

Attracting Talent: The spatial patterns and composition of migration in Wales

Welsh Assembly Government

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Definitions

The following definitions have been used throughout the Attracting Talent study:

Migration	Describes any person or household changing their normal address and therefore includes internal and international migration. This movement can be for a number of different reasons; economic, personal, lifestyle etc.
Internal migration	Describes any person or household who changes their place of residence within the UK.
Immigration	Describes international in-migration, i.e. migration of overseas residents into the UK
Emigration	Describes international out-migration, i.e. migration of UK residents abroad
Asylum seekers	We will use the Home Office definitions of asylum seekers being those people who have arrived in the UK seeking political asylum.
Refugee	Someone who has applied for and been granted asylum, and who is then permitted by the UK Home Office to remain in the UK.
Irregular migrants	(or <i>illegal migrants</i>) People who have moved to the UK without achieving citizenship, a work permit or any other official permission to reside or work in the country.
Ethnicity	In the course of the study, we will distinguish between the following ethnic groupings: • Native born whites • Foreign born whites • Native born ethnic minorities • Foreign born ethnic minorities

It is important to draw distinctions between different groups of people who can be considered to be migrants, in that their motivations, characteristics, legal status and economic behaviour can be different. Consequently, policy considerations vary from group to group.

However, it is impossible to draw firm boundaries between these groups for several reasons. Firstly, people can move between the different groupings, such as international immigrants becoming internal migrants. Secondly, data sources overlap and do not enable measurement of migrants in each group. Moreover, as people move between groups, this is not well captured by data sources. Thirdly, there can be errors and omissions in how a person or household is categorised, such as international inward migrants who stay for less than one year and A8 nationals who do not register on the Workers Registration Scheme. For these reasons it is rarely possible to make firm distinctions in the analysis

Introduction

In stage 1 of this study we investigated the various data sources related to migration, both internal and international. The aim of this case study is to delve deeper into migration trends affecting Wales, particularly addressing the following questions:

1. Do people move out of Wales to study elsewhere in the UK but then return to Wales later on in their lives?
2. Where do in-migrants to Wales go?
3. Is there a ripple effect of migration out of London – with the impacts decreasing with distance from the capital?
4. What are the main migration trends affecting Welsh cities?
5. What have been the main migration trends in rural towns in the last ten years?
6. Are in-migrants to rural towns in Wales more entrepreneurial than the existing population of these towns?

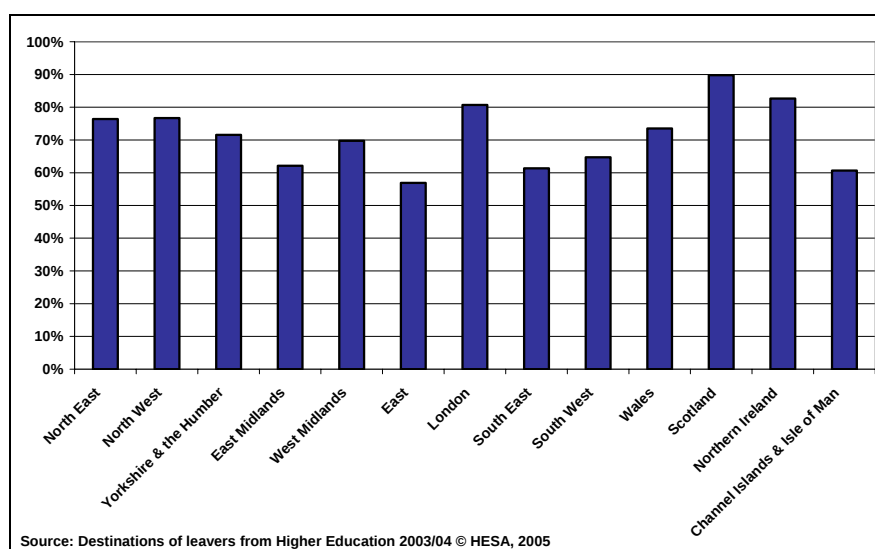
1 Broad Migration Trends

1.1 DO PEOPLE MOVE OUT OF WALES TO STUDY ELSEWHERE IN THE UK BUT THEN RETURN TO WALES LATER ON IN THEIR LIVES?

Evidence from the Higher Education Statistics Agency (HESA) suggests that a significantly higher proportion of Welsh residents remain in Wales to study higher education than is average across all UK regions (73 per cent and 64 per cent respectively).¹

Moreover, as Figure 1 below shows, Wales also retains a sizable proportion of its graduates. Indeed, three quarters of Welsh domiciles that engage in higher education remain or return to employment in Wales. This places Wales around mid table in comparison to the English regions, Scotland and Northern Ireland.

Figure 1: Proportion of domiciles that return to employment in the region after leaving higher education



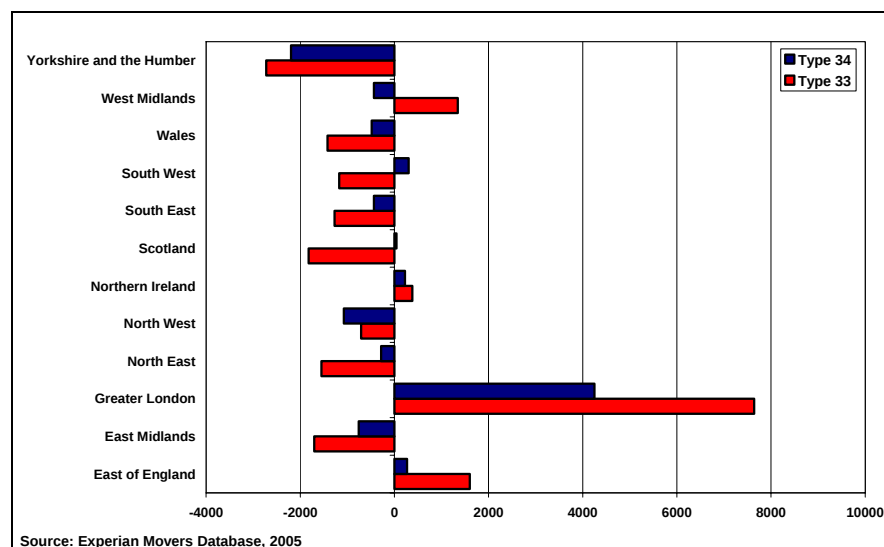
Wales loses significant numbers of higher education students to other regions.

Analysis of Experian's movers database, however, suggests that there is in fact a significant net outflow of university students (defined as Mosaic Public Sector Type 33 and 34)² from Wales (Figure 2).

¹ Student in Higher Education 2004/05 © Higher Education Statistics Agency (HESA), 2006

² Annex 1 contains an overview of the Mosaic Public Sector Group and Types.

Figure 2: Net flows of University students



Type 33- Older neighbourhoods increasingly taken over by short term student renters
 Type 34- Halls of residence and other buildings occupied mostly by students

However, this is the case for the majority of regions as graduates are often drawn to the high wage and status employment opportunities on offer in London. Indeed, Wales manages to retain a significant proportion (62 per cent) of those that study at its HEIs, higher than many other of the UK regions.³

In the absence of longitudinal data it is difficult to say whether those that do not return to Wales directly after graduation, do so later on in life. Certainly anecdotally some suggest that many ex-Wales domiciles return after starting a family and this would be consistent with the significant net inflows of young families into Wales recorded by Experian's movers database.

1.2 WHERE DO IN-MIGRANTS TO WALES GO?

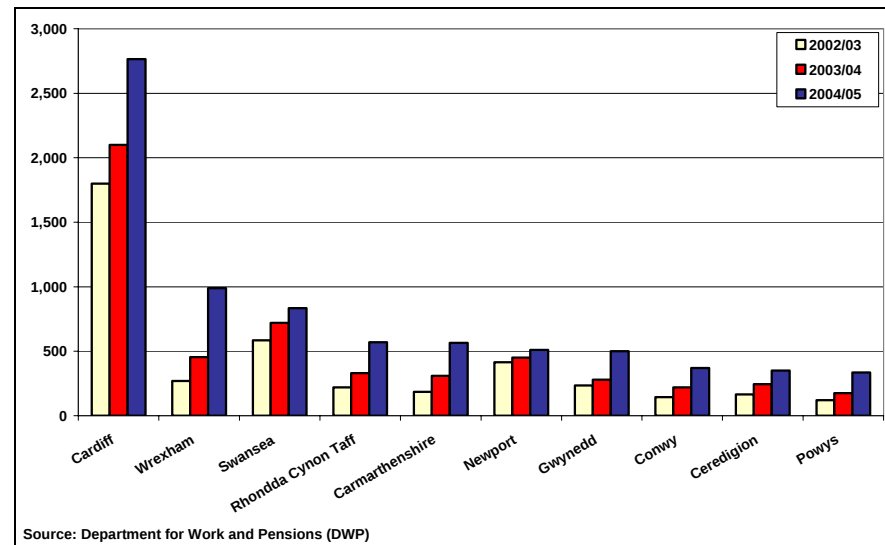
Internal and international migrants are mainly attracted to the urban centres of Wales. Information on NHS GP registrations suggests migration flows from elsewhere in the UK have been greatest in Cardiff, where over 15,000 individuals moved into the area- almost double that seen in Swansea, the second biggest attractor of internal migration flows.

Cardiff also attracts a considerable proportion of migration into Wales from overseas. Recent DWP statistics for 2004/05 suggest over 2,700 foreign nationals applied for national insurance numbers in Cardiff, an increase of over 30 per cent on a year previously. Swansea and particularly Wrexham have also seen large in-flows of individuals from overseas (Figure 3).

Wales' largest cities attract a large share of internal and international migration to Wales

³ Destinations of Leavers from Higher Education 2003/04 © Higher Education Statistics Agency (HESA) 2005

Figure 3: National Insurance Number Registrations from non-UK residents



Some more rural areas of Wales such as Carmarthenshire and Rhondda, Cynon, Taff also attract large numbers of individuals from elsewhere in the UK, as has Powys (perhaps reflecting a locality effect of bordering England).

Moreover, it is the more rural areas of Wales that have seen the greatest net inflows of individuals from elsewhere in the UK, furthering the trend of de-urbanisation seen in recent years.

Although international flows to rural Wales are limited in comparison to those into urban centres, they have been increasing steadily over the last few years. Rhondda, Cynon, Taff; and Carmarthenshire both attracted around 600 overseas migrants in 2004/05, while Conwy; Ceredigion; and Powys attract around half this.

1.3 IS THERE A RIPPLE EFFECT OF MIGRATION OUT OF LONDON – WITH THE IMPACTS DECREASING WITH DISTANCE FROM THE CAPITAL?

Evidence from the 2001 Census suggests to some degree the answer to this question is yes, the closer areas are to London the more likely there are to have received inflows of ex London residents (Figure 4). Unsurprisingly, the South East and East of England are primary locations for those migrating out of London, collectively accounting for 62 per cent of out migration flows.

Wales attracts just 2 per cent of those migrating out of London- significantly below all other regions except Northern Ireland and the North East, including those more geographically remote from the capital such as Scotland and the North West.

However, the pattern is more complex and as Figure 4 shows, large numbers of those that leave London relocate to other UK cities, particularly Brighton, Birmingham, Manchester, Bristol and Leeds.

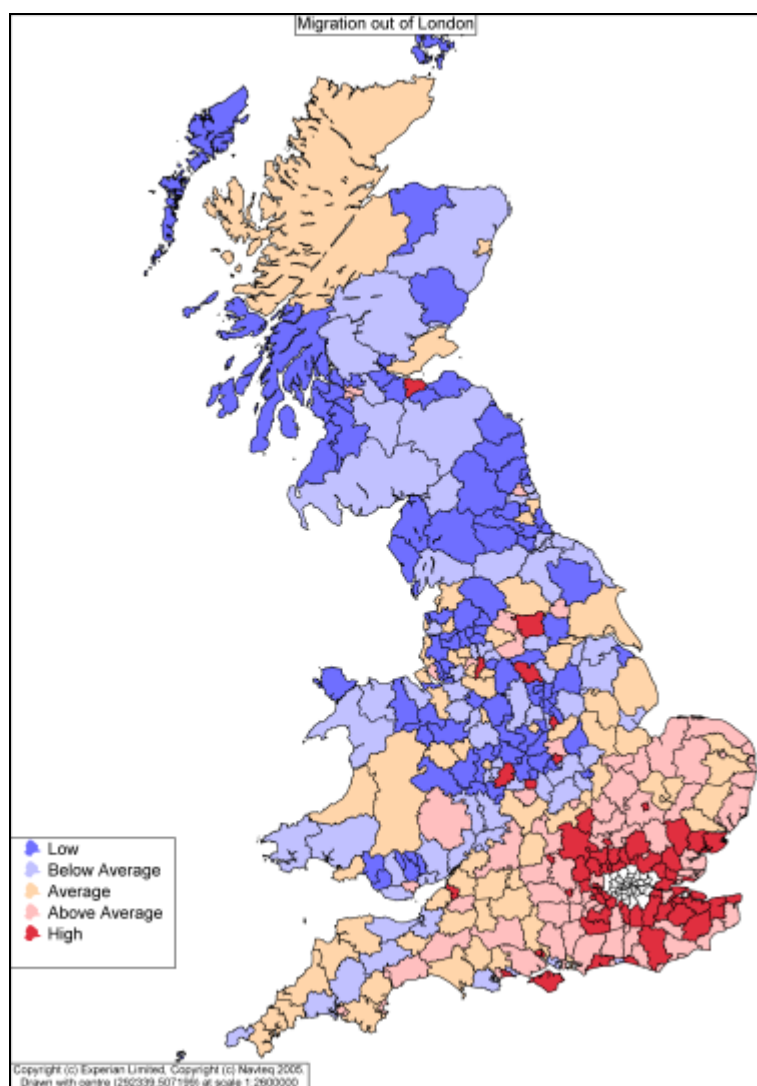
Cardiff has also been subject to these inflows to some extent, and 1,000 residents of Wales' capital at the time of the census lived in London one year

Rural areas of Wales are beginning to attract an increasing number of overseas migrants.

Those regions closest to London and key UK cities have received the greatest inflows of those migrating out of London.

previously. Other parts of Wales have also been in receipt of inflows from London, particularly Swansea; Powys; and Ceredigion.

Figure 4: Destination of out-migration from London



2 Urban and rural migration to Wales

2.1 WHAT ARE THE MAIN MIGRATION TRENDS AFFECTING WELSH CITIES?

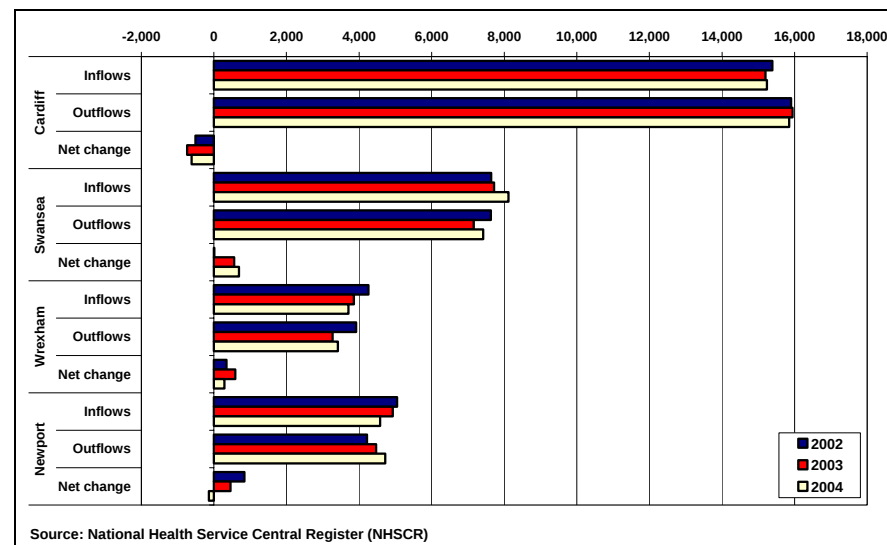
In- Migration from other parts of the UK

Internal migration into the urban centres of Wales has been declining, with the exception of Swansea.

Despite accounting for a substantial proportion of migration into Wales from elsewhere in the UK, internal migration into the urban centres of Wales is generally on a downward trend. Over the last few years, Cardiff, Wrexham and Newport have all experienced declining inflows of individuals from elsewhere in the UK.

A different picture is, however, evident for Wales' second city, Swansea, which has experienced significant increases in internal migration and has been subject to net inflows of migrants for two consecutive years. Swansea may be becoming an increasingly popular location for those looking to move from rural areas of Wales to the urban centres, perhaps as a result of the higher cost of living in the capital and employment opportunities in the Swansea area.

Figure 5: Trends in internal migration flows - Urban centres



Indeed, analysis of Experian's movers database suggests that there has been some degree of movement from the more industrial or rural areas of Wales towards the cities, particularly to Cardiff and Swansea (Figure 6).

Welsh cities attract a large number of highly educated, young, single professionals although there is only a **net** inflow of these individuals in Newport and Wrexham. This is in stark contrast to Cardiff, which has experienced a substantial net outflow of highly educated young people, although this is potentially a reflection of the transitory nature of the student base in the Capital.

Newport and Wrexham have experienced a net inflow of highly successful young professionals.

Conversely, significant numbers of successful mature couples have also been moving to Wales' urban centres, perhaps to access professional or lower managerial positions available in service industries or the public sector in these areas. Elderly people also appear to have made this transition, leaving rural areas in favour of easy access to health and social care services in the cities.

Figure 6: Net change in movers to and from Wales' urban centres by Mosaic Public Sector Group



In-migration from overseas

International migration to urban areas in Wales has been increasing significantly, as many overseas migrants join family already located in urban areas of Wales.

International migration meanwhile shows a wholly different trend, with the numbers of foreign nationals registering for National Insurance (NI) numbers in Wales' urban centres increasing substantially over the last few years.

This is particularly the case in Wrexham, where international migration flows doubled between 2003/04 and 2004/05 and also in Cardiff where they increased by 32 per cent over the period. Conversely, growth in immigration to Newport, which attracts the lowest levels of overseas migrants of all the Welsh cities, has increased at a steadier pace (8 per cent).

Evidence from the International Passenger Survey suggests international inflows to Wales are more commonly joining a partner or immediate family than is average across the UK. This trend is likely to be particularly evident in the urban areas of Wales, where there is already a substantial base of migrants.

Indeed Experian's own names analysis suggests there is already a large base individuals of Polish, Indian and Portuguese origin in Cardiff, Swansea and (to a lesser extent) Wrexham, countries from which Wales attracts large numbers of international migrants each year.

2.2 WHAT HAVE BEEN THE MAIN MIGRATION TRENDS IN RURAL TOWNS IN THE LAST TEN YEARS?

In- migration from other parts of the UK

As discussed in earlier sections, in-migration to Wales from elsewhere in the UK is largely concentrated in the Wales' key cities- Cardiff and Swansea. However, some rural areas do attract significant inflows of individuals from elsewhere, particularly Carmarthenshire; Rhondda, Cynon, Taff; and areas of central Wales.

Moreover, it is the more rural areas of Carmarthenshire; Powys; Conwy; Neath Port Talbot; and Monmouthshire that have seen the greatest net inflows of individuals from elsewhere.

Rural areas of Wales do, however, play host to very close knit communities and evidence from Experian's Movers database suggests much of the internal migration seen in the rural areas of Wales might in fact be quite localised.

There are, however, some other discernable trends. North Wales (particularly Conwy) for example has experienced a net outflow of older people, who perhaps have moved closer to the more urban areas for easy access to health or social care (see previous section).

Moreover, large parts of rural Wales, particularly Conwy and a number of areas in the South East, have been experiencing a significant net inflow of highly educated, young, single people from elsewhere in the UK. This is most notable in South East Wales, particularly Rhondda, Cynon, Taff; The Vale of Glamorgan and Caerphilly although these individuals may be clustered around the borders of these areas with Cardiff, to access education and employment opportunities on offer in the capital.

In-migration from overseas

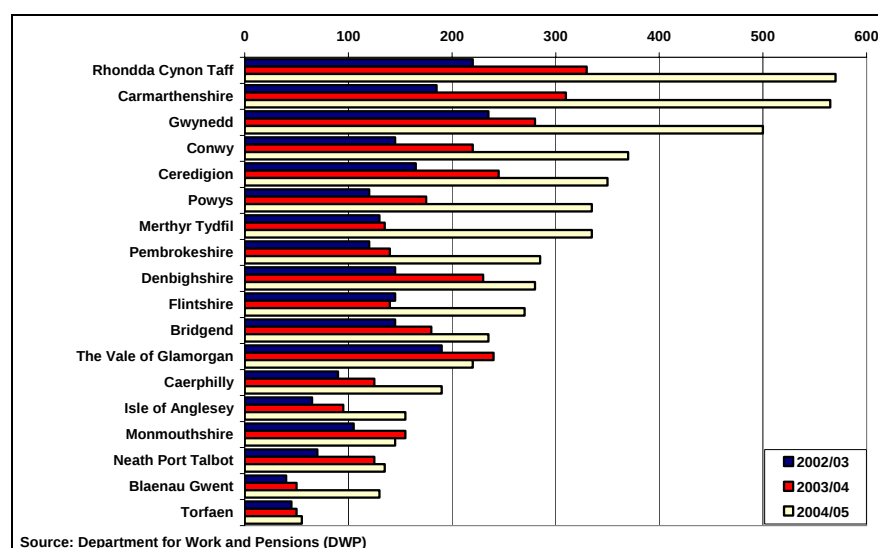
The rural areas of Rhondda, Cynon, Taff; and Carmarthenshire in South Wales attract significant numbers of overseas migrants- more so than Newport in fact.

Moreover, the growth in international migrants has been greatest in the rural areas of Wales and the number of foreign nationals applying for NI numbers in Rhondda, Cynon, Taff; Carmarthenshire, Gwynedd and Conwy has increased by around 70 per cent between 2003/04 and 2004/05.

Internal migration flows rural in Wales' rural areas are highly localised.

Many rural areas of Wales are beginning to see net inflows of highly educated young people.

Figure 7: National Insurance Number Registrations from non-UK residents



Overseas migrant workers are increasingly being used by employers in rural areas of Wales

Indeed, anecdotal evidence suggests that there has been an increase in the use of migrant workers by employers in some rural areas of Wales following the A8 accession in 2004, particularly Poland and the Czech Republic.

This trend has been particularly pertinent in the areas where there is a substantial manufacturing base, such as the South Wales valleys, as employers make use of migrant workers given their willingness to work at the minimum wage and for their (perceived) reliability.

It is likely that rural areas will also increasingly benefit from the 'snowball effect' of migration as overseas migrants join partners or direct family already located in these areas. Indeed, Experian names analysis suggests that a number of rural areas are beginning to establish a significant base of individuals of Polish and Indian origin.

2.3 ARE IN-MIGRANTS TO RURAL TOWNS IN WALES MORE ENTREPRENEURIAL THAN THE EXISTING POPULATION OF THESE TOWNS?

The net inflow of highly education young people could potential increase the entrepreneurial base in Wales' rural areas

As discussed in the previous section, most of those travelling into rural areas of Wales tend share similar characteristics with existing residents in these areas.

The most notable exception is the significant net inflows of highly educated young professionals that could potentially increase the entrepreneurial base in these areas, although as mentioned previously it could potentially be Cardiff that benefits from much of this intellectual capital.

International flows from abroad, however, are unlikely to have a significant impact on entrepreneurial activity. As discussed in Section 2.2, those migrating to the rural areas of the Wales from overseas tend to be from the Eastern Bloc countries and most commonly find employment in low skilled manufacturing, hospitality (and to a lesser extent) construction jobs.

Annex 1

Mosaic Public Sector- Groups and Type Descriptions

Group	Description
A	Career professionals living in sought after locations
B	Younger families living in newer homes
C	Older families living in suburbia
D	Close-knit, inner city and manufacturing town communities
E	Educated, young, single people living in areas of transient populations
F	People living in social housing with uncertain employment in deprived areas
G	Low income families living in estate based social housing
H	Upwardly mobile families living in homes bought from social landlords
I	Older people living in social housing with high care needs
J	Independent older people with relatively active lifestyles
K	People living in rural areas far from urbanisation

Type	Description
A 01	Financially successful people living in smart flats in cosmopolitan inner city locations
A 02	Highly educated senior professionals, many working in the media, politics and law
A 03	Successful managers living in very large houses in outer suburban locations
A 04	Financially secure couples, many close to retirement, living in sought after suburbs
A 05	Senior professionals and managers living in the suburbs of major regional centres
A 06	Successful, high earning couples with new jobs in areas of growing high tech employment
A 07	Well paid executives living in individually designed homes in rural environments
B 08	Families and singles living in developments built since 2001
B 09	Well qualified couples typically starting a family on a recently built private estate
B 10	Financially better off families living in relatively spacious modern private estates
B 11	Dual income families on intermediate incomes living on modern estates
B 12	Middle income families with children living in estates of modern private homes
B 13	First generation owner occupiers, many with large amounts of consumer debt
B 14	Military personnel living in purpose built accommodation
C 15	Senior white collar workers many on the verge of a financially secure retirement
C 16	Low density private estates, now with self reliant couples approaching retirement
C 17	Small business proprietors living in low density estates in smaller communities
C 18	Inter war suburbs many with less strong cohesion than they originally had
C 19	Singles and childless couples increasingly taking over attractive older suburbs
C 20	Suburbs sought after by the more successful members of the Asian community
D 21	Mixed communities of urban residents living in well built early 20th century housing
D 22	Comfortably off manual workers living in spacious but inexpensive private houses
D 23	Owners of affordable terraces built to house 19th century heavy industrial workers
D 24	Low income families living in cramped Victorian terraced housing in inner city locations
D 25	Centres of small market towns and resorts containing many hostels and refuges
D 26	Communities of lowly paid factory workers, many of them of South Asian descent
D 27	Inner city terraces attracting second generation Londoners from diverse communities
E 28	Neighbourhoods with transient singles living in multiply occupied large old houses
E 29	Economically successful singles, many living in small inner London flats

E	30	Young professionals and their families who have 'gentrified' older terraces in inner London
E	31	Well educated singles and childless couples colonising inner areas of provincial cities
E	32	Singles and childless couples in small units in newly built private estates outside London
E	33	Older neighbourhoods increasingly taken over by short term student renters
E	34	Halls of residence and other buildings occupied mostly by students
F	35	Young people renting hard to let social housing often in disadvantaged inner city locations
F	36	High density social housing, mostly in inner London, with high levels of diversity
F	37	Young families living in upper floors of social housing, mostly in Scotland
F	38	Singles, childless couples and older people living in high rise social housing
F	39	Older people living in crowded apartments in high density social housing
F	40	Older tenements of small private flats often occupied by highly disadvantaged individuals
G	41	Families, many single parent, in deprived social housing on the edge of regional centres
G	42	Older people living in very large social housing estates on the outskirts of provincial cities
G	43	Older people, many in poor health from work in heavy industry, in low rise social housing
H	44	Manual workers, many close to retirement, in low rise houses in ex-manufacturing towns
H	45	Older couples, mostly in small towns, who now own houses once rented from the council
H	46	Residents in 1930s and 1950s London council estates, now mostly owner occupiers
H	47	Social housing, typically in 'new towns', with good job opportunities for the poorly qualified
I	48	Older people living in small council and housing association flats
I	49	Low income older couples renting low rise social housing in industrial regions
I	50	Older people receiving care in homes or sheltered accommodation
J	51	Very elderly people, many financially secure, living in privately owned retirement flats
J	52	Better off older people, singles and childless couples in developments of private flats
J	53	Financially secure and physically active older people, many retired to semi rural locations
J	54	Older couples, independent but on limited incomes, living in bungalows by the sea
J	55	Older people preferring to live in familiar surroundings in small market towns
J	56	Neighbourhoods with retired people and transient singles working in the holiday industry
K	57	Communities of retired people and second homers in areas of high environmental quality
K	58	Well off commuters and retired people living in attractive country villages
K	59	Country people living in still agriculturally active villages, mostly in lowland locations
K	60	Smallholders and self employed farmers, living beyond the reach of urban commuters
K	61	Low income farmers struggling on thin soils in isolated upland locations

The views expressed in this report are those of the authors and do not necessarily reflect the opinions of the Welsh Assembly Government.