

**Response to Migration Advisory Committee (MAC) call for evidence:
EEA-workers in the UK Labour Market**

Policy Development

This paper seeks approval for COSLA's response to the Migration Advisory Committee (MAC) call for evidence on European Economic Area (EEA)-workers in the UK labour market.

Summary and Recommendations

The UK Government has commissioned the MAC to advise on the economic and social impact of the UK's exit from the European Union and on how the UK's immigration system should be aligned with a modern industrial strategy. COSLA wants to ensure that the MAC has a sound understanding of the potential implications of Brexit on Scottish local authorities.

The Board is invited to:

- i. Note COSLA's roundtable event with the MAC, Scottish Government, SPDS, and local authorities;
- ii. Agree COSLA's key messages to the MAC (see paragraph 8); and,
- iii. Agree COSLA's response to the MAC call for evidence on EEA-workers in the UK labour market (see appendix 1).

References

Previous reports:

- Brexit Update – Leaders, January 2017
- Migration: Implications for Local Authorities – Leaders, January 2017
- Brexit Update & Mandate – Leaders, February 2017
- Stocktake Report on UK Withdrawal from the EU (Brexit) – Leaders, August 2017
- UK Withdrawal from the EU: Governance and Update – Leaders, October 2017
- Migration Policy: Brexit Implications – Leaders, November 2017

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Current COSLA Position

1. As Brexit is a key issue for COSLA and Scottish Local Government, we want to ensure MAC has a sound understanding of the potential implications of Brexit on our member authorities. COSLA Leaders agreed at the November 17 meeting to note and support the drafting of a COSLA response to the MAC call for evidence on EEA-workers in the UK labour market; and, note and support COSLA's roundtable event with the MAC and local authorities. COSLA wants to ensure that we leave the EU with a migration policy that suits the needs of Scotland and Scottish Local Government.

Policy Development

COSLA/MAC Brexit and EEA-workers Roundtable

2. The UK Government has commissioned the MAC to advise on the economic and social impact of the UK's exit from the European Union and on how the UK's immigration system should be aligned with a modern industrial strategy. The MAC will report on their call for evidence in September 2018 and this will inform UK Government migration policy.
3. As outlined at COSLA Leaders in November, COSLA wants to take optimum advantage of this opportunity to influence the MAC's report and UK Government migration policy. COSLA invited the Committee to Scotland to discuss with Scottish local authorities the call for evidence on EEA workers in the UK labour market.
4. The roundtable event took place on 1st December 2017 and was well attended. The meeting was Chaired by Cllr Parry and the Head of MAC, Head of Scottish Government Migration and Freed of Movement of People Unit, the Society of Personnel and Development (SPDS) and twelve local authorities were represented.
5. There was a constructive and productive discussion on the day and the Committee heard a strong message directly from local authorities about their concerns and potential implications of Brexit on Scottish Local Government, particularly regarding demographics, workforce, economy, and rights of EEA-citizens.

COSLA's written response to the Migration Advisory Committee

6. As agreed at COSLA Leaders in November, COSLA has collated a response to the Committee's call for evidence. We viewed this as an opportunity to build a robust evidence base and ensure a strong Scottish Local Government voice is promoted in the formulation of future migration policy.

7. COSLA would like to thank our member authorities for their enthusiastic response and the detailed information submitted to us. We received evidence from a total of 18 local authorities (formal written evidence and from our COSLA/MAC roundtable held on 1st December 17).
8. The key messages from COSLA's response to the MAC are:
 - Scotland is differentially dependent on migration to the rest of the UK. As such, COSLA supports the need for a flexible immigration system that considers local requirements.
 - COSLA and our member authorities recognise that Scotland has benefited from freedom of movement of people; and therefore, the continuation of freedom of movement would be the most advantageous system for Scotland.
 - The projected increase in Scotland's population is due to net inward migration to Scotland. We need a system that will allow us to encourage inward migration and incentivise young people to work and settle within areas of Scotland where local populations are facing the sharpest decline.
 - Member authorities are already facing acute shortages in a number of key sectors and these will only be exacerbated if or when the UK leaves the single market.
 - Member authorities have consistently voiced their concerns over the challenges to local business. This includes securing workers in agriculture, food processing, fishing and hospitality/tourism sectors; attracting workers in highly skilled and highly specialist areas; and significant impact on future economic development.
 - Any future immigration system must acknowledge the wider contribution of EEA nationals make in terms of demographic profiles and the benefits they bring to communities.
 - It is critical that Scottish Local Government's voice is represented in the Brexit debate and our needs are recognised and reflected in any future immigration system that is developed as a result of Brexit.

Summary and recommendations

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