

Migration Advisory Committee
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17 December 2024

Rt Hon Yvette Cooper MP Home Secretary 2 Marsham Street London SW1P 4DF

Dear Home Secretary,

I am pleased to inform you that we have published the Migration Advisory Committee (MAC) Annual Report for 2024.

The report discusses the government's intention to link migration and skills policy and recent UK net migration trends. We explore the relationship between migration and skills, noting that increasing domestic skills does not guarantee a reduction in reliance on the immigration system and that the impact of skills investment on immigration will vary by occupation. We also outline the main drivers of recent increases in net migration and discuss the uncertainty around the impact of policies seeking to reduce net migration numbers.

The report provides quantitative estimates of the fiscal impact of migrants. These are the MAC's first in-house estimates of fiscal impacts and allows a comparison between migrant groups as well as the native population. We find that Skilled Worker migrants at an individual and at a household level are net fiscally positive (partly due to the fact that the immigration rules are designed to allow entry to the highest earning migrants). The development of this methodology will allow us to more fully consider the fiscal impacts of migrants in future commissions.

The report also revisits our <u>review of the seasonal worker scheme</u>, summarising our key recommendations.

Alongside the Annual Report is an associated Governance Report, providing transparency of the MAC's spending, engagement, and published research and analysis.

We completed two rapid reviews for the previous government in the first half of 2024. The first updated the Immigration Salary List, where we recommended a more restricted list of eligible occupations. The second provided a review of the Graduate

Route, concluding that the route was fulfilling the objectives that were set for it in 2021 and recommending that the route continues in its current form. We also made recommendations to improve the regulation and transparency of agents in the student recruitment process, which we argued would help safeguard the reputation of the UK higher education sector.

We look forward to providing our responses to the financial requirements for family visas and IT and engineering sectors commissions in the coming year.

On behalf of the Migration Advisory Committee,

Yours sincerely,

Professor Brian Bell

R ' Bell

Chair, Migration Advisory Committee

CC:

Seema Malhotra MP, Minister for Migration and Citizenship Matthew Rycroft, Permanent Secretary Simon Ridley, Second Permanent Secretary Daniel Hobbs, Director General Migration and Borders Group