Q508 Tommy Sheppard: How would you like to see the post-study work visa operate? Would it be any different from the pilots that are currently underway, including Edinburgh and Glasgow?

Dr Allan: The Scottish Government were not really involved with or consulted about how the pilots should work. We have argued very strongly for the continuation of the post-study work visa. We welcome the fact that there has been some movement on this, but only two Scottish universities are involved and it relates only to master's students and gives a much shorter period of time for people to work in, which means that it is a very limited offer and one we would like to see greatly expanded.

Q509 Chair: You are absolutely right about the post-study work scheme. We have recommended twice from this Committee that a post-study work scheme be reintroduced in Scotland, only to have that rejected by the UK Government who continue to point at the pilots. I think this Committee understands that Glasgow and Edinburgh are now part of these pilots. You had the Fresh Talent initiative that was one of the few examples of a variation in immigration from the rest of the United Kingdom and there were issues about how effective that had been. Obviously there was not the thing about employers' checks operating in Scotland at that point. How would you see a post-study work scheme working specifically in Scotland if there was not one introduced throughout the rest of the United Kingdom? How would it operate?

Dr Allan: We have precedent for that in the period when the scheme operated in Scotland only before something similar was adopted elsewhere in the UK. There is precedent for that happening and we feel that it could be done again. I don't know if either of my colleagues want to come in to talk about how it operated in the past.

Craig Thomson: I think one of the challenges in implementing a new system would be finding the balance between what the universities would find acceptable in their role, what the role of the employer would be, and trying to find a way through the need for control and the tier 1 nature of a post-study work visa that the UK Government would like to see. It would need further discussions with those parties.

Q510 Chair: When we spoke to Universities Scotland, they were talking about schemes that would ensure that if a student did come to an institution like Edinburgh University, for example, they would continue to be resident in Scotland and there would be all sorts of features built in to make sure there would not be any sort of movement. Is that something that we feel we could effectively operate in Scotland if we were to pursue this?

Dr Allan: Yes. I think Scotland is an attractive destination in its own right. As Scotland never tires of boasting, as you know, we have a world



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renowned academic sector, there is not a shortage of people who want to study here and we have done this in the past, even when it was not happening in the rest of the UK. There is really no reason it could not happen in the future again but for the obstacle that we hit up against on all things and that is the 100,000 target for net migration.

Q511 Deidre Brock: I wanted to ask about the shortage occupation list for Scotland and how effective you think that is in addressing employers' needs. We heard from COSLA and other stakeholders during this inquiry that it has had limited success in persuading the MAC to add specific roles to the shortage occupation list for Scotland. How would you like to see that list system modified so that it could be a little bit more responsive to Scotland's needs?

Dr Allan: COSLA have expressed that frustration and it is a frustration that is probably shared by the Scottish Government. We feel that Scottish Ministers could not unreasonably have some role in the say on what the Scottish shortage occupation list is. At the moment, we can be consulted in the same way as a trade union or a business interest can be consulted, but Scotland is a bit more than that and we feel that we should have more of a role.

Q512 Deidre Brock: What sort of powers would you like to see given to Scottish Ministers?

Dr Allan: We would like to have Ministers contributing to the decision. In a differentiated system that would involve Ministers accountable to the Scottish Parliament making decisions about what was on the Scotland shortage list.

Q513 Deidre Brock: One suggestion has been that we at least have a Scottish representative on the committee. Is that something that might be appealing?

Dr Allan: That would be a start, because at the moment we are consulted but we do not have any formal role.

Q514 David Duguid: On the shortage occupation list, I had this in the back of my mind when we were talking earlier about fishermen, for example. As you pointed out yourself, fishermen are not generally regarded as highly skilled but there is a high level of competence required for that particular industry. I heard NFU Scotland using the same sort of language when they were talking about soft fruit pickers. It is not necessarily a highly skilled job like a radiographer or some such but it requires a level of competence that is not necessarily available locally. If the shortage occupation list for Scotland, which is a level of differentiation we already have, was made to be more appropriate and more suited to Scottish needs, would that be enough differentiation?

Dr Allan: All these things in themselves are helpful. I suppose the point about fishing, and you were making this point yourself, is that we are probably talking about non-EU nationals, so there may be a slightly



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different angle to that. But I very much concur with that point that you make that these are not unskilled jobs and, having spent one or two days on a fishing boat myself, I can say I have great admiration for people who can do it.

David Duguid: It is not for everyone.

Q515 **Christine Jardine:** You would like Ministers from the Scottish Government to be involved in contributing to the Scottish list. As immigration is a reserved power, would it not be more appropriate, or is it not appropriate at the moment, that input on Scottish immigration figures would come through the Secretary of State for Scotland, this Committee and representatives who are elected to Westminster to do precisely that?

Dr Allan: You won't be too surprised to hear that probably the Scottish Government have a little more ambition in that respect. There certainly is a role for this Committee to scrutinise these matters but we hit this obstacle, which is that if Scotland and the UK have differing demographic needs, if they have a different demographic situation, if there is a political consensus that there is more that could be done about the policy on immigration by the Scottish Government and the Scottish Parliament, I don't think that is a reason for us to hold back and try to see some of that responsibility transferred, even if all it is doing is tailoring a UK migration system.

Q516 **Christine Jardine:** But surely you see my point that MPs at Westminster are elected specifically to represent Scotland on that issue. That is why we are here. There is the Joint Committee and the Secretary of State for Scotland. The Scottish Government are not the only organisation that is ambitious for Scotland and surely as long as we are part of the United Kingdom, which I hope you would agree that for some of us in this room is a good idea, the representatives that we elect to Westminster should be the ones who have responsibility and input on reserved matters, as that is actually their job and what they are elected for.

Dr Allan: I recall in my youth hearing the argument advanced before devolution that all matters were reserved to the Westminster Government and all matters should be left to Scotland's MPs. It was not an argument that was sustained very long in the end. But you are right to say that Scotland's MPs have a very important role in this and this Committee has a very important role in this, but the debate about what powers are exercised in Scotland over immigration is too important for us merely to put it to one side and say that there is not a live political debate, because there is.

Q517 **Christine Jardine:** I don't think anyone is suggesting, if you don't mind my saying so, that we put it to one side, that there is not a live political debate; simply that because of the nature of immigration and the input to foreign policy and all the rest of it we have a system that currently represents people to Westminster to deal with those specific issues. While



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I completely agree that predevolution there were all sorts of arguments about it, I do think it is interesting that even after three different Scotland Acts and tranches of power it is still regarded as essential to Scotland's wellbeing that it is part of the UK framework on immigration. Would you feel that perhaps there is an argument that it should stay?

Dr Allan: As I have said, what we have set out is not a plan for an independent immigration system for Scotland. What we have set out are some fairly modest ambitions, for instance, about Scottish Ministers at least being represented on the bodies that take the decisions about the Scotland shortage occupation list. I do not think that is a revolutionary constitutional move.

Q518 Chair: Do you know how this works? I have always been mystified about the workings of the Migration Advisory Committee. We know that we have this specific Scottish list. Do you know how the mechanics of that are established? Who is making these decisions and what is informing them? We heard very powerfully the case put by COSLA that they felt they had been ignored when they were making representations to it. What is your experience of how this body works? How are these decisions ultimately made?

Dr Allan: We do not have a formal role. I have met with members of the committee, I have corresponded with them, but we do not have any formal role on it. One of the concerns probably at the moment, moving away from the mechanics, is about the fact that the mission or the commission that the committee has been given does kick some questions about immigration quite far into the long grass beyond, I think, the likely date of the Immigration Bill at a UK level. If you feel a sense of mystery, you are not unique in that respect.

Q519 Chair: It just seems baffling how some of these decisions are made. I would suggest to you, Minister, that if you are going to get your differentiation concerning the operation of immigration policy, it is probably going to have to come through the Migration Advisory Committee. I am not seeing any other means or ways that we would get something that is going to be Scotland specific. I do not know if I am missing something here, but doesn't that, therefore, suggest a better type of engagement with what seems like a very shadowy body? We need to hear more about this. Maybe it is something this Committee could have a look at, get people who are directly involved in that to answer questions from us about how this operates. I am interested in your experience and your view. If we are going to get something to go forward and meet your ambitions it is going to have to be through a body like the MAC.

Dr Allan: Yes. Our experience of relations with the Migration Advisory Committee have been very positive. As I say, I think the commission they have been given probably leaves some of the big decisions a little too late. I wonder if Rachel wants to come in on that.



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Rachel Sunderland: The Migration Advisory Committee can only respond to a commission from the Home Secretary, so that is who gives them their direction. They then give their report back to the Home Secretary, who makes the final decision. Even in the case of the Scotland-specific list, any change to that has to be a commission from the Home Secretary. We certainly at a working level have reasonably positive working relations with the Migration Advisory Committee, but we have no greater influence over their deliberations.

Q520 **Chair:** In what way does the Scottish list differ from the UK list? Are there any additional features on the Scottish list? I think they have fish processing and care homes.

Rachel Sunderland: At the moment, it is a very small number of roles that are on there that are differentiation. They are mainly in the medical sector, so medical oncology, medical radiographers. It is a very small list. There is nothing like fisheries or teaching or any other areas that we would like, and even if we were interested in pursuing that, that would need to come through the Home Secretary rather than any other route.

Chair: I am grateful because that helps clarify that for me. I have just been told by the clerk, which I should have known, that we do have the Migration Advisory Committee coming before this Committee in the not too distant future.

Q521 **John Lamont:** Could I start, Minister, by saying how disappointed I am that you think the 59 MPs for Scotland lack ambition for Scotland, particularly given a number of your party colleagues are also representing Scotland. I will just put that on the record.

In terms of how Scotland's needs are currently captured within the immigration policy of the United Kingdom, you have touched a bit on the occupational list but can you expand more generally about how the needs of Scotland are captured within the existing system?

Dr Allan: On your first point, I was careful about apologising when I almost put words into a member of the Committee's mouth. I am sure you would not want to misrepresent me on that either. I did say that I think we have a bit more ambition in the Scottish Government than merely to think that these questions will forever and a day be up to others to decide. It is not unreasonable that when the system is failing Scotland very badly, as it currently is in terms of the impact that this could have on our demography, we express some concern about that and we offer alternative ways to do things. Your second point, I beg your pardon, was?

Q522 **John Lamont:** About how Scotland's needs are currently captured within the existing system. What discussions do you have with the UK Government about the challenges that Scotland faces and how they are incorporated within the existing policy?

Dr Allan: We certainly do have opportunities through things like the Joint Ministerial Committees and really quite good conversations. We have



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been able to have opportunities to have conversations, when they have been available anyway, with the UK Government again about some of these demographic problems and suggestions for alternatives. We are, I think it is fair to say, like COSLA, like many other people who have been referred to today, becoming frustrated but that does not stop us having the conversations and we are very happy to keep having them.

Q523 John Lamont: How is it particularly reflected? Have there been policy changes within UK Government policy to reflect—

Dr Allan: The Scottish-specific list that we were talking about is an example of where we have been able to put forward suggestions. I will call on Rachel here. We have had some changes made.

Rachel Sunderland: The Scottish-specific list is the only part of the immigration system that specifically recognises differentiation for Scotland within the current system.

Q524 Chair: I thought Mr Lamont was going to raise this. It is about the UK Immigration Bill that I think is going to be introduced in the next few weeks. I am looking at my Conservative colleagues; that is our understanding. Has there been any formal role for the Scottish Government in putting this Bill together? Have you been consulted about what is going to be in it? Do you know what is going to happen?

Dr Allan: We have not been told that.

Q525 Chair: You have not been told. What would you like to see in a UK Immigration Bill then?

Dr Allan: You are, I suppose, inviting me to go back to where I started, which is to say that what I would like to see ideally in an Immigration Bill is to say that we are remaining in the single market and there will continue to be freedom of movement of people, but I am not holding my breath for that.

Q526 Chair: Are you sensing my particular—I would not say fears but my viewed outcome is that what we are probably going to have is some sort of points-based system that equates European citizens with those that are currently arranged by the rest of the world. Is that what you think?

Dr Allan: We do not have information on that, Chair, and again some of this will depend on the second phase of the European negotiations as well. We are not being kept up to speed with any degree of detail about what the plans are for the Immigration Bill at all.

Chair: Okay. We will maybe get a better sense of that when we have the UK Immigration Minister.

Q527 Ross Thomson: I have a very quick follow-up to your question, Chair. In relation to the Bill that is coming forward, you said that you would hope that it would show that the UK was hoping to remain within the single market and keep the freedom of movement. I am sorry to quote the



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Chair, but the Chair had been clear in an article, which I think appeared in *The Times*, when he said that actually you need to, “face up” to the reality that Scotland is going to leave the EU. The Prime Minister has been very clear in even her latest speech that we will be leaving the single market, leaving the customs union, and in leaving the single market, therefore, there will not be freedom of movement. Do you agree with the Chair that we have to face up to reality, which is we are leaving the EU, that that is the case, and therefore—

Chair: Just before you answer, I think there are lots of words being put in lots of mouths today and I am not sure how accurate a characterisation it is in terms of context.

Ross Thomson: It is a direct quote, to be fair.

Chair: We will let the Minister answer anyway.

Dr Allan: We do recognise that as time hurtles on and March next year approaches, it is clear that whatever the people of Scotland think about the matter, the UK is taking Scotland out of the EU. My answer I just gave reflects an honest assessment of what I would like to see in the Bill. It is not what I think will be in the Bill, but I think it is what deserves to be in the Bill if anyone is listening to Scotland.

Q528 **Paul Masterton:** I think John covered most of what I was going to ask in terms of how you input within the formal structures.

I want to come back to something I was discussing earlier on when we had the academics in. One thing that Professor Kay said was that often migration is viewed as a policy area in a silo rather than being mainstreamed right across Government. Something that Dr Hepburn talked about was that the Scottish Government have, in her words, de facto control over migrant integration. Coming back to retention, one of the things that she looked at was the Scottish Government seeking to codify some kind of migrant integration strategy to help make Scotland an attractive place externally and also for retention. For example, things like education, housing, access to healthcare, schooling, these are all things that migrants are interested in looking at when deciding where to settle. I think there was a claim that the Scottish Government could be doing more within the current constitutional framework to achieve those kinds of integration strategies. I wondered if the Scottish Government were looking at formalising policy in that area.

Dr Allan: It is certainly true to say that in devolved areas public services are what many migrants will be very keen to find out about and to ensure that the offer is good. We feel that the offer that we make to migrants and to everyone else living in Scotland is a good one in terms of public services and some of the things that are available—I will not list them all—whether it is tuition fees or free prescriptions and all the rest of it in Scotland. We also think that the offer is an attractive one in terms of the Scottish budget and the proposals around tax for the majority of people in Scotland. We think it is an attractive offer, but you are absolutely right,



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there is a need to make sure that integration is part of that and that we think about integration at every stage.

One of the things that we think is key, though, to integration is making sure that people who are moving here are moving here with their families and are putting down roots and settling. That influences what we have had to say about the right of families coming under existing immigration law, but I hope it also reflects some of the priority that we give to things like language learning, inclusion in schools, celebrating the diversity that we now have particularly in our schools, and the positive impact that can have on things like language learning, too. There are all sorts of ways we can seek to make sure that these things do not operate in silos and that we do see the benefits of migration across all sectors of the public sector.

Q529 Paul Masterton: You do accept, then, that within the levers at your disposal there are significant amounts of work that you can do or could be doing to improve some of these numbers that we have been talking about?

Dr Allan: When it comes down to improving the numbers, the numbers of people coming here, as I have indicated, are not very far off our population share, and they are certainly not far off our population share when you remove London and the unusual position of London from the UK figures. We are absolutely very keen to make sure that people from other countries come to make Scotland their home. Yes, public services are definitely a part of that, but part of that obviously also is the message that we send out about not just the degree to which they will be welcome but the degree to which Scotland's Government are fighting their corner.

Q530 Paul Masterton: Lastly, in terms of the point about population share, yes, depending on the numbers you look at we are roughly there, but the whole point about this discussion is that we need more than our current population share. There seems to be, to be frank, an awful lot of talk that the only way this can be resolved is by creation of differentiation or new frameworks. I wanted to check that the Scottish Government do accept that there are other mechanisms and levers available to them that can have some impact and that those need to be taken account of within Government north of the border rather than saying, "These numbers are lower than they need to be for our population and it is all Westminster's fault".

Dr Allan: I do not think I ever said at any point today that everything was Westminster's fault, but I certainly think that you are right to say that there are many things that we can and do do to attract people to Scotland. The biggest problem that people thinking of coming to Scotland have at the moment is, to be honest, the perception that the UK post the referendum is not quite so keen on people coming here as it used to be. Therefore, it is very important that much as we work to make our services good, work to make our job opportunities good, we also have to send out a very clear signal about the attitude that the Scottish



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Government take to migration and, if it is a different attitude, we just have to say that.

Q531 Christine Jardine: It was just something you said there and going back to what you said earlier about perceptions of the UK and a different perception within Scotland, about Scotland's attitude, and that perhaps once people come to Scotland they see the difference. Why is it then, do you think, that people who are in Scotland and who are aware of this differentiation are still leaving in big numbers?

Dr Allan: Is this European citizens?

Christine Jardine: Yes. We have heard all about the evidence of people leaving academia and the NHS. Surely if they are already in Scotland you would expect that they pick up on this differentiated attitude that you have mentioned and want to stay rather than thinking, "No, we will go". That would seem to indicate that there is a view of Scotland as part of the United Kingdom, and that does not really follow from what you have said.

Dr Allan: It is a very interesting question because at a number of the events that we have been holding I have been essentially asking the same question about people's attitudes. There is no doubt about the fact that at all of these events people understand very clearly that Scotland and the Scottish Government have a different policy about Brexit and have a different policy about immigration. I have asked people, however, "Have you had doubts about staying here?" and you are quite right to say people put up their hands and some people will say yes, they have doubts. The doubts that they have are to do with their long-term status. The doubts that they have are to do with a lack of information about what their long-term status is and how they may apply for it. It is not so much to do with whether people feel welcome, whether people feel their neighbours like them or anything like that. It is much more to do with the bureaucracy and much more to do with what they see their long-term status as being.

Q532 Ross Thomson: In your answer there, Minister, you mentioned that there had been the perception post the EU referendum that the UK was not as welcoming to migrants and that was part of the problem for people not being able to attract some of the talent that we need. In evidence to this Committee, we had Oil and Gas UK give evidence. It was Alix Thom who gave that evidence. She said that there were problems for the industry during the 2014 Scottish independence referendum when companies struggled to get executive-level staff to move north of the border due to the level of uncertainty about the future. Given that Aberdeen is truly global and needs to attract people from across the UK as well as the rest of the world, that was an issue. Therefore, do you accept in light of the evidence that we have had that that is also an issue in trying to attract people not just to the UK but also to Scotland?



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Dr Allan: I have to say in all of the events that I have described that I have had, I have yet to have one person say to me that the reason they feel uncertain is because of the 2014 referendum on independence—

Chair: What about the 2018 one?

Dr Allan: —or, indeed, any future debate about the constitution in Scotland. The reason people feel uncertain is because they had an exercised right to citizenship that it appears they no longer have. That had a very unsettling effect on many, many people. It goes some way—to pick up on the point that was made earlier—to answering the question, and I am sure this applies across the UK, about why people have a sense of anxiety at times and why they need information. I have yet to have somebody come up to me and say, “Oh, by the way, the reason I am afraid about Brexit is because of the 2014 independence referendum for Scotland”.

Ross Thomson: We have had it in evidence to this Committee from an industry, so we have heard that.

Q533 **Hugh Gaffney:** This is just something that is going through my head. How do we attract migrants to come here? Do we offer them housing, money, training? What is the package you give when a migrant arrives in Scotland?

Dr Allan: When we are talking about EU migrants—and I know not all EU citizens feel comfortable about the word “migrant”—it is very important to understand that they come here exercising treaty rights, citizenship rights, which they have. It is not a question about them being offered a package. They are exercising a right that they have to live in this country, just as we have a right to go and live in Belgium. It is not a question when it comes to EU and EEA migrants about a special deal being offered in terms of housing or anything else.

What we can do, however, is we can make sure that we are an attractive destination economically, as I believe we are, and make sure that we have attractive universities and an attractive basis fees-wise to go to universities. We can do all the right things on that front, but I think we should draw the distinction and make clear that people who are coming here from throughout Europe are coming here on the same basis as we are going to their countries.

Hugh Gaffney: We do not go across to another country and recruit people over with a package. You are just talking about people who are travelling through Europe, basically. You did also mention universities, which leads me on to thinking it is young people all the time we are attracting. That is why the university question comes in about migrant link and all the rest of it. I am happy with that, thanks.

Q534 **Chair:** If we are successful in securing more immigration to come to Scotland, particularly from Europe, what would then be the route to citizenship? Have you thought beyond just getting people here to do



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these short-term contracts or whatever? What would happen next in terms of being able to become a citizen of the United Kingdom? Is there any roadmap to that?

Dr Allan: Under the proposals we are talking about, we do not attempt to appropriate for ourselves the decisions that will be made about citizenship or any route to UK citizenship. We have really essentially talked about people's right to live and work in the country, but we have not sought to tread on those toes.

Q535 Deidre Brock: I have to say the impression I get from the majority of witnesses to this inquiry is that they are feeling a sense of rising panic at the prospect of EU national numbers depressing after Brexit. As we have heard, some of this we are already starting to see in various sectors. CBI Scotland, when it gave a written submission to us, commented at length about how vital immigration is to Scotland and to businesses in Scotland, but it also claimed that Scottish companies see preserving the UK internal market and retaining the ability to move employees around the UK as essentially more important than that. Is that the impression that you gain from the various Scottish businesses that you speak to, Minister?

Dr Allan: Certainly, everybody values the ability to move around the UK. That is not really in dispute. I suppose when we are talking about a differentiated system of migration for Scotland we are talking about allowing people in who would not otherwise get into the UK with the specific proviso that they would be working in Scotland. These are, in a sense, people who would be lost to the workforce if we did not have differentiation. As I say, differentiation can work on the basis where a UK visa requires residency in Scotland, requires work in Scotland, and there are examples of other countries that operate on that basis.

Q536 Deidre Brock: Indeed, Dr Hepburn mentioned the variety of things that make a Scotland-only visa more feasible. We have mentioned the requirement for employers to perform UK right-to-work checks, but there is also the prohibition on landlords letting properties to tenants who do not have a right to reside in the UK. I should mention, too, that CBI Scotland's submission was heavily caveated throughout with the phrase, "provided it is flexible enough to meet Scotland's needs", so it does not seem to be the end story for them there either.

Just reverting to Ms Jardine's comments, we mentioned how EU citizens differentiate between the Scottish Government's attitudes and the UK Government's attitudes to migration and recognise that the Scottish Government are more welcoming. They must also recognise at the same time that the Scottish Government do not currently have the powers to be able to affect their status in the future.

Dr Allan: Certainly, speaking to EU citizens, probably all those points are recognised. People are very aware of the powers that the Scottish Government do not have and they understand those distinctions.



Perhaps related to your own and a number of other recent questions, there is also the question about complexity, which is sometimes raised as a case against doing anything different in Scotland. I think the problem we have just now is that the system does not really meet any of the needs, any of the measures of success, whether it is in terms of complexity or efficacy. There have been something like, according to Liberty, 45,000 changes to the immigration system in the last three or four years. We have a complicated system. We have the opportunity to make it more effective in Scotland and we have the opportunity to do it in a way that does not complicate it.

Q537 Chair: Have you examined some of the national immigration systems that operate around the world? I am thinking most notably of Australia and Canada. A big feature of the work that Dr Hepburn did was based on looking at these examples. What have you learned from them and are they in any way applicable to what we have in Scotland?

Dr Allan: They are all very different situations. I mentioned Switzerland is a very different situation again; cantonal rules about residency and so on. Yes, we have looked at these. There does not seem to be any sense in which it is controversial that Canada has provincial systems around migration or, indeed, in Australia. My colleagues might be able to speak more than I can about those two countries.

Craig Thomson: The evaluations of the Canadian system, while there are some questions about the methodology used, do show high retention levels based on tax returns over an eight-year period. In some provinces in excess of 95% of migrants who came through the provincial nominee scheme remained in the sponsoring province. As the Minister said, they are not directly applicable to the UK situation, but they are illustrative and there is learning that we can take from them. I am certainly familiar with Dr Hepburn's work and have spoken with her in the past. We will continue to make those links.

Q538 Deidre Brock: Indeed, the various cantons within Switzerland, if I understand rightly, can vary their immigration policies?

Craig Thomson: That is correct and that is probably more related to the constitutional situation in Switzerland than it is necessarily to regional variation of need of immigration. It is certainly true that they exercise that cantonal responsibility.

Q539 Christine Jardine: We also heard at that Committee that Ms Brock was talking about that much of what has been achieved in Canada—although it did take decades and it is a very different situation in Canada, Australia and Switzerland—can be achieved within the existing system simply by differentiation and there is no need to devolve powers; we can just have differentiation. What would be your reaction to that?

Dr Allan: As I said earlier, I am not sure that these positions are a dramatic difference. I suppose where you would want to devolve powers would be if you wanted the Scottish Government—you will not be



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surprised to hear that I do think the Scottish Government, accountable for the Scottish Parliament, should have some say in the process and some ability to influence how the process works, how visas are drawn up, what occupations are listed, and so on. That would certainly require a devolution of some powers.

Another option is simply for there to be a more direct means by which the Scottish Parliament and the Scottish Government can have their say through more informal mechanisms as to how a differentiated visa might operate. We are not coming at this from a dogmatic position as to constitutionally how this should be achieved, but we are seeking to establish consensus around the principle that it can be, where there is political will, and that it should be.

Q540 Ross Thomson: The Scottish Government have said that the devolution of some aspects of the immigration system could enable it to meet some of Scotland's most acute migration needs. Given that we have the independent Migration Advisory Committee and that there is the Scottish-specific shortage occupation list, what would devolution of immigration powers achieve that cannot be achieved currently in a UK-wide framework?

Dr Allan: To pick up on the last point and I suppose to answer your question, what could be achieved is the fact that we might actually have some say directly on what the Scottish shortage occupation list is and that it would not essentially be in the hands of the Home Secretary to offer a commission to the Migration Advisory Committee about what Scotland needed without us having any direct say on the matter.

Q541 Ross Thomson: To come back, Christine Jardine made the point about reserved responsibilities and devolved responsibilities. Please do correct me if I am wrong, but I get the feeling that there is almost an assumption that only the Scottish Government can articulate the Scottish view. I represent a Scottish constituency; Christine does; all of us do on this Committee, which is great. I think it is the first time in a while that we have all represented Scottish constituencies.

Dr Allan: I think that proves it is on point.

Ross Thomson: Therefore, do you not think that we could articulate the same message here at UK level? In fact, you might even have a Scottish Home Secretary.

Dr Allan: Well, I suppose so. Yes, in theory, but in practice there is quite an established fondness for parliamentary democracy now in Scotland of our own. That does not mean that we do not have any respect or any need to work with the UK Parliament and our elected representatives, most of whom I think would share my point of view that there is room for more of these powers to be exercised at a Scottish level.

Q542 Ross Thomson: Again, in answer to questions we have touched on Canada, Switzerland and Australia. In evidence to this Committee we



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have heard particularly about Australia and Canada. Given that there is obviously no physical border between Scotland and England, would a call for immigration powers to be devolved not see what we have heard in evidence can happen in Australia where migrants who are supposed to work within one state or one region are able to permeate into the wider country?

Dr Allan: This comes back to the way in which any new or altered or differentiated system would be framed. I would come back again to the fact that the existing rules are pretty stringent about the ability that you have as a migrant to get a job and to get somewhere to live. You certainly cannot do either of those if you are in breach of your visa conditions. If your visa conditions say that you are to be resident in Scotland and you attempt to get either a house or a job elsewhere, it is difficult to see under the existing laws, without the need to create any new ones, how you could do that.

Q543 **Ross Thomson:** How would you respond to the concerns of businesses, again that we have heard in this Committee, who operate throughout the whole of the UK that a different system for Scotland could add more complexity, burden and costs to an already complicated system?

Dr Allan: As I have indicated, the system could not get much more complicated. Having a differentiated system for Scotland does not imply in itself further complication. What it implies is that businesses would have access in Scotland to a pool of potential employees, which they are crying out for and are potentially to be deprived of. Again, the Scottish Government and a number of the business interests that you are talking about are not a million miles apart at all. They are saying, as I mentioned in the quote from the National Farmers Union of Scotland, yes, let's try to solve this across the UK but if the UK does not solve it that is not a case for not solving it.

Q544 **Ross Thomson:** Lastly, just to follow up from what my colleague Paul Masterton was asking, the social attitude survey showed that 63% of Scots want to keep the same immigration rules. It shows that their views on immigration are no different, really, to the rest of the United Kingdom. I am going to make a direct quote. It is a direct quote from *The National* on 8 February, *The Telegraph* on 9 February, *The Scotsman* from 9 February and *The Times* of 9 February, from the convener of the Committee, which is that there has been over a period now a feeling that the Scottish Government have been "chastising" Leave voters, who have felt "alienated". Therefore, when you speak about retaining membership of the single market and free movement of people, do you not think the Government are, as the Chair has rightly highlighted, making perhaps the same mistake in this approach?

Dr Allan: As I mentioned earlier on, I am not here to chastise Leave voters. As I explained, I absolutely accept that there are 38% of people in Scotland who for entirely respectable reasons different from my own views decided that they were in favour of leaving the European Union.



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However, the country voted to stay in the European Union and I would want to acknowledge that before going any further.

On the point that you raised about public opinion, yes, there are different studies that have come up with the 62%, I think it is, figure around attitudes on migration, but when people are asked to make a choice, "Would you like to see absolute Brexit-style powers exercised over migration or would you like to see the freedom of movement of people continued?" people come down in favour of freedom of movement of people and they come down in favour of that more firmly in Scotland than they do throughout the UK. So, 63% of those in Scotland would accept free movement if that allowed Scotland to continue free trade with the EU; 53% for those in Britain as a whole. There is a difference. I absolutely accept that some of these figures show similar attitudes, but that is a crucial one because it is about the freedom of movement of people and it is certainly something that people in Scotland seem to believe quite strongly.

Q545 Ross Thomson: Absolutely, and thank you for highlighting that because when you read it out you said that they would accept free movement of people if it meant continuing free trade with the EU. Obviously, that is the stated ambition of the UK Government is to have the freest possible trade, continuing the deep and special partnership we have with the EU. Therefore, can you accept that that is the position of the UK Government to achieve that and, therefore, we can have an immigration system that does meet the needs of Scotland at a UK level?

Dr Allan: I do not think even the most charitable observer could say that the UK is presently headed for anything like a successful trading relationship with our European partners. I do not think anyone could say that we are currently headed for a situation that does not contain within it risks of a no-deal Brexit, risks of tariffs; more than risks, the certainty of incalculable damage to the bilateral relationship that we have with our European partners. I think to characterise where we are headed as the bright sunlit uplands of a new relationship with Europe is perhaps a bit fanciful.

Q546 Ross Thomson: But do you accept that if we are able to achieve a situation where we do have the freest possible trade with the EU that figure you quoted may very well change in terms of people's attitudes towards freedom of movement?

Dr Allan: If in the coming months we get to a situation where obviously we have a clear idea of what the UK Government want out of a relationship with Europe and if we get to a point where things like freedom of movement of people and membership of the single market are on the table, then I suppose that argument might change. Very sadly, unfortunately, that is not the situation we are in just now and it is reflected in the concerns that people in Scotland have.

Chair: I am grateful. We were just about to let you go, Minister, but we



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have a couple of other supplementaries. I think that last line of questioning has excited a few members of the Committee.

- Q547 **John Lamont:** I wanted to expand a little bit on the point that Ross Thomson was pursuing. All politicians have spoken about being in the country together after the European vote in 2016. We all know that it is a fact a million Scots voted to leave the European Union. I think you suggested earlier in your evidence that a large part of the concerns that resulted in people voting leave was about immigration across the whole of the United Kingdom, admittedly. You have described today the challenges that Scotland faces in terms of our declining numbers of people in Scotland and the need to have immigration to try to rebalance that. If we accept that a large number of people who voted to leave did so for the reasons that you have described, how do you persuade them, how do you bring the country together, with you on the one hand talking about increasing immigration in Scotland, perhaps differently from the rest of the United Kingdom, and at the same time recognising the concerns that those million Scots had that resulted in them perhaps voting to leave the European Union?

Dr Allan: First, as I have said several times, I am not proposing a lax system of immigration for Scotland. In a sense, for once, I am proposing something like the status quo. It is the UK that is moving away from the principle of the free movement of people throughout Europe. It is the UK that appears to be going in a totally different direction. I am not proposing something that is dramatically different from what the consensus is that we already have in Scotland. Yes, it will be differentiated but it would not be us that would be going in the opposite direction.

- Q548 **John Lamont:** What I took from what you were saying today is you are proposing increasing immigration in Scotland to deal with the demographic challenges that we face. Is that correct?

Dr Allan: Yes. At the moment, as we talked about earlier on, we have seen a growth in population in Scotland since 2001, but there is only one reason for that growth in population and there is only one reason why that projected continuing growth in the working-age population will continue.

- Q549 **John Lamont:** How do you persuade those million Scots, many of whom voted to leave the European Union because of concerns about immigration as it currently stands, that that is the right thing for our country and Scotland?

Dr Allan: Absolutely, it is an ongoing task to make sure that we remain speaking positively and respectfully about migrants, explaining the contribution that they make to our economy. It is something that we do all the time. We try all the time to send out positive messages, but there are another 2 million people in Scotland who voted, of course, to stay in the European Union. As I say, a big proportion of the million people you are talking about were specifically told that if they voted no they would



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be staying in the European single market. Those facts are relevant, too. I think we have the opportunity to engage with people who voted no to Europe but understand the benefits to our economy of being positive about migrants.

Q550 Deidre Brock: Further to Mr Thomson's earlier point, Dr Hepburn told us that potentially there would not be additional significant costs for employers in having to implement Scotland-specific checks, if you like, for new employees because employers have to do those checks anyway, even without a regionally based UK migration system. Is that something you would recognise?

Dr Allan: This comes back to the point about what those checks are. Essentially, those checks already exist, so we are not proposing some new test looking at where people live and where people work. Those laws, those tests, are already there. If somebody has a visa, as I said earlier, which stipulates residency in Scotland, then the existing rules mean that you cannot use that visa to work somewhere else.

Q551 Deidre Brock: I was pretty shocked to hear you say that there had been 45,000 changes to immigration rules. I believe that is under Mrs May in her time as Home Secretary and now as PM. Doing a quick bit of extra research, I have just noticed there have been seven Immigration Bills in the last eight years, appeal rights have been removed, legal aid denied. This is taken from Liberty's website. In trying to combat that, do you think this is one of the things that is assisting in the impression being given of "Fortress Britain" and we are having to, in Scotland, fight hard against that impression and the depressing effect on EU immigration potentially in the future?

Dr Allan: The figures, as you say, are Liberty's but I think by anybody's measure there have been many, many changes to the migration system in recent years.

The other point that you are making is very much about the impression that is conveyed and the tone that is struck. Clearly, Scotland is not immune from the phenomenon of people who say hostile things about coming from other countries. We are not immune to that. All of us, whether we are in the UK Parliament or the Scottish Parliament, have a responsibility—and I am sure we all take it seriously—to talk about immigration, and particularly migrants as individuals, in a respectful way and in a way that recognises their economic contribution. That is really what lies behind the Scottish Government's efforts both to explain our demography and also to explain our needs in the future.

Q552 Tommy Sheppard: Just to state my own position, I think the most desirable outcome in all of this is that there should be some further devolution allowing the Scottish Government some ability to have a differentiated situation with regard to migration, not least because it would allow the integration of that with the vast array of other public policy areas that the Scottish Government are responsible for, but I



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accept that that is possibly an unlikely outcome in the short term.

Therefore, I wanted to explore an alternative and perhaps to fly a kite here. I was touched by some of my colleagues earlier talking about the potential of us as Westminster representatives to advocate a differential Scottish position. The obvious problem with that is that the Westminster Government are not reflective of the 59 MPs elected in Scotland; the composition of this Committee and the Scotland Office, all run by a Conservative UK Government that have 20% of the seats in Scotland. Even given that, do you think there is any possibility for the Scotland Office and the Secretary of State for Scotland to have some different role within the UK Government in terms of advocating a Scottish interest? I wonder if you have had any dialogue with the Scotland Office on these matters.

Dr Allan: The idea in the distant past that administrative devolution was devolution has probably passed. I think people recognise that the ambitions that Scotland had in the 1920s for an administrative devolution we have moved a bit beyond. Certainly, although the Scottish Government are very happy to work with the Secretary of State for Scotland, we would not regard shifting authority from one UK Department to another as in any way touching upon the democratic question that you have raised and the consensus or the majority opinion that exists among the Members elected to this place from Scotland that Scotland continues to be on a journey where we feel that there are more things we can do, partly in this context to avoid the very silos that we were talking about. The Secretary of State for Scotland in written evidence, I believe, has provided evidence to your Committee about his views. We are very happy to work with him, but to overcome the many problems we have just described at this meeting it is going to take more than shifting responsibilities from one UK Government Department to another.

Q553 **Chair:** We will finally let you go and we are very grateful for your patience this morning, but I have been very struck by the language you have been using. You have been talking about differentiated solutions. I have not heard much about devolving immigration to Scotland. Could you talk a little bit about what you would like to see? Would it involve any devolution of powers at all or are we talking basically about making sure that the Migration Advisory Committee, for example, makes a few more concessions to Scotland to see what you want to be delivered and achieved?

Dr Allan: We are happy to talk to the UK Government about any constructive changes to the system that can be made. You are right to say that some changes would require legislation or certainly would require changes to the devolved settlement, if you like, around the edges. Some would simply involve changes to practices. We have mentioned, for instance, the prospect that the Migration Advisory Committee could have as of right in its deliberations someone from the Scottish Government.



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There are also things that the UK Government could do in the here and now that would solve some of the problems if they could be done at a UK level; for instance, the migration cap and the migration charges that are levied. These are things that could be done at a UK level. There is a range of options if the political will exists to engage with the Scottish Government and the Scottish Parliament about them.

Chair: On that note, we are grateful. Thank you very much for attending this morning. If there are any further observations or things that you feel you could usefully help this Committee with in its inquiry, please pass it on. Minister, we are very grateful for your time this morning.