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NEWCASTLE UPON TYNE

THE INTERCULTURAL CITY: making the most of diversity

A Study for One North East into

**The Attraction and Retention of Migrants to
the Tyne and Wear City Region**

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1. Executive Summary

This report examines the question of whether cultural diversity is one of the contributory factors to the success of a competitive city-region. It reviews evidence from around the world that there is now a global market for knowledge and skills, and that the cities which can make themselves 'talent magnets' through a combination of economic, social and cultural factors, will outperform those which remain homogeneous, mono-cultural and less open to the outside.

The report suggests that major global companies have now recognised there is a business case for diversity. Teams of workers with diverse skills, experiences and cultural attributes are proving to be more creative and innovative than less heterogeneous ones.

Realising the Diversity Advantage

It goes on to argue that cities have been slow to recognise, and develop policies to realise, this 'diversity advantage'. It suggests that urban policy needs to move beyond the orthodoxy of 'multiculturalism' which (however unintentionally) institutionalises difference and even separation, to 'interculturalism' in which the interaction of cultures and communities becomes a driver of innovation and growth.

The report focuses on the Tyne & Wear City-Region (T&W) and explores how it might move towards becoming an intercultural city. It acknowledges that whilst by UK standards the city-region is not diverse, the last decade has seen the old model of cities based on Commonwealth immigration superceded by one of global migration, and the report sets out to reappraise the city in this new context.

The report argues that if T&W does not take a deliberate course to attract and retain talent and skills from overseas, it will lose population, both relative to other cities and in absolute terms. This could create a spiral of decline from which it would be difficult to break out.

A regional strategy for Managed Migration

It suggests that T&W needs to adopt a policy agenda leading towards a strategy for Managed Migration. It sets out what such a strategy might comprise, drawing upon good practice from around the world. It looks particularly at:

- How to make T&W a place which attracts more migrants
- How to make T&W a place which retains more migrants
- How to make the city more cosmopolitan.

Special powers for the City-Region

The report analyses the demographic, economic, social and cultural factors which will have both a positive and negative impact on such a strategy. It also acknowledges that (with the exception of Scotland) there

is little precedent in the UK for integrating policies for immigration with policies for regional disparity and development, but suggests that there may be a need to introduce special provisions and regulatory waivers for the region to enable it to enhance its attractiveness to migrants, for example enabling foreign graduates to stay on, or adding points to prospective migrants if they choose to live in T&W rather than elsewhere.

Jobs, Business and Skills

Migrants seek a better life and so jobs and business opportunities are the single most important factor in attracting them. Given the right chance, they in turn will create many new jobs for local people. It will be necessary to identify key regional skill shortages, as migrants with these skills will be the drivers of migration, particularly in the short term. It is important to note however that skill shortages are short term and cannot alone be the basis of a strategy for sustainable change.

Changing local culture

Whilst there is much that Government might do to support a Managed Migration policy, the report also argues there are important steps to be made locally. Currently the region does not 'think diversity' other than at the basic level of legal rights and equalities. The city-region is in danger of being cut off from a mainstream in which diversity is the norm, in which hybridity and cosmopolitanism is taken for granted and in which the movement of people, ideas and resources is constant.

If the region is to attract more overseas migrant workers there needs to be a cultural change, beginning within the policy community itself. In the course of the research, we have reviewed a wide range of strategic documents concerned with economic and social policy in the region. Almost without exception, documents produced in the region concerned with economic development, skills, training and business start-up and growth make no mention whatsoever of migrant talent and labour. The regional business community is also much less likely than elsewhere in Britain to consider overseas recruitment.

The need for leadership

As such, we argue that the region needs its political, business and community leaders to embrace the idea of diversity and to positively sell it both outwardly and inwardly. The price of not showing leadership will be that T&W becomes a backwater in the global talent flow, and that its people become increasingly ill at ease with, and alienated from, the inevitable diversification of British society.

The regional media also has to play a more proactive and factually-informative role in explaining why and how the region is becoming more culturally-diverse.

Our conclusion is that if the city-region does not set out to look for the diversity advantage it will never find it.

Recommendations

Overseas students are the key

The city-region's great advantage both in absolute terms and in comparison to other city regions is in its attractiveness to overseas students. T&W, in comparison to most other city-regions is doing particularly well in attracting students from two sources particularly noted for high achievement: China and India.

Encouraging more of them to stay and invest their talent in the region should be the long term priority. Regionally-specific changes in immigration regulations would help to keep them here after graduating. Better integration of local employment and business start-up services with universities would help to give them a sound reason to stay.

Attracting key scientists

The universities are already active in the attraction of top scientists internationally and need to continue to recruit from international labour markets. The labour market for top scientific talent is highly competitive though and some countries and regions have special programmes for attracting leading researchers and building teams around them. For example the regional government of Catalunya provides 25 professorships each year for international talent with competitive salaries and conditions. Partners in the region and city region should investigate how they can assist the universities to enhance their competitiveness for attracting such research stars.

Ensuring everyone tells the same story

Knowledge-intensive companies will continue to demand international talent and there are some world-beating examples of this in T&W. However they face intense competition from companies with a competitive edge because they are based in cities with higher international profile. There should thus be a campaign to promote the city region internationally and to ensure closer integration of strategies for export, inward investment, tourism, place marketing and international recruitment.

Carving through Red Tape

Currently many knowledge and business migrants to the region experience a wide range of administrative difficulties and frustrations, such as access to banking services, housing, education and languages for spouses and children etc. Whilst none are of themselves 'deal-breaking' they cumulatively mount up to make settlement in the area a much harder undertaking than it need be. A managed Migration Strategy would seek 'one-stop' solutions to such impediments.

The Health Service, whilst a significant employer of overseas workers in the region, has no plans to increase its recruitment from these source. On the contrary, it envisages future growth being increasingly met from local

sources. However, the Health Service is a source of great expertise and experience in the recruitment and retention of migrant workers. Such knowledge is vital should be retained and shared around the region.

Building on local strengths

Next to the job, the most important factor to a prospective migrant is the need to feel at home and avoid standing out. Established immigrant communities can play an important role in helping new immigrants settle in their new homes. The city-region should make more of the diversity it already has.

Building a Cosmopolitan City

Cities which are realising the diversity advantage such as London, New York or San Francisco are notable for their ethnically-branded quarters and neighbourhoods. Learning from the experience of the Stowell Street Chinatown development, the city-region should encourage further such developments.

It is difficult to encourage diversity in a monoculture. The city centre leisure offer of Newcastle is famous for its energy but it should also be made notorious for the uniformity of its ownership structure. Only 4% of licensed premises are owned by local and independent organisation. Such a pattern offers little opportunity for anyone, still less migrants, to establish a foothold with a new idea.

Symbols of Change

Tyne and Wear has demonstrated the iconic power of public art more than any other part of the UK. The ability to galvanise and project the spirit and image of a region through works such as the Angel of the North is now widely recognised. Public art could play an equally powerful role in symbolising Tyne & Wear's aspiration to be an intercultural city.

Next Step

A workshop comprising officials from the Treasury, Home Office (Immigration and Nationality Directorate), Office of the Deputy Prime Minister with representatives of GONE. ONE, City Region to map out possible areas for policy innovation, with a guest speaker from the Scottish Executive and/or an immigration specialist from a Canadian Province.

2. Introduction

Britain is rapidly becoming a more culturally diverse nation, and this is no more so than in its major cities. As with all forms of social change there are both costs and benefits, though much of the current dialogue around the issue tends to emphasise the increased demands and complexity of heterogeneity.

In the corporate world, the 'business case' for diversity has now largely been made, with companies realising not only that they need to recruit from the widest possible talent pool in order to stay competitive, but that their innovative edge is actually sharpened by the creative tension of bringing diverse cultures, skills and mindsets together.

Few though have yet thought about whether this logic reads across into the complex arena of the city. There is some evidence from the United States that diverse cities also tend to be the most competitive cities¹ but little has been done from a UK/European perspective, which is why this research project is so timely and why it has been launched by Comedia with the backing of the Joseph Rowntree Foundation.

The Intercultural City is a project with local, national and international scope. At its core will be a series of local case studies of cities from around the world. The aim will be to draw conclusions which will both support policy makers at the local level and to contribute, through comparative analysis, to wider understanding of these complex but vital issues.

The project was launched in February 2005 with the publication of first two books in an ongoing series of publications², and a project website³.

Aims of the Project

General

- The project will consider the extent to which cultural diversity is a source of innovation, creativity and entrepreneurship and how this can become a positive force releasing new energy and resources for the development of cities.
- It seeks to understand how the combination of different cultural skills and attributes leads to new and divergent thinking and what are the conditions that most encourage this.

¹ Richard Florida (2002) *The Rise of the Creative Class*.

Gianmarco Ottaviano and Giovanni Peri (2004) *The Economic Value of Cultural Diversity*

² Franco Bianchini and Jude Bloomfield, *Planning for the Intercultural City*. Phil Wood, *The Intercultural City Reader*.

³ www.interculturalcity.com

- It will explore the extent to which increased intercultural dialogue, exchange and activity is the catalyst for this process.
- It will particularly seek to understand the role of intercultural networks and intermediary change-agents, finding out who they are, how they work and what are the conditions which either encourage or hinder them.
- It will explore the institutional barriers and opportunities to maximizing economic benefits and aim to provide guidance for future policy on diversity and wealth creation in cities.

Tyne Wear

One of the fundamental impediments to regional economic growth is falling population, and in the light of current demographic realities across the Western world, many places are now turning to migration policy as a means of reversing decline. This has been most pronounced in the traditional industrial belt of the United States⁴ but, significantly, the Scottish Executive last year published *New Scots: Attracting Fresh Talent To Meet The Challenge Of Growth* as a response to the economic threat of Scotland's declining population. The North East faces similar issues.

There is widespread agreement that such areas need to attract highly skilled entrepreneurs, workers and academics, but that there is a complex web of economic, social and cultural factors which influence this. Three common factors for success are commonly observed:

- Learning from the experience of successful immigration/talent magnets elsewhere, particularly their incentives regimes, development programmes and integration strategies as well as the quality of community leadership;
- Focusing on both existing immigrant communities and the host community, assisting them to become adept at welcoming newcomers through developing resources and skills through business and social networks;
- Education, information and awareness-raising to ensure the minimising of potential tension that arise from change and difference.

Comedia, in association with the University of Newcastle and the Architecture Centre Network has been commissioned by One North East to undertake a study within the context of the Intercultural City.

The primary purpose of the study is to contribute to a City Region Development Programme for Tyne and Wear, within the context of the Northern Way Action Plan

The brief set by One North East was

⁴ For example: Abell Foundation: *Attracting New Americans Into Baltimore's Neighborhoods: Immigration is the Key to reversing Baltimore's Population Decline (2002)* by the Morrison Public Affairs Group. Rose A Zitiello & Richard T Herman (2003) *In the New Global and Multicultural Marketplace, Immigrants Hold a Key to Revitalizing NE Ohio*

Attracting Talent and Diversity

The study will explore the city-region more attractive for talent and diversity. It will review best practice from around the world and review the factors and policy interventions which have been applied in this area. We will then undertake an assessment of the preparedness of the region to successfully undertake a managed migration policy. This will involve the following approaches:

- an analysis of recent trends and strengths, identification of established and new concentrations of talented and diverse intercultural communities and how these may contribute to regional growth, and the knowledge economy, eg the universities, health service, hi-tech business clusters;
- An assessment of the external image and perception of the region, its current level of attractiveness to immigrants and measures to improve it;
- A study of existing networks and actors will focus particularly upon 'intercultural change agents' – people in business, social enterprise or community development who successfully cross cultural boundaries and divides and create new innovations and possibilities, and who would have a powerful influence on the receptivity of the region to new immigrants;
- An assessment of current policy in the region for attracting migrants;
- A review of Managed Migration approaches employed elsewhere, eg Australia, Canada.

Towards an intercultural city-region

Talented immigrants will not come to regions of which they are only vaguely aware, or which appear disinterested in, or even hostile to, them. Successful talent magnets understand that cosmopolitanism is now a tangible economic asset and take a proactive stance towards it both in their brand identity and in the social and cultural realities that underpin this. The study should:

- Assess the factors employed by successful cities such as Chicago and to position themselves as economically competitive and culturally open through a twin strategy of overseas alliance-building and internal networking with diverse communities.
- Identify and capitalise upon current examples of local international and intercultural work which have brought demonstrable value to the region, eg international cultural and social exchanges, international travel routes.

Designing cosmopolitanism into the public realm

Successful regions bring about change not only in word but deed and in ways which are tangible and iconic. Newcastle/Gateshead has already demonstrated this in memorable ways but more needs to be done to bring a specifically intercultural aspect to this, and not only at the high profile

level but also in the public realm of people's everyday lives. Approaches will include:

- An analysis of how intercultural place-marketing can contribute to the attractiveness and competitiveness of a city
- A study of current examples of good practice in the region
- A review of best practice elsewhere

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3. The Demographics of Urban Competitiveness

3.1. City-Regions in the Knowledge Economy

The defining feature of advanced economies today is that knowledge and learning have become predominant in the creation of economic value and the determination of competitive success. There are several key factors to this transition that hold important implications for cities' role in the larger economy.

Firstly, competition between firms is increasingly being waged on the basis of the qualitative characteristics of goods or services, and the ability to bring new or improved products to the marketplace quickly. Moreover, innovations in the production process are often just as important as product innovations, since they enable both the rapid shift to the production of new products and the attainment of quality standards and performance which consumers now expect. Firms that compete most successfully are no longer simply those that offer their product at the lowest price: rather, their ability to generate new product and process innovations in a timely and effective fashion has become equally, if not more, important.

Secondly, while major research institutions such as universities, public research centres, and corporate R&D facilities play a pivotal role in the production and dissemination of knowledge, it is now widely acknowledged that for economic actors, social processes of innovation and learning have become considerably more important, ie the often informal interaction of different actors including firms, networks and individual entrepreneurs as well as more conventional centres of knowledge.

Third, intangible assets have become pre-eminent in the determination of competitive success for firms. Most workers now earn their living by producing intangible rather than manufactured items. This is not to deny the continuing importance of tangible commodities, but merely to emphasize that competitive success, even for those producing tangible commodities, depends on the extent to which products can be imbued with desirable intangible assets. Accordingly, knowledge – that is, ideas, know-how, creativity and imagination – has become the most important resource for economic prosperity and for cities.

Each of these characteristics of the learning economy emphasises city-regions as the principal sites of innovation and production of knowledge-intensive goods and services. Given the interactive and social nature of innovation, city-regions provide the ideal space in which social learning processes can unfold. City-Regions are spaces for interaction and knowledge circulation

In many sectors of the economy, innovation now depends on the sharing of knowledge through informal, unregulated, and culturally-influenced channels. Moreover, these commonly shared codes of communication and norms of behaviour constitute an important, regionally-specific asset which helps build and maintain close relationships by reducing uncertainty, building trust, and enhancing the sharing of tacit knowledge between local economic actors in other words 'social capital'. City-regions can be regarded as places where social capital between economic actors is readily generated and as a result, they have become places where socially organized learning processes take root and flourish, that is they are 'learning regions'.

3.2. The Generation, Attraction and Retention of Talent in Cities

Another distinctly urban advantage of large city-regions is their ability to produce, attract and retain those workers who play the lead role in knowledge-intensive production and innovation – those who provide ideas, know-how, creativity and imagination. Because production in many growing sectors of the economy is increasingly orientated to non-tangible assets, the locational constraints of earlier eras – for example, the access to good natural harbours or proximity to raw materials and cheap land and energy sources – no longer exert the same pull. Instead, what matters most now are those attributes and characteristics of particular places that make them attractive to potentially mobile talent. Talent is coming to be seen as the most crucial resource in the knowledge-based or learning economy. It depends much more on considerations such as: the richness of cultural amenities, recreational opportunities, and the 'buzz' of the local arts and music scene, the attractiveness and condition of the natural environment and built form, the quality of public schools, and safety from crime.

Local diversity is also extremely important, in at least two senses: first, the diversity of labour market opportunities for subsequent career advancement (and related to this, the potential that one's partner will also be able to find appropriate work in the same local labour market); and second, the openness of local economic and social systems to diverse, talented newcomers with different outlooks and aptitudes as well as of different ethnicity and sexual orientation. Indeed, measures of local openness, tolerance and social diversity appear to dominate all other considerations in recent studies by Richard Florida of growth in knowledge-intensive, creativity-intensive activity in US metropolitan areas.⁵

This suggests that, increasingly, the urban character of major city-regions has become their pre-eminent competitive asset in retaining, attracting, and growing dynamic, high value- added employment and investment. It is for this reason that there is a direct connection between the way that

⁵ Richard Florida (2002) *The Rise of the Creative Class*

urban regions are governed and regional economic competitiveness. Taken together, these processes and dynamics explain why, despite the advent of globally-organized economic activity and the increasingly widespread use of the internet and other forms of information and communications technologies (ICTs), innovation, knowledge-intensive production and other forms of creative activity have become more, not less, geographically concentrated, and concentrated above all in larger city-regions. Much of the long anticipated decentralization of economic activity resulting from the widespread use of ICTs has failed to materialize, for good reason. Instead, cities' advantages in supporting knowledge-based growth have come to be summed up in a single word: 'buzz'. In short, larger city-regions have become the key nodes in the production and flow of ideas.

3.3. Why cities seek migrants

Whilst there has always been the migration of people to and from cities, the argument set out above explains why there is now a change in emphasis. National and city governments are now particularly interested in three types of migrant. Principally they are competing to attract the 'knowledge migrant', and their resources of creative capital. They seek to embed such individuals into regional research establishments, companies, and networks and hope that they in turn will attract others of their ilk.

Secondly, cities are looking to ameliorate problems caused by skill shortages and skill gaps, particularly in key public services. Whether they are functions that local people cannot, or will not, carry out migrant labour generally provides a stop-gap for problems which might otherwise prove very costly, not least politically. In contrast to the former, who are courted to make their settlement permanent, governments may well be seeking for the latter to fulfil a sojourn which ends when the particular labour market blip is resolved.

Finally, and much less commonly, city/regions may be responding to an actual or projected decline in population, owing to the fall in fertility, a aging population and/or an imbalance in internal migration. Cities now make a simple calculation which is that economic growth is a *sine qua non* and it cannot be achieved without population growth, or at the very least with population decline.

Of course there are other reasons that people seek to migrate from one place to another, not least to leave behind misfortune in order to seek temporary asylum or permanent refugee status. Another category is people seeking to re-unite families divided for one reason or another. Whilst governments maintain a moral and legal responsibility for people in these predicaments, it should by now be clear that cities are much more focused upon reasons of short and longer term economic advantage than anything else.

It should be noted that it is not easy to draw hard and fast lines of separation between categories of migrant. In particular, there is clear

evidence that many asylum seekers and refugees have skills, knowledge and experience which, under different conditions, would qualify them as highly marketable knowledge migrants. Their difficulty, often because of the circumstances under which they left their former homes, is gaining recognition and accreditation for past achievements or future potential. For example, the Council for Assisting Refugee Academics (Cara) estimates that 2,000 refugees are highly skilled in engineering, science, education, healthcare and computing but are not being employed to the same level as in their countries of origin.

All these factors need to be taken into consideration in approaching the brief of this report: to attract and retain migrants within the context of a 'Managed Migration Strategy'.

3.4. Why migrants seek cities

Various theories have been advanced to explain why people migrate. For instance, human capital theory views migration as an investment in which costs are borne in some early period to obtain returns over a long term. That is, if the value of the benefits associated with migration exceeds the monetary and psychological costs, one would expect people not to move. An important implication of this theory is that migrants tend to be future-orientated so one would expect them to be extra motivated to move to be more productive in the labour force. The push-pull explanations of migration suggest that the "pull" of economic opportunities in destination areas is stronger than the "push" of poor opportunities in the areas of origin. In other words, while migrants are expected to be found where earnings are expected to be better, they do not necessarily originate in areas where economic opportunities are poorest. No consistent relationship has been found in such studies between unemployment and in-migration, perhaps because many people move to an area after they have been offered a job.

Given that migration is an investment whose benefits accrue in the future, migrants tend to be younger than non-migrants and either more educated or more inclined to invest in more education for themselves and their children. Migration is often from rural to urban areas and economic, social and cultural factors affect migrants' choice of location. Once migration is established, continued migration usually persists for established migrant groups, who create social networks and ethnic-based resources for future migrants from a particular ethnic background, known as the "persistence" perspective.

This raises the question of why immigrants tend to cluster in certain cities and parts of cities, and not in others. Firstly, new immigrants tend to settle near ports of entry where immigrants of their ethnic origin have already settled and where employment opportunities are best. This phenomenon is a consequence of economies in communication, information, consumption, and the labour market. Also important factors in location choice are ethnic goods, market and non-market goods and services consumed by members of an immigrant/ethnic group but not

consumed by others. These goods can include places of worship, festivals, holidays, food, clothing, and marriage markets.

Because of economies of scale in the production of ethnic goods, the lower the full cost of ethnic goods the larger the size of the immigrant/ethnic group. An immigrant would be indifferent to choosing between two alternative areas only if the area with the high cost ethnic goods (lower concentration ratio) provided a higher nominal wage.

This raises a question of growing concern in several Western nations now over the apparent imbalance in immigrant settlement patterns. In the USA, Canada and Australia there is a growing debate over the value and efficacy of intervening to dissuade too many immigrants from settling in conventional 'hotspots' and persuading them to consider less traditional and, possibly, less favoured locations.

In the UK it is clear that London is receiving far more immigrants than anywhere else in the UK, either as a primary destination, or as a secondary destination of internal migration. In the past, immigration has largely been regarded as the sole preserve of national government and so the interface between policies influencing immigration and policies concerned with regional disparity and development has barely been explored yet. This Report aims to open this area for discussion.

3.5. Economic Migration to the UK⁶

Given that the primary focus of this study is with economically-driven migration, it would be valuable to define it more clearly within the British context.

Economic migration is the movement of people from one country to another primarily for employment-related reasons. It includes:

- those who stay for only a few weeks (for example, seasonal workers) up to those who stay for several years (for example, work permit holders);
- those entering under a range of different schemes that vary greatly according to length of permitted stay, conditions of stay and possibility of extension; and
- those who are employees in the new country, those who move to become self employed and even those who have their own business in the new country, sometimes employing locals.

The main groups of economic migrants in the UK at present include:

- foreign nationals who do not need a visa to work in the UK;
- work permit holders;

⁶ Institute for Public Policy Research (2004) Labour Migration to the UK: an IPPR Fact File

- those on special worker schemes;
- those in the Highly Skilled Migrant Programme;
- business people and investors;
- those on working holiday visas and other exchange schemes; and
- those on other special visas such as au pairs, volunteers and religious instructors.

Defining exactly who is an economic migrant is not easy. For example:

- sometimes those who accompany migrants (such as spouses) are also permitted to work and so, although they did not migrate primarily for the reason of working, they may also be classed as labour migrants;
- in some cases those who migrate for non-work reasons may be eligible to work (for example, foreign students studying in the UK are permitted to work up to a set number of hours during term time and in their holidays);
- some people switch categories (for example, student to work permit holder); and,
- there are an unknown number of people who enter illegally or work illegally, and are technically labour migrants but who are not captured in official statistics.

It is also important to note who is not generally classed as a labour migrant:

- refugees and asylum seekers;
- visitors, even if they are here to attend conferences or to meet with clients or even to attend interviews for a prospective job;
- retirees and others who do not work and support themselves economically; and
- any returning citizen, regardless of how long they have been away.

In 2003, there were an estimated 1,396,000 foreign nationals working in the UK. The rise in the number of workers over the last decade (62 per cent) was faster than the overall increase in foreigners living in the UK (43 per cent). While the number of labour migrants to the UK has grown in recent years, foreign nationals account for less than 5 per cent of the UK workforce.

European Union nationals (not including nationals of the new member states) make up the biggest proportion (37 per cent) of foreign workers in the UK.

In 2001/2, the top ten countries of origin of migrants who registered for a national insurance number were (in descending order): Australia, India, South Africa, France, Pakistan, Philippines, Spain, Republic of Ireland, New Zealand and Germany. These ten accounted for nearly half of all new migrant registrations. Nationals of some countries (for example EU members) do not require a special visa to work in the UK. For other nationals, there are several labour migration schemes. Work permits are the longest-running and most important of these schemes.

Estimating the number of migrants in the UK is a very difficult task, and estimating the number of those who work in the UK is even more difficult.

Part of the difficulty arises in defining a migrant. Here, the most important distinction is between 'foreign born' (those who were born overseas but may or may not have UK citizenship) and 'foreign' (those who do not hold UK citizenship). Both categories have limitations. By definition, 'foreign-born' will include those UK citizens born abroad and those migrants who have been in the UK for a long time (for example, migrants who arrived immediately after World War II) but will not include children of migrants who were born in the UK. Similarly, 'foreign' will not include those migrants who take up UK citizenship or their children. In most cases, the smaller foreign population is more useful for estimating the scale of labour migration.

The foreign-born population – estimated to be around 8 per cent of the entire UK population – is the larger of the two. However, this figure is not useful in estimating how many people are here temporarily to work or how many new workers are joining the labour force through migration. For this, the number of foreigners living in the UK is more useful.

In 2003, there were an estimated 2,865,000 foreigners living in the UK, accounting for 4.8 per cent of the total UK population. Over the last decade, the number of foreigners is estimated to have increased by some 43 per cent. Of those foreigners, in 2003, an estimated 1,396,000 people were workers, accounting for some 4.9 per cent of all those in employment in the UK. Over the last decade, the number of foreign workers is estimated to have increased by some 62 per cent.

The relatively higher growth in foreign workers compared to the overall increase in foreign nationals means that the proportion of foreigners who are working in the UK has increased from 43 per cent to 49 per cent over the last decade.

In 2002, around 130,000 work permits were issued. More than 87 per cent of these were issued for managerial, professional, associate professional and technical occupations. Many of the UK's labour migration schemes are designed to fill gaps in the domestic labour market. The UK has consistently had more than half a million unfilled vacancies for the last 5 years. Of the estimated 679,000 vacancies in 2003, 135,000 existed because of skills shortages – especially in sectors such as health, business services and construction, and in occupations such as skilled trades.

Nearly two-thirds of all immigrants over the last ten years who had been employed prior to coming to the UK had worked in professional and managerial occupations. Health and medical services (24 per cent), and computer services (17 per cent) were the two largest sectors for which work permits were issued between 2000 and 2002. Overseas qualified doctors accounted for 51 per cent of the increase in the number of doctors working in NHS hospitals between 1993 and 2003. Nearly 45 per cent of migrant workers in the UK in 2003 were working as professionals, employers and managers compared to 39 per cent of UK workers.

Since migrants tend to be younger than the resident population, migration can go some way in reducing the impact of an ageing population, though migration is unlikely to be a long term solution on its own.

4. Immigration and Managed Migration Policy in the UK

4.1. Who is allowed in to the UK?

There are two strands of people seeking access to the UK: those who are visiting or migrating on a temporary basis and those intending to seek permanent settlement. Before outlining the main characteristics and sub-sectors of these two strands, it is necessary firstly to deal with a group which straddles both strands.

European Union (EU) and other European Economic Area (EEA) nationals
The most important group in this category are nationals of the Republic of Ireland. Irish and UK nationals have enjoyed reciprocal free movement rights since the founding of the Irish Republic. Today, Irish nationals are estimated to make up the single largest group of foreign workers in the UK.

Citizens of member states of the European Union have the right to reside and work in any other member state. As a result, citizens of countries like Ireland, France and Germany do not have to seek special permission to work in the UK. While migrants from these countries, especially Ireland, are rarely classed as labour migrants (or sometimes even counted as labour migrants in official statistics), it is important to note that EU nationals make up a significant proportion of all migrant workers in the UK. The UK also has agreements with other countries within the European Economic Area (EEA). These agreements allow nationals of Iceland, Liechtenstein, Norway and Switzerland to enjoy similar rights to those enjoyed by nationals of EU15 member states.

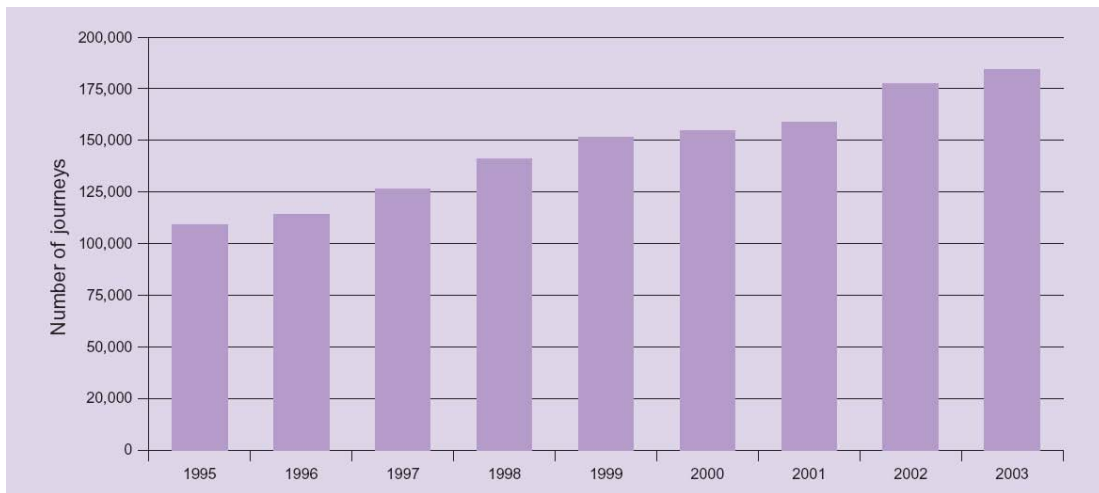
Citizens of the ten new member states that joined the EU on 1 May 2004 also have the right to move within the enlarged EU. However most existing member states have placed transitional restrictions on the right of workers from new Central and Eastern European to live and work in existing member states. These restrictions need to be phased out by 2011 at the latest, by which time nationals of new member states will enjoy the same rights as existing EU15 nationals. The UK has not placed restrictions on the number of migrant workers but does require migrant workers from the new member states to register when they take up employment.

4.2. Permanent Settlement

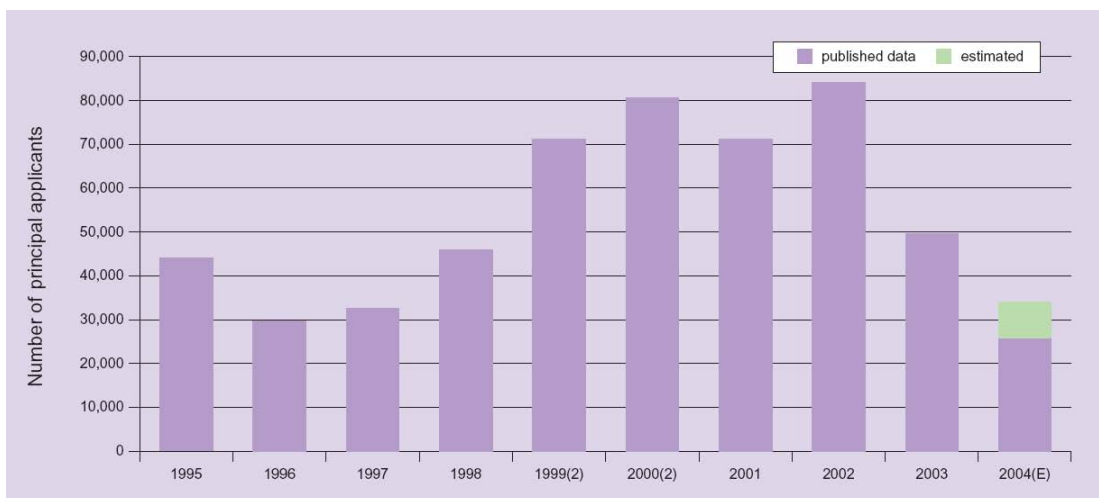
There are three main categories of people seeking permanent settlement in the UK:

- Relatives of British citizens
- Refugees
- Skilled workers.

Whilst opening up increased opportunities for temporary migration, the Home Office is seeking to exert greater control over the granting of permanent settlers, as well as seeking to ensure that the process is linked more explicitly to long-term economic benefit of the UK.



Passengers given leave to enter the UK in employment-related categories (source: Home Office)



Applications for asylum in the UK (excluding dependants) (source: Home Office)

4.3. Temporary Migration

Work Permits

As discussed above, work permits have traditionally been the most important avenue for non-EEA nationals to secure work in the UK. Since 2001 work permits have been issued by a dedicated agency (Work Permits UK) that is located within the Home Office. Perhaps the most important feature of the work permit system - and the feature that sets it apart from most other avenues for labour migration - is that work permits are employer-driven. Work permits can only be applied for and obtained by employers on behalf of the foreign worker they wish to employ.

In order to obtain a work permit for a migrant worker, the prospective employer must show that:

- they advertised widely for the post and that there were no suitable resident workers to fill the vacancy (with the exception of some shortage occupations, intra-company transfers, board level posts and inward investment, where employers need not show this);
- the post requires high-skilled workers who have specific qualifications and/or education to National Vocational Qualifications (NVQ) Level 3 or above; and
- the pay and conditions are no lower than would be given to a UK worker in an equivalent position.

Work permits are specific to the job for which they were granted and are issued for periods varying from several months to several years. Work permits may be extended if the worker continues to work for the same employer. If the worker wishes to change employment during this time he or she must apply for a new permit.

There are several types of work permit arrangements:

- business & commercial (to fill a vacancy that a 'resident worker' cannot fill);
- training & work experience (work-based training for a specialist qualification);
- sports people and entertainers (for established professionals and support staff);
- internships (for students undertaking an internship with an UK employer); and
- General Agreement on Trade in Services (GATS) (allowing employees of companies that are based outside the EEA to work in the UK on a service contract awarded to their employer by a UK-based organisation).

Special worker schemes

There are several specific schemes that operate within the work permit system which aim to fill specific needs, especially for low-skilled workers in some sectors, and to attract workers from outside the EEA. The two most prominent of these are the Seasonal Agricultural Workers' Scheme (SAWS) and the Sector Based Scheme (SBS).

The SAWS was founded soon after the Second World War and is aimed at meeting the shortfall of seasonal and agricultural workers from within the resident workforce. Following a wide-ranging review and consultation with farmers and growers in 2002, the SAWS has been expanded. In 2002, 19,372 people came to the UK under SAWS. In 2003-4 SAWS has a quota of 25,000 places. The most important countries of origins were Poland (25 per cent), Ukraine (20 per cent) and the three Baltic states (18 per cent).

The SBS was initiated in May 2003 as a way of providing workers for two sectors in which there was perceived to be high demand. The initial quotas were set at 10,000 places each.

These schemes differ from the general work permit system in several important ways:

- they are for very limited periods (between 5 weeks and 6 months for SAWS, and up to 12 months for SBS);
- they are for low-skilled jobs (general harvesting and processing work for SAWS, and a specific list of jobs such as cooks, waiting staff, and meat processors for SBS);
- they have restrictions on re-application (participants have to wait several months outside the UK before being eligible to re-apply);
- there are strict eligibility restrictions (only for those over 18 and in full-time education for SAWS, and only for 18-30 year olds for SBS); and
- in the case of SAWS, they are administered through designated 'operators' who are contracted to the Home Office to recruit suitable foreign workers to meet farmers' needs.

On 19 May 2004, the Government announced that the SAWS quota for 2005 was to be cut by 35 per cent to 16,250. The SBS quotas for the period 1 June 2004 to 31 May 2005 were also to be reduced by 25 per cent to 15,000 (9,000 for the hospitality sector and 6,000 for food processing). It was also announced that participants in either scheme would be prevented from switching to other categories of employment at the end of their SAWS or SBS employment. These measures were motivated by the fact that many of the workers under the schemes had come from the countries that joined the EU in May 2004. Indeed, some of the SBS quotas (37.5 per cent) had been assigned specifically to new member state nationals. Since these nationals will no longer require a permit or work card to obtain employment in the UK (though many will need to register for employment when here), the demand for workers in the sectors covered by SAWS and SBS is likely to be met by these migrant workers. In fact, in March 2004, the Home Office had already suspended

applications for the hospitality SBS as quotas had been met. The food manufacturing SBS continues for the moment, at least until early 2005.

Highly Skilled Migrant Programme (HSMP)

The HSMP was initiated in January 2002 and is similar to programmes in other countries such as the United States and Australia that are designed to attract the high-flyers in business, commerce and academia to the UK, as well as to fill shortage occupations. The HSMP differs from the work permit system in that it does not require an employer to obtain a permit for the individual. Instead, applicants submit their own applications and need not show that they have already found employment in the UK. Applications are assessed on a points system based on their qualifications, achievements, earning ability and experience. The permit will initially be granted for one year but may be extended if the applicant demonstrates that he or she has found employment at an appropriate level. There were 8,451 successful applications for the HSMP between early 2002 and the end of 2003. Four occupational groups tend to dominate the HSMP applications: finance, business managers, information technologists, and medical services.

Business and investors visas

A key aim of the UK's managed migration programme is to encourage entrepreneurial activities through attracting migrants who can start businesses, provide key services and employ more people. For this reason, the Home Office issues special visas to those who can demonstrate that they intend to set up a business in the UK. Almost all the subcategories require a business plan and proof that the applicant has the intention, skills and means to establish a business in the UK as a full time activity. Most visas are issued for twelve months in the first instance but are renewable with proof of a functioning business in the UK. Successful applicants must also demonstrate that they have sufficient funds to accommodate and provide for themselves and any family members who join them in the UK until the business is profitable. They cannot have recourse to public funds in the UK under the terms of the visa. These visas do not have numerical quotas and the statistics on the exact numbers of people coming into the UK under these schemes are not readily available. The major subcategories include:

Business visas

Applicants need to show that they have at least £200,000 of their own money to set up their business, and that they will create at least two full time jobs for UK residents.

Business visas under the European Community Association Agreements (ECAA)

This was initially intended as a special exemption for business people from the countries joining the EU in May 2004, plus Bulgaria and Romania (countries expected to join the EU in the near future). The ECAA scheme requires applicants to show only that they have £2,000. There are no employment creation obligations. The extent of this scheme has been narrowed significantly since the May 2004 round of EU enlargement and

since the suspension of applications under the scheme from Bulgaria and Romania to facilitate an on-going review.

Innovators' scheme

Established in 2000, this scheme is aimed at entrepreneurs whose business ideas - particularly in the science and technology sectors - are expected to benefit the UK economy. There is no funds requirement but applicants do need to show technical and business skills.

Investors

Applicants are required to have at least £1 million under their own control and available to invest in the UK. They are also obliged to invest at least £750,000 in UK government bonds, share capital or loan capital in registered UK companies. Successful applicants may engage in self-employment or business activities but must not take any other form of employment or draw on public funds. Investors are required to make the UK their main home.

Working Holidaymakers and other exchange schemes

Citizens of Commonwealth countries aged between 17 and 30 are eligible to apply for a working holidaymaker visa to the UK. This entitles them to come to the UK for a maximum of 2 years and maintain themselves through work during their stay, though holidaying should be the primary purpose of their stay. Working holidaymakers are not entitled to receive public funds. In June 2003, the scheme was revised to allow working holidaymakers to apply for work permits after 12 months in the UK. In 2003 the rules were changed so that working holidaymakers could take up any work in the UK whereas previously they were not allowed to pursue a career.

There is no maximum quota applied to the scheme and all those who meet the entry requirements may participate. Working holidaymakers make up a significant proportion of the temporary migrant labour force in the UK. 38,500 people came to the UK as working holidaymakers in 2000, up from approximately 25,000 in 1990. Nationals of Australia, New Zealand, South Africa and Canada (the 'old Commonwealth') have made up more than 90 per cent of all of the working holidaymakers in recent years.

A reciprocal agreement exists between the UK and Japan that allows citizens between the ages of 18 and 25 to spend up to one year in the other country. This is similar to the working holidaymaker scheme and operates on an annual quota basis.

Other schemes

Au pairs

The au pair scheme was established to provide a way for young people from outside the EEA to learn English while working in the UK. For this reason, au pairs must work for and live with an English-speaking family, and although they may not receive a salary, a weekly allowance of up to

£50 is recommended. The scheme was open to nationals of the countries joining the EU in May 2004 as well as countries such as Bulgaria, Romania and Turkey. Applicants must be aged between 17 and 27, be unmarried, and may stay in the UK for up to 2 years in total. There were an estimated 12,800 au pairs admitted into the UK in 2002.

Minister of religion

Applicants must show that they have been working for at least one year as a minister of religion, or that they have been ordained after considerable training for the ministry. Applicants must also show that they plan to work full time as a minister of religion in the UK and will not need help from public funds. The visa is tied to a particular post.

Teachers and Language Assistants

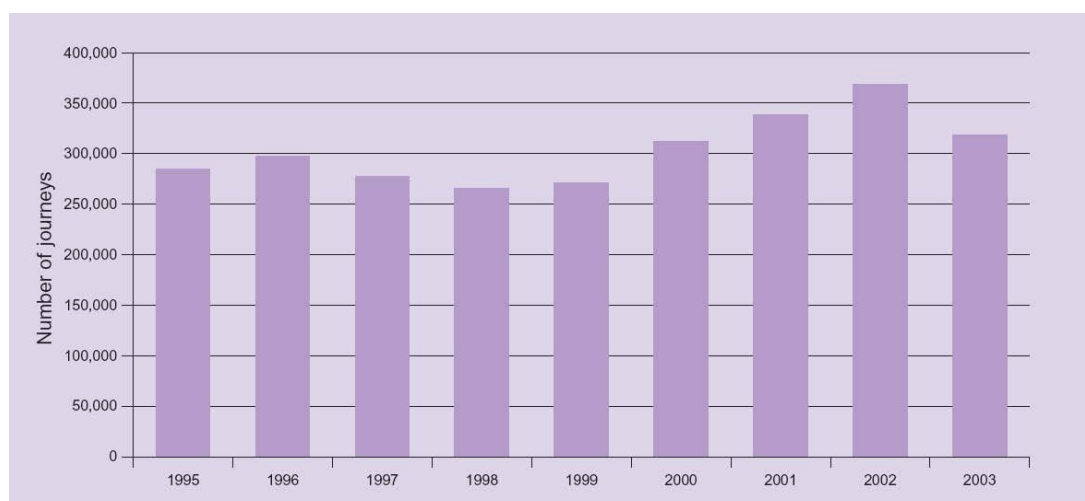
Qualified teachers and language assistants may come to the UK for a specified period of time, under one of several schemes and exchange programmes. They must demonstrate that they are able to maintain themselves without recourse to public funds and must not work in any other employment.

Volunteers

It is possible for non-EEA nationals to volunteer with registered UK charities for up to 12 months. Volunteers may not receive payment other than reasonable expenses and an allowance of up to £35 per week, neither will they be able to access public funds. Board and accommodation may be provided by the charity. The work undertaken by volunteers may not be of a type which UK residents would normally be paid to do and must involve work with the direct recipients of the charity's aid.

Students

In addition to those from EU and EEA countries, 319,000 students came to the UK in 2003 for higher education, further education, to learn English or to attend private schools. Collectively, they generated more than £5 billion in revenues to the UK economy.



Passengers given leave to enter the UK as students (excluding EEA/Swiss nationals from 1 June 2002) (source: Home Office)

A New System Emerging ⁷

In line with developments in other countries, the UK government is proposing to introduce a new points-based system. The aim is to produce a system which is more transparent to applicants, employers and the public, and to enable government to more easily adjust eligibility criteria according to supply and demand.

The scheme will have four tiers:

Tier 1 (Highly Skilled)

The most highly skilled - including doctors, engineers, finance experts and IT specialists - will be able to come to the UK without a job offer. This will be on the basis of their qualifications from graduate level upward, work experience and current salary, with additional points for those with the most in-demand skills. This will ensure that highly skilled individuals can enter the UK to look for work or self-employment opportunities. Investors and entrepreneurs will continue to be welcome to the UK and will score enough points on the basis of the level of their investment or the jobs they create.

Tier 2 (Skilled)

Others, with skills at NVQ level 3 (A level equivalent) and above, will be able to come if they have a job offer in a shortage area, and where an employer cannot find the skills they require within the UK or EU. This will ensure that UK employers have access to the skills and experience they need. Tier 2 workers would include nurses, teachers and administrators.

Tier 3 (Low Skilled)

In the light of the additional labour now available from the new EU countries, the Government proposes to phase out the current quota based schemes in the agricultural, food processing and hospitality sectors. Where additional needs are identified in future, it will introduce small tightly managed quota based schemes for specific shortage areas and for fixed periods only, with guarantees that migrants will leave at the end of their stay.

Tier 4 (Students and Specialists)

This tier will bring together students and a range of schemes where there is no significant issue of competition with the domestic labour force, including visiting workers representing overseas Governments or international companies based in the UK. Skilled workers in these categories can choose to come in Tiers 1 or 2 if they wish to make the

⁷ Controlling our borders: making migration work for Britain (February 2005) HM Government

UK their home. The Working Holidaymaker scheme for young Commonwealth nationals will remain but will be tightened.

The scheme will introduce a number of obligations on the various parties who benefit:

- Below Tier 1, each migrant will need a sponsor. This would normally be the employer or educational institution, but could, for example, be a representative of a faith community for Ministers of Religion, or the devolved administrations or local authorities, who may wish to sponsor migrant workers to address their particular needs. Sponsors will share the responsibility of ensuring that migrants comply with the requirements attached to their leave. They will be expected to report if the migrant has left employment or is failing to attend studies.
- Tier 3 schemes and some schemes under Tier 4, for instance the Working Holidaymaker scheme, will only be available to nationals of countries with a satisfactory returns arrangement with the UK.
- Where there is evidence of previous abuse migrants (or their sponsors) from higher risk countries or visa categories will be required to deposit a financial bond, which would be forfeited if they did not leave at the end of their stay.

The costs of the scheme will continue to be recovered through charges on migrants.

5. Issues for Tyne & Wear

This section of the Report considers a range of factors which influence the extent to which Managed Migration can be regarded as a feasible policy option for the City Region.

5.1. Demography

One of the principal drivers of the emerging interest in migration is long term population projection.

The North East

The population for the North East is projected to fall by 2% to 2.5 million by the year 2028, according to subnational population projections released by the Office for National Statistics (ONS).

Within the region, the unitary authorities of Middlesbrough, and Redcar and Cleveland are projected to show the largest decrease in population with the counties of Durham and Tyne and Wear showing more modest decreases (less than 5% over the 25 year period). Darlington and Stockton-on-Tees are projected to have increasing populations over the period of between five and ten percent, and the other areas (Hartlepool, Northumberland) are showing relatively constant population levels.

The North East population as a whole is projected to continue to age, with decreases in the younger age bands and increases in the older ages. This is in line with the patterns seen in national projections.

Tyne and Wear City Region

Population trends indicate the numbers in the city region have fallen by almost 5% since 1981; as the table below indicates, the urban core of Newcastle Gateshead has been a major factor in this decline. In Newcastle, population fell by 8.1% between 1981 and 2001, while in Gateshead the 10.4% decline was even greater.

Outside the urban core, population increased in Tynedale (8.9%), Blyth Valley (4.8%) and Chester-le Street (3.8%), reflecting the trend shift from urban core to rural and suburban commuter belts.

The rate of population decline in the urban core is slowing. Population decline in the Tyne and Wear urban core is forecast to fall to 2% over the period to 2010. ONS projections (2002) predict that whilst decline will reduce to near negligible levels in Newcastle, it will remain a factor in Gateshead (-2.9%), South Tyneside (-3.4%) and Sunderland (-3.7%). Despite the continuing decline in population, household estimates for Tyne

and Wear predict an increase from 1.10 million in 2001 to 1.14 million in 2011. This is largely explained by a greater number of single persons and elderly households.

	A Total Population 2001	B % change 1981-2001	C Population of working age 2001	D Population per sq.km
Tyne and Wear				
Newcastle-upon-Tyne	259,536	-8.1	162,000	2,304
Gateshead	191,151	-10.4	116,000	2,333
South Tyneside	152,785	-5.6	91,000	2,380
North Tyneside	191,659	-3.4	116,000	2,333
Sunderland	280,807	-5.8	172,000	2,036
South East Northumberland:				
Castle Morpeth	49,001	-1.7	28,000	79
Tynedale	58,808	8.9	35,000	27
Wansbeck	61,138	-2.4	37,000	910
Blyth Valley	81,265	4.8	51,000	1,166
Durham:				
Derwentside	85,074	-3.6	52,000	271
Chester le Street	53,692	3.8	33,000	784
Durham	87,709	-0.1	57,000	469
Easington	93,993	-7.4	56,000	646
TOTAL City region	1,646,618	- 4.7	1,006,000	/
North East	2,515,442	-4.5	1,526,000	293

Source: Office of National Statistics

**Notes: B-Based on 2001 Census data; C- based on mid-year population estimates;
D-People per sq km.**

5.2. Ethnicity and Religion ⁸

Summary

- Black and Minority Ethnic (BME) groups make up 2.4% of the population of the North East, compared to 9.1% of England as a whole.
- Asians are the largest BME group in the North East (1.3% of the population). Pakistanis represent nearly half of this group (0.6% of the population).
- Over half of Asians in the North East (52.2%) live in the urban areas of Newcastle upon Tyne (33.9%) and Middlesbrough (18.3%).

Ethnic Groups

- There are lower concentrations of every BME group in the North East compared to England as a whole. In all 97.6% of residents in the North East are white, compared to the 90.9% average for England. The Local Authorities with the highest concentration of BME groups are Newcastle upon Tyne (6.9%) and Middlesbrough (6.3%).
- The largest BME group in England is Indian, representing 2.1% of the population. In the North East this figure falls to just 0.4%. The region's highest proportion of Indians is found in Newcastle upon Tyne (1.2%).
- Pakistanis represent 0.6% of the North East population, compared to 1.4% of England's population, which is the largest BME group in the region. Middlesbrough has the highest concentration in the North East (3.6%) followed by Newcastle upon Tyne (1.9%).
- Caribbean groups represent 0.04% of the population of the North East compared to 1.1% of England's population.
- The largest ethnic group after White is Asian or Asian British which represents 1.8% of the population, and within this group Pakistanis are the most prevalent. After this, Chinese, particularly in Newcastle, are the most populous group.
- Analysis of figures to ward level indicate specific concentrations of BME settlement, particularly in the Elswick, Wingrove and Moorside areas of Newcastle, Beacon and Bents in South Tyneside and Thornholme in Sunderland.

Religion

- 80.1% of people in the North East claim to be Christian compared to the national average of 71.7%. This makes the North East the region with the highest proportion of Christians in England.
- The highest proportion of Christians in the North East is in Easington (85.2%). Newcastle upon Tyne has the lowest proportion in the region

⁸ Tables and charts in this section drawn from *2001 Census Topic Report: Population & Household Characteristics and Health* published by Tyne and Wear Research and Information and *Ethnicity in the North East* published by Government Office North East.

(70.6%) and is the only local authority in the North East to be below the national average.

- In the North East there is a lower percentage of people who claim to have no religion (11.0%) compared to the average for England (14.6%). There is also a slightly lower percentage of people who did not state a religion (7.1% compared to 7.7%).
- Middlesbrough has the highest proportion of Muslims in the region (4.2%) followed by Newcastle upon Tyne (3.6%). These two Authorities are the only ones in the North East to have a higher proportion of Muslims than the England average. Excluding Middlesbrough and Newcastle upon Tyne, the level of Muslims in the North East falls from 1.1% to just 0.4%.
- The North East's Jewish residents make up 0.1% of the population compared to the national average of 0.5%.
- The greatest concentration of Jews in the North East is in Gateshead (0.8%).

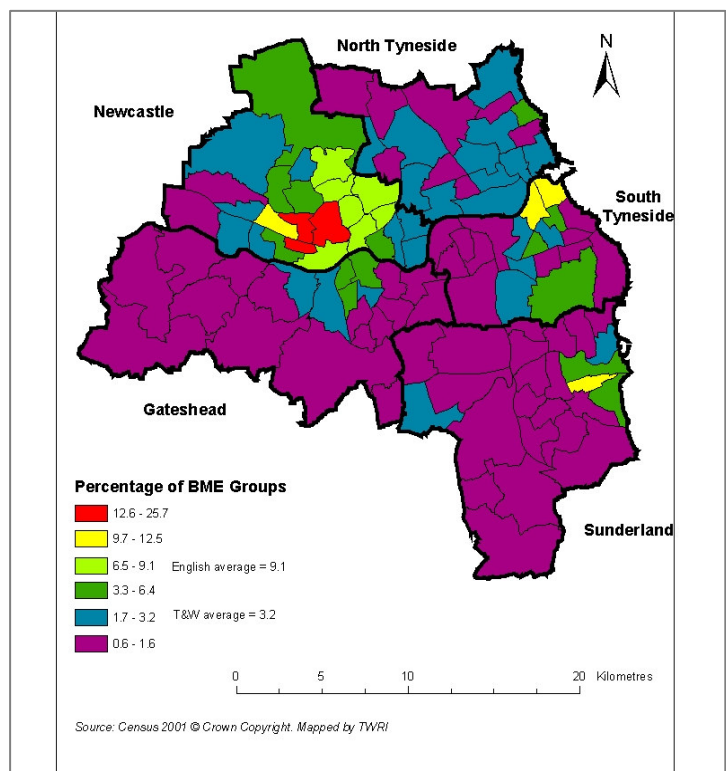
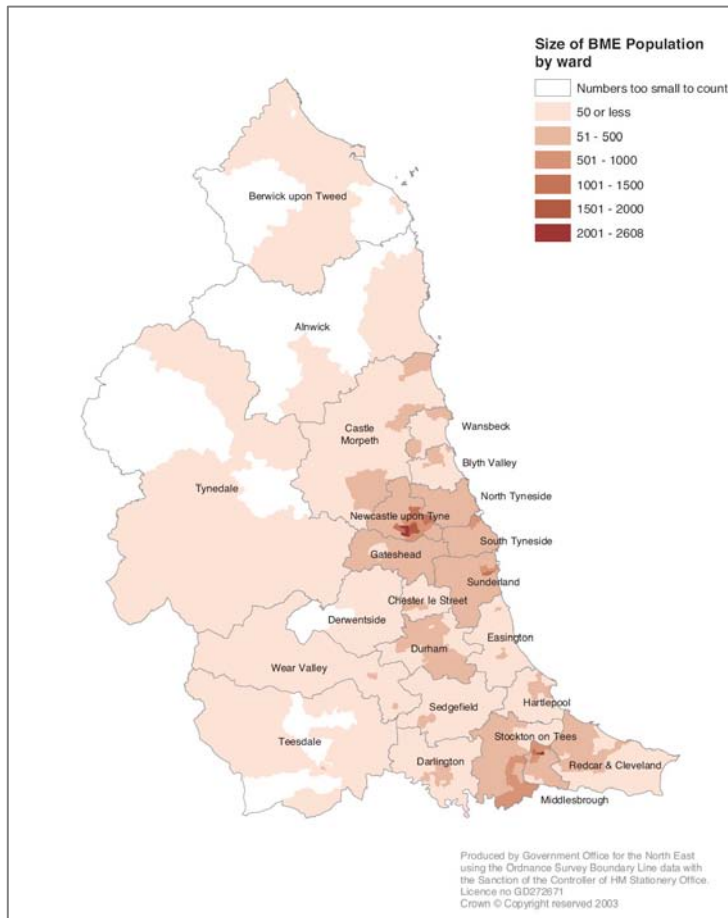
	Gateshead	Newcastle	North Tyneside	South Tyneside	Sunderland	North East	England
Total Population	191,151	259,536	191,659	152,785	280,807	2,515,442	49,138,831
Resident population (%)							
White	98.4	93.1	98.1	97.3	98.1	97.6	90.9
Mixed	0.4	0.9	0.5	0.7	0.4	0.5	1.3
Asian or Asian British	0.7	4.4	0.8	1.6	1.0	1.3	4.6
Indian	0.3	1.2	0.3	0.6	0.3	0.4	2.1
Pakistani	0.3	1.9	0.1	0.2	0.1	0.6	1.4
Bangladeshi	0.1	1.0	0.3	0.5	0.4	0.3	0.6
Other Asian	0.1	0.3	0.1	0.2	0.1	0.1	0.5
Black or Black British	0.2	0.4	0.2	0.2	0.1	0.2	2.1
Caribbean	0	0	0	0	0	0.04	1.1
African	0.1	0.3	0.1	0.1	0.1	0.1	1.0
Other Black	0	0	0	0	0	0.02	0.2
Chinese or Other Ethnic Group	0.4	1.2	0.5	0.3	0.3	0.4	0.9
Total BME population as percentage of total	1.6	6.9	1.9	2.7	1.9	2.4	9.1
Three Wards with highest proportion of BME population							
1	Saltwell	Elswick	Whitley Bay	Beacon & Bents	Thornholme		
2	Bede	Wingrove	Northumberland	Rekandyke	Central		
3	Bensham	Moorside	Seatonville	Westoe	Hendon		

Distribution of BME population

Tyne & Wear	Gateshead	Saltwell	5.60	Pakistani	2.04
		Bede	3.78	Chinese	0.81
		Bensham	3.39	Chinese or Other: Other	0.81
Tyne & Wear	Newcastle	Elswick	25.48	Bangladeshi	11.72
		Wingrove	24.68	Pakistani	13.09
		Moorside	16.22	Chinese	2.76
Tyne & Wear	North Tyneside	Whitley Bay	4.37	Bangladeshi	1.69
		Northumberland	3.09	Chinese	1.91
		Seatonville	2.79	Bangladeshi	0.94
Tyne & Wear	South Tyneside	Beacon and Bents	11.40	Bangladeshi	6.84
		Rekandyke	9.52	Indian	2.62
		Westoe	4.09	Indian	1.44
Tyne & Wear	Sunderland	Thornholme	10.61	Bangladeshi	6.06
		Central	6.65	Bangladeshi	1.81
		Hendon	3.43	Bangladeshi	0.96

Wards with significant BME population

Regional distribution of Black and Minority Ethnic Population



5.3. Migration and Attractivity

This section introduces a series of empirical studies of the Tyne & Wear/Newcastle City Region within a wider national, and regional context, exploring key factors which influence the ability of a city to attract and hold population within an increasingly competitive and fluid environment.

Migration between Newcastle City Region and the rest of Britain⁹

Even more now than in the past, it is considered that the quality of human capital is key to the growth prospects of a city and the region in which it is located. Among the aspects of quality most commonly cited are the presence of young adults, ethnic diversity and people with high-level skills. It is therefore seen as important that a city region should attract and retain people in these categories. The main emphasis is on attraction; normally the most successful places have the highest levels of population turnover, involving higher levels of departures than less successful places but even higher levels of arrivals. The key measure therefore relates to the balance between migration inflows and outflows.

This section examines the performance of Newcastle City Region on these criteria in the recent past. Census data on people's changes of address within Britain in the 12 months to 29 April 2001 are used to profile the City Region's migration balances by age, ethnic group and socio-economic class (see Appendix for a note on the data used). The results for Newcastle City Region are compared with those for Britain's five other premier cities, namely London, Birmingham, Manchester, Glasgow and Liverpool. Also included for comparative purposes is the other City Region in the North East centred on Middlesbrough: Teesside is in fact the sixteenth largest city in Britain in terms of the 2001 Census population of its Primary Urban Area (nb. the PUA is essentially the main built-up area). The map below shows the relative size, in terms of area, of these seven City Regions and their PUAs.

All people

So as to provide context for the remainder of this study, Table 1 presents results from the type of analyses carried out below, but here looking at the total population. Out of the seven City Regions (CRs), Newcastle emerges as a clear exception in recording a net gain of population from migration exchanges with the rest of Britain in the 2000-1 period covered by the Census data. All the other six CRs recorded larger outflows than inflows (as is shown by their in/out ratios all falling below 100). Birmingham CR experienced the opposite extreme to Newcastle because there were only 76 in-migrants to it from the rest of Britain for every 100 people that left it to live elsewhere in this country.

⁹ See Appendix for notes on the use of data in this section

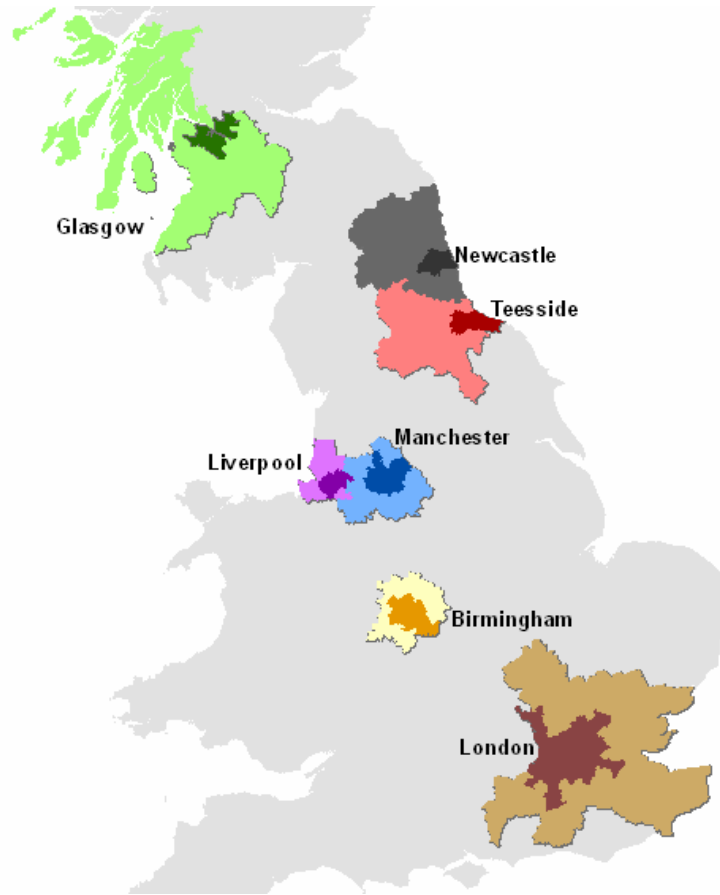


Table 1. Total within-Britain migration in the 12 months before the 2001 Census (ranked by in/out ratio)

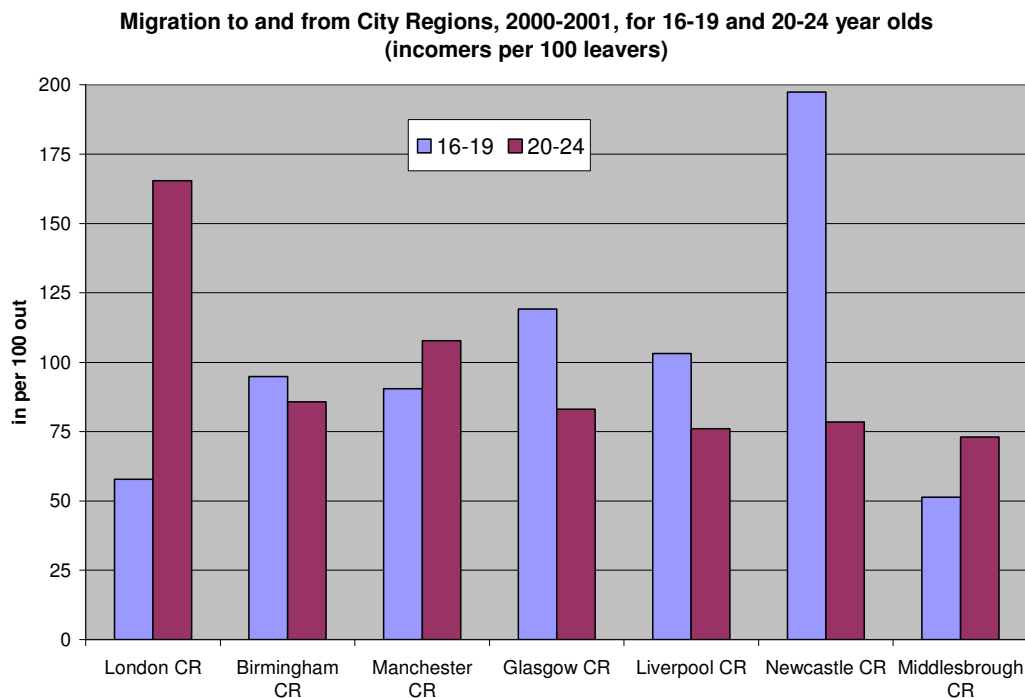
City Region	Inflow	Outflow	Balance	In/out ratio (%)
Newcastle CR	28420	27966	454	102
Manchester CR	54236	58376	-4140	93
Glasgow CR	25684	28430	-2746	90
Middlesbrough CR	19012	22047	-3035	86
Liverpool CR	24142	28654	-4512	84
London CR	204688	254515	-49827	80
Birmingham CR	40760	53391	-12631	76

This pattern, and especially Newcastle's performance, does not fit all that closely with conventional wisdom, so some interpretation is called for. In the first place, most ideas about Newcastle are based on the performance of its core district: the City itself did experience overall net migration loss in 2000-2001. In fact much of this loss was to the surrounding areas in its own City Region – like North Tyneside and Northumberland – experiencing high levels of house-building at the time. As a result, such flows are not relevant here because at the wider CR scale they are neither inflows nor

outflows. Another factor is that, as shown by other evidence, 2000-2001 was part of a relatively unusual period for Newcastle and for the North-South divide generally. It was around this time that the country's economic recovery reached the region (and there was something of a temporary downturn in the economic growth of London and the South East). For this short period there was a narrowing of long-standing regional contrasts in unemployment rates and house prices, and even a temporary reversal of North-to-South net migration. Having said this, it would appear that the Middlesbrough CR did not benefit to the same extent from this cycle-related effect.

Young adults

The graph below shows the in/out ratios for two groups of young adults. Comparing Newcastle first with Middlesbrough, it can be seen that Tyneside is much more attractive to 16-19 year olds than Teesside because it gained almost 200 for every 100 leaving; this is almost four times as many as Middlesbrough which saw barely 50 arrivals per 100 leavers. Newcastle's much more advantaged picture can in great measure be attributed to its much larger number of university places and its more extensive recruiting field for students. In contrast, the two CRs are almost identical in terms of their in/out ratios for 20-24 year olds; however this is a more impressive performance for Newcastle because this age group includes the effect of students leaving university on graduation.



Comparing Newcastle CR with the other five large CRs, its performance for 16-19 year olds is again distinctive. Glasgow and Liverpool are the only other CRs recording more arrivals than departures of this age group, but Birmingham and Manchester are not far below the 100 line. London's ratio is especially low at only 58 incomers per 100 leavers. To the extent that the patterns for this age group are dominated by students moving from their parental homes to university, the results for London are largely

reflecting its large CR generating many students who go away to university, in comparison to the number of places which its local universities have available for students from elsewhere.

The picture for 20-24 year olds is radically different for London from all the other six CRs and Newcastle in particular. The very strong position of London can be largely attributed to the arrival of graduating students. This is partly the return home of the youngsters who opted to attend university elsewhere, but it also reflects the London CR's attractiveness for non-Londoners completing their studies at universities elsewhere, as well as perhaps its greater retention of graduates of its own universities. Of the five large provincial CRs, only Manchester appears to have bucked the tendency of gaining more 20-24 year olds than it lost in 2000-2001. Newcastle's performance is not far different from the other three, slightly better than Liverpool and a bit below that of Glasgow and Birmingham.

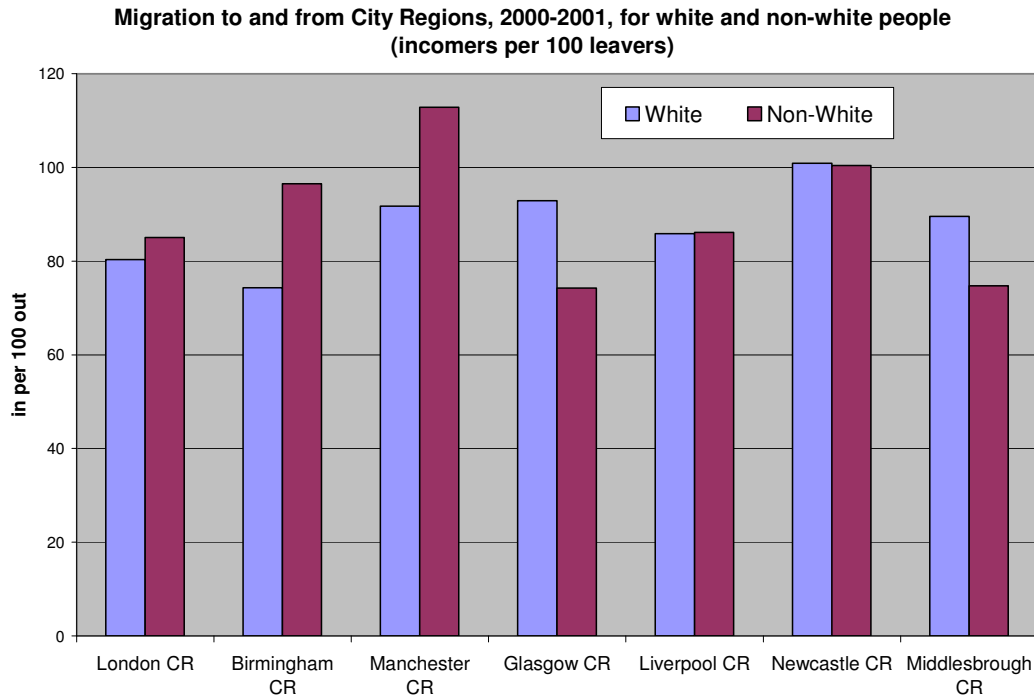
The retention of graduates, and of young people more generally, is seen as an important indicator of a place's current and expected economic performance, so it appears that Newcastle is in a relatively weak situation (although this is not that much out of line with most other large provincial cities, because the great contrast is with London). Even so, part of Newcastle CR's apparent weakness for 20-24 year olds is actually a direct result of its great attractiveness to young people going to university. Newcastle's substantial undergraduate population is a major resource that may perhaps be capitalised on if the graduate labour markets in London and other dynamic areas become saturated, or if job prospects for graduates in the North East improve.

Ethnic group

The graph below shows the in/out ratios for white people and for all other ethnic groups combined, including people of mixed origins. In comparison with Middlesbrough CR, Newcastle CR performed substantially better for both groups, but relatively more so for the non-white group. Newcastle's inflow that year was virtually in balance with its outflow for both groups (ie as many whites and non-whites moved to the CR from elsewhere within Britain as moved in the opposite direction); by contrast, Middlesbrough CR saw the arrival of only 9 white people for every 10 leaving and only 3 non-white arrivals for every 4 leaving.

Compared to the other five large CRs, Newcastle again appears to be doing well, with its performance in relation to non-whites bettered only by that of Manchester CR whilst that for white people is stronger than that of any other CR examined here. On the other hand, more successful competitor CRs – especially Manchester and Birmingham – saw their migration exchanges with the rest of Britain in 2000-2001 fuelling their development towards more ethnically diverse populations (due to a stronger net out-migration of white people than of the non-white groups). The pattern is the same for London, though much more muted; in fact, London's overall population is diversifying much more rapidly than elsewhere because of its huge net gains of non-white people from

overseas (but this cannot be shown from Census data because emigrants are not included).



Previous research has identified contrasts between non-white ethnic groups in their levels of skills and entrepreneurship, with Indians and Chinese usually found to be the high achievers. Table 2 shows the full breakdown in the Census migration data and Newcastle scores pretty well in this respect. In the 2000-1 period, 126 Indians moved into its CR from elsewhere in Britain for every 100 moving out: this is highest ratio of all seven CRs. It also made a net gain of Chinese people, although the positive balance here was lower than for the Manchester and London CRs.

Table 2 In/out ratio (%) of migration in 2000-1 for six non-white ethnic groups

City Region	Indian	Chinese	Other Asian	Black	Mixed	Other
London CR	98	117	84	68	71	109
Birmingham CR	80	91	104	120	99	105
Manchester CR	103	131	110	130	108	110
Glasgow CR	60	74	74	83	84	93
Liverpool CR	87	66	104	101	84	73
Newcastle CR	126	108	81	83	141	54
Middlesbrough CR	61	79	65	144	78	75

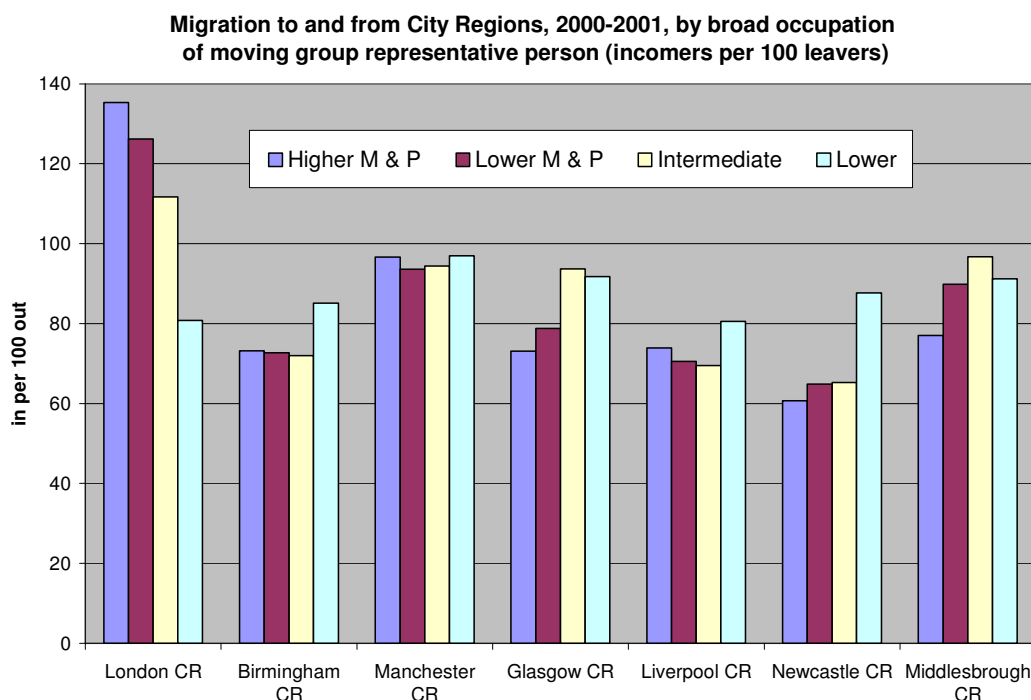
It is important to be aware of the fact that the numbers of non-white migrants are rather small for Newcastle CR so the absolute scale of their impact on the change in the overall population cannot be very great. The inflow of all non-whites in this particular year totalled 1,754 people (and the outflow 1,747). These flows are similar in size to those for Glasgow and Liverpool but barely a third of those of Birmingham or Manchester

(and not of the same order of magnitude of London's flows which are in the twenty thousands).

Socio-economic class

The National Statistics Socio-economic Classification (NS-SeC) is the central measure of social status in the 2001 Census and the only one used in the migration data. It is the nearest equivalent of the 'socio-economic group' used previously, but it has been combined with aspects of economic position and so also includes four categories of unclassified people: 'never worked' / 'long-term unemployed' / 'full-time student' / 'other not classified' (the latter including people aged under 16 and 75+ and any other retired people). In the following analysis, the NS-SeC categories are aggregated to four broad groupings. It is also important to note that this migration is not for all people but for the representative persons of moving groups (MGRPs, see Appendix).

The in/out ratios of all the four groupings are shown in the next graph. On the face of it, this picture is a much more gloomy one for Newcastle CR than was seen earlier for the total population. The number of MGRPs moving into the Newcastle CR who are in higher managerial and professional (HMP) work was barely 60% of the number who left and moved into HMP work somewhere else in the country. The ratio was only a little higher for the lower managerial and professional (LMP) and intermediate categories, both at 65 arrivals per 100 leavers. These ratios are smaller than for any of the other six CRs – even including Middlesbrough – although those for Birmingham and Liverpool are not much higher.



Note: M&P = Managerial and professional.

Newcastle CR's performance on these three broad occupational groups is diametrically opposed to that of the London CR once again. In the 2000-1 period there were more MGRPs who arrived in London and went into these occupations than there were leaving. The pattern for several other CRs (notably Liverpool, Glasgow and Birmingham) is more akin to Newcastle's than to London's; it is London which is the really distinctive case.

What conclusions can be drawn from Newcastle CR's apparently dismal performance here in relation to the migration in and out of people by occupational grouping?

There are two broad explanations for Newcastle CR's strongly negative migration balance for its higher- and middle-ranking occupational groups. The first concerns people's moves to and from higher education. Newcastle CR clearly has a massively positive balance when it comes to people moving to become full-time students. Its four universities in aggregate act as a great attractor for in-migrants while relatively few of its school-leavers go into higher education in other parts of the country. This strong net gain of full-time students then has its downside at graduation, when far more people leave the Newcastle CR for elsewhere in the country, and take up jobs there, in comparison to the numbers of students returning to Newcastle CR from studying elsewhere.

The other explanation is the well-documented one of there just not being enough suitable jobs available in the Newcastle CR for well-qualified people. Certainly many people perceive that better jobs and faster promotion prospects are available elsewhere. For very many graduates, 'elsewhere' means the London CR sooner or later. Thus the haemorrhaging of students-turned-graduates is partly due to poor (actual or perceived) job and career chances in the Newcastle CR in comparison to London or their original home areas.

Unfortunately with the Census migration data the relative importance of these two broad factors cannot be separated out directly. What may be true is that if Newcastle did not have a high turnover of students, and if the students did not get good jobs elsewhere, then Newcastle's in/out ratios across the four occupational groups might be more like those of Middlesbrough CR? Liverpool looks to be in a similar position to Newcastle but Manchester is seeing a more positive pattern: it has an even larger absolute student presence than these other two CRs but it has a near balance of inflows and outflows across all four occupational groupings. The question remaining is how Manchester has achieved this outcome and, depending on the answer, what would Newcastle CR need to do to emulate this achievement?

Migrants from East Central Europe

The flow of in-migrants which has stimulated the most recent press coverage has been that from the 8 former Communist countries in East Central Europe which are part of the 2004 Accession States to the European Union: they are known as the A8 and range from the Baltic states such as Lithuania through Poland and Slovakia to Slovenia in the (formerly part of Yugoslavia). So far as officially-recognised migration goes, A8 migrants to Britain have only been accepted if they have gained work and they have joined the Worker Registration Scheme; unpublished data has been obtained from this scheme (covering the period to the end of 2004) to give a first insight into these new migrants.

The qualifications of, for example, dentists in the A8 countries are not necessarily recognised here and so the A8 migrants – unlike migrants who gained work permits through Britain’s longer-standing regulations – were expected to mainly be less well qualified people who took the less well paid jobs which were difficult to fill in pressured labour markets. As a result, it would not be expected that many would have come to the north east, and so it has proved. Whereas the City Region makes up around 2.8% of the British population, only 0.8% of the A8 migrants in 2004 were registered with employers (or agents) here in the region. The absolute total was under a thousand (977) and of this number some were seasonal workers and so they would have left again before the end of the year.¹⁰

These new migrants to the City Region are predominantly male and young. Not unlike the profile of A8 migrants to Britain as a whole, just over 60% were under 30 and much the same proportion were male. They brought fewer than 100 dependents with them altogether in the region. Their nationality profile largely matched that of the total A8 flow to Britain except that here the largest proportion was from Lithuania (42%), leaving those from Poland in second place (35%), whereas Polish people make up over 50% of the national total. There were fewer than 100 migrants to the region from each of the other A8 countries.

Although the information available is not coded to great detail, it seems that only a very small proportion of these new migrants to the region had better paid work. More typical jobs included care assistants: low paid work with unsocial conditions which, as a result, can lead to vacancies which are chronically difficult to fill even in this region where employment rates are low. There was a surprisingly large numbers of production plant workers who were registered in the region but this may be reflect the

¹⁰ NB the authors acknowledge that there has been recent media coverage to suggest that Eastern European migration may be a more significant phenomenon than this Report suggest, ie *"Region just the job for 6,000. Thousands of overseas workers are heading to the North East to plug job shortages. More than 6,000 people - many from Eastern Europe - have applied for permits to work here in the last year"* (Evening Chronicle, 12 May 2005). Two points need to be noted. The 'North East' referred to by Evening Chronicle report, includes Yorkshire and Humberside, and refers to permit applications only.

activity of an agency based finding workers – especially from Lithuania it seems – for employers who may well be outside this region. It seems disappointing that the region appears to have attracted a lower proportion of A8 migrants to work in jobs which were in administrative, business or management categories than has happened elsewhere; the regional proportion is much less than the nearly 25% of all A8 migrants with such jobs nationally.

Asylum Seekers

One rather less new in-migrant flow has been asylum-seekers (in fact, this flow has been declining in number over the last two years). When accepted into this status, people who are given a subsistence level of support tend to be dispersed to a location which has suitable accommodation available. Prior to the introduction of this dispersal process, very few asylum-seekers had come to the region. The most recent data covers the situation at the end of 2003 (nb. in this analysis, people in supported accommodation are combined with those receiving financial support only).

Table T shows that the number of asylum-seekers in the region (over 3300) was considerably larger than has been reached so far by the A8 migrants (977). This will be due to the policy of dispersal, because there is very little chance that over 4% of asylum-seekers would have chosen to live in the City Region if they had been left to choose for themselves. The single most important factor here is the decision made by each individual local authorities to make housing available, although of course this is largely shaped by local patterns of low housing demand. These factors lead to the notable fact that the City of Newcastle alone houses 1 in 50 of all asylum-seekers in the whole country.

Table T Asylum-seekers (at end 2003)

	number	% total
Newcastle	1565	2.0%
Gateshead	480	0.6%
N. Tyneside	390	0.5%
S. Tyneside	150	0.2%
Sunderland	755	0.9%
rest (estimated)	58	0.1%
City region (estimated)	3398	4.2%
North East	5170	6.5%
UK	80125	100.0%

Assessment of the Attractivity of Tyne & Wear City Region

Data limitations often mean that analyses of complex processes such as migration are undertaken in a less than ideal way. The result is, of course, that the analyses' findings — and conclusions drawn from them — may be misleading. This brief section of the report reviews a recent study¹¹ which produced an improved way of measuring what migration patterns can tell us about how attractive each area is, compared to others in the country. Given this more accurate measurement, it is then possible to be more confident about the factors which seem to make areas more attractive. It is unfortunate that this is a complex form of analyses, with the result that it has yet to be repeated with the 2001 Census data: the findings reported here are based on the patterns of migration at the start of the 1990s, and it will not be possible to know how far these changed over the subsequent years until a new analysis has been carried out.

The intrinsic attractivity of an area to migrants is shown by the probability that people move there, but first it is necessary to take account of the area's relative proximity to the areas which migrants might move from. It is this location factor which means that Newcastle-under-Lyme's position half way between Birmingham and Manchester is more likely to be somewhere migrants move to than Newcastle-upon-Tyne (if all other things were equal). In fact, more migrants moved to the Tyneside city than the Potteries town (even after allowing for their different size), which shows that the city has a greater attractivity to migrants. The study described here produced attractivity scores for all local authority areas across Britain (nb. the data refers to 1990-1 when the relative growth of the south of England was at an unusually low level due to the stage in the economic cycle).

Areas within the Tyne and Wear city region can be compared with each other, whilst they can also be compared with 'rival' areas elsewhere. Results in the North East largely reflect national patterns: the more rural areas have the highest attractivity scores, but selected larger cities have quite high scores too so there is not a simple urban-rural contrast to the values (Table X). The rural Northumberland areas' values rival those in the Yorkshire Dales (and rather unexpectedly, are higher than those for areas in Cumbria). Newcastle outcores all its conurbation neighbours, while Durham City also has a fairly high value. The score for Newcastle is noticeably higher than those for all the other English core cities (even a more economically successful city like Bristol). It is not a purely technical point that using this improved way of analysing migration patterns reveals that Newcastle's relative attractivity is greater than previous studies had suggested.

¹¹ Fotheringham AS, Champion T, Wymer C and Coombes MG (2000) "Measuring destination attractivity: a migration example" *International Journal of Population Geography* 6 391-421

Table X Attractivity scores for Newcastle City Region and Core Cities

Attractivity scores:	Total	age 30-44	age 16-24
Newcastle upon Tyne	5.3	2.6	3.9
rest of City Region:			
Gateshead	2.9	2.4	2.1
North Tyneside	3.5	2.9	2.3
South Tyneside	3.1	2.9	2.3
Sunderland	3.1	2.2	2.1
Chester-le-Street	5.2	6.7	5.1
Derwentside	3.9	4.4	3.5
Durham	5.7	5.6	4.4
Easington	3.5	3.9	3.1
Blyth Valley	4.6	5.0	4.0
Castle Morpeth	11.1	9.5	9.0
Tynedale	7.8	8.8	5.2
Wansbeck	5.2	6.3	4.9
City Region average	5.0	4.9	4.0
other Core Cities:			
Manchester	3.3	1.5	2.7
Birmingham	2.0	1.1	1.4
Liverpool	1.9	1.2	1.6
Sheffield	2.7	1.6	1.9
Leeds	2.9	1.6	1.9
Bristol	4.3	2.5	3.1
Nottingham	3.3	1.8	2.9
Core City average	3.2	1.7	2.4
national average	5.6	5.3	4.2

The research study included two other components which deserve mention here. The analyses were repeated but with the narrow focus of two age groups thought to have different migration preferences (viz: 15-24 and 30-44 year olds). Contrary to expectations, the attractivity of areas was found to not differ much for the two groups (nb. in this dataset – unlike the 2001 Census – students were mostly counted at their parental addresses). For the crucial 30-44 age group, Newcastle’s attractivity was more similar to those of its urban neighbours, due to the strong preference of this group for more rural areas. The other core cities fared similarly, so Newcastle’s high standing among its national comparators was little affected.

The other key part of the study involved taking the new attractivity measure and attempting to ‘explain’ its pattern of values across the country by reference to factors likely to make areas more/less attractive to migrants. Out of 22 initial tested factors, just 6 were needed in a statistical model which accounted for 89% of the variation between areas’ attractivity scores. On this basis, Newcastle’s fairly high attractivity score can be attributed to its substantial size, relatively peripheral position within the country, and reasonably high share of higher social class

residents. Turning from 'strengths' to 'weaknesses' of the city: its attractivity value could have been expected to be higher still if it had had less illness, had more accommodation to rent furnished, and was more of a 'gateway' city for international immigrants.

Given the city's mix of strengths and weaknesses, this statistical model suggests Newcastle could not have expected to have so high a attractivity score as it actually has. It is too speculative to interpret this statistical 'residual' as being the result of intangible factors which increase Newcastle's attractivity. That said, this residual value for the city — that is, its unexplained 'extra' attractivity — is noticeably one of the highest within the region and also among its Core City comparators.

Conclusions

The evidence on these studies is fairly readily interpreted when put in the context of the region's status within national labour and housing markets. Migrants who come to the UK looking for work are not likely to be attracted to those areas with few available jobs: this factor has of course been largely responsible for the region's low level of in-migration for many decades. Thus it is no surprise that A8 migrants are not numerous here. The absence of many 'spare' jobs has led to some surplus housing, which in turn has made possible the arrival of numerous asylum-seekers but this almost certainly has only happened because of the government's dispersal scheme.

The key questions here centre on the potential contributions of various migrants to the City Region's 'human capital' and, more generally, its diversity. At this scale, only the number of asylum-seekers is known, but country of origin is reported by standard region. Information for 2002 and 2003 shows this migrant flow to the North East to increasingly be from Islamic countries of western Asia (eg. Afghanistan and Iraq). Many of these migrants may have little English and this will shape their experience and potential role within the region's society and economy. In this respect, the low numbers of A8 migrants to the region is notable too because the evidence is that a very high proportion of these people have good English language skills.

To summarise: migrants from abroad may well be valuable to the City Region but they are not readily attracted to an area which has few 'spare' job opportunities: schemes like asylum-seeker dispersal may bring more here than would have otherwise come but the fact that they are 'placed' involuntarily shows that they had been in a 'weak' position and this probably goes with a number of other disadvantages such as limited language skills.

5.4. Jobs and Skills

The principal driver of any sustainable migration policy must be the labour market. Increasingly the migrants entering Britain will be people seeking a job, or with a job already to go to. The extent to which migrants are attracted to Tyne and Wear will rest increasingly on how many job vacancies are available and how many of these cannot be filled by local people.

The headline news is not encouraging: employment in T&W is projected to show a slight decline up to 2012¹². However, owing to labour market turnover, over the same period there will be a total of 171,000 job opportunities coming available, equivalent to one third of the workforce.

The sectors anticipating the greatest increase in demand for labour are Health and Social Care, Personal and Social Services, and Business Services and the Retail Trade. Most of these vacancies will be for occupations at intermediate and higher level occupations. It will not be possible to fill all these vacancies locally so there will be a demand for labour from outside the area.

The sectors experiencing difficulties with recruiting and skill shortages will be those most likely to look to migrants. These are particularly marked in Education and Health and Social Care. This is emphasised by recent new reports that NT&WSHA will require 2,500 more workers by 2007.

Most of the job demand is from the public sector and there is already experiencing of recruiting overseas. However, whilst 45% of London employers expressed a willingness to recruit from abroad compared with only 13% from the North East¹³. This may be due to lack of appropriate vacancies, ignorance of the opportunity, or discouragement by the bureaucracy associated with foreign recruitment. Addressing the root causes of this discrepancy is fundamental to making any progress.

¹² Learning and Skills Council (February 2005) *An Assessment of Learning and Skills needs in Tyne and Wear 2004* NB Interestingly the document has nothing to say about migrant labour

¹³ Chartered Institute of Personnel and Development, *Quarterly Human Resource Trends and Indicators* (Autumn 2004)

5.5. Cultural attitudes to outsiders

Although we have established that economics will be the most important factor in attraction of migrants, many other issues can have an influence on the region's ability to retain people. One of these will be the extent to which migrants feel that their new home has a social structure and labour market which is open to them. Another will be the perception by them and their family, in their daily affairs of how welcome they feel, or even how safe they feel. This will be influenced in turn by deeper attitudes held by the local population (including established BME communities) towards newcomers. The reception which a migrant can receive can range from positively welcoming, through tolerance and benign indifference, to sullen resentment or outright hostility.

Aside from specific cultural or political attitudes to foreigners, we can understand newcomers, whether they are overseas migrants, 'visible minorities' or simply people from another part of the country as a physical embodiment of change. Change is often threatening to individuals and communities, particularly if they feel they have little or no influence over it.

There is a paradox in the North East of England. Whilst it is the region with the most homogenous, least ethnically-diverse population in England, its people appear to be most likely to feel negatively about diversity. For example, recent survey by MORI sought levels of disagreement (by region) to a statement that 'it is a good thing that Britain is a multi-racial society'. London was the most concurrent with only 5% disagreeing with the statement, whilst 23% from the North East disagreed – the largest of any region. In the same survey, people from the North East (66%) were most concerned that Britain was losing its culture, and were most likely (94%) to feel that the government did not have immigration under control.¹⁴

Whilst there is undoubtedly a degree of racism embedded particularly in certain parts of the region, we would interpret the findings of the MORI poll to suggest that there is a more profound unease with change, the undermining of collective values and communities and an anxiety about what the future holds.

In extreme cases, however, the fear of change and the resentment of strangers can become a crime and safety issue. A recent national newspaper survey of racially-motivated crime highlighted Northumbria as the fourth worst in the UK (with Durham and Cleveland also in the top 10)¹⁵.

¹⁴ MORI (2004) *The Second Death of Liberal England?*

¹⁵ The Observer (27 March 2005) *Danger areas for minorities*

Northumbria Police, however, report that incidents of racially-motivated crime have in fact fallen by 3.1% from a figure of 1.655 in 2003/4 to 1,603 in 2004/5.

One report¹⁶ suggested that until quite recently recording of racially-motivated crime had not been a priority for Northumbria Police. The Force itself argues that whilst this might have been the case in the past it is now coming into line with national codes of practice.

Perceptions of migrants interviewed in the course of researching this Report, towards issues of openness, hospitality and racially-motivated crime, varied widely. Few expressed personal experience of mistreatment, particularly in the cases of knowledge migrants, and people who have grown up in well-established ethnic communities, respondents were explicit in their appreciation of their Tyne & Wear home.

The most common reason for disaffection is in the case of the asylum system. The suggestion is that in the case of certain local authorities, willingness to accept individuals through the national dispersal system has been driven by factors which are far from philanthropic, ie receipt of income for use of problematic vacant housing. This has resulted in vulnerable people being located alongside local communities who are themselves facing multiple difficulties. Failure to then invest in building inter-communal communication has in some cases led to conflict, violence and even fatalities.

This of course creates a serious question for any region contemplating a managed migration strategy. Should a region's openness and hospitality be judged upon the treatment received by its most privileged and highly-prized migrants, or by that meted out to its most disadvantaged?

¹⁶ *The Reporting and Recording of Racist Incidents Against Asylum Seekers in the North East of England*, The North East Consortium for Asylum and Refugee Support(March 2004)

5.6. Real Lives: experiences of Migrants to Tyne and Wear

The ambition of a managed migration policy for Tyne & Wear is to attract foreign migrants with knowledge, skills or resources which they are prepared to invest in the local economy and the community for its longer term benefit.

As part of the research we have looked at the experiences of people who have already followed that route, and the experiences they have had. These experiences, both positive and negative will have a major influence upon the decisions of those who need to follow if the policy is to be a success.

In the first instance, any policy needs its symbolic champions and exemplars. In the case of Tyne and Wear it has this in the form of Dr Miodrag Stojkovic, who has risen to international prominence during the course of the research.

Miodrag Stojkovic

On 19 May 2005 it was announced that a team working at the Centre for Life in Newcastle had become the first in Europe, and only the second in the world, to clone a human embryo, based upon stem cell research. The breakthrough gives the UK, and Tyne and Wear city region in particular, an enormous advantage in the emergence of a new technology which promises to lead to lucrative new industries and economic spin-offs in areas ranging from human fertility to the treatment of Alzheimers and Parkinson's disease.

The Centre for Life team is jointly-led by a migrant who first came to Britain in 1991 and arrived in Newcastle in 2001. Miodrag Stojkovic was born in Leskovac in Serbia, the son of a kitchen maid. He trained as a veterinary scientist and was working in a pharmaceuticals company when, with the outbreak of the Yugoslavian civil war looming, he decided the only way of fulfilling his research ambitions would be to move to the West. Finding a research position in the UK he then started looking for a place with the combination of expertise, facilities, ambition and financial resources to enable him to expand his interest in one of the most promising but also controversial of emerging technologies, stem cell research.

Centre for Life provided the ingredients to enable him now to realise his ambition. He has since married a colleague and is settled in the region as its most accomplished and celebrated knowledge migrant.

Exactly because he was so intensely focused upon his work during the research period, Dr Stojkovic was not able to contribute his personal impressions of migration and settlement to this report.

We have consulted with many other people from academia and business in particular who have shared with us their account of the benefits and the frustrations of being a migrant to the UK and Tyne and Wear.

One of the first points which emerges is that in most cases the respondent has not taken a deliberate decision to relocate to T&W, it simply happened to be the location of the position to which they aspired. . "It could have been anywhere" explained a lecturer in Accounting & Finance from Newcastle University Business School. "I came to do my PhD and then applied for the lectureship that became available at the Department and got it so I decided to stay back."

However, once here, many migrants quickly become attracted to the region's distinctive charms. Herb Kim of CodeWorks, himself a migrant to the city after living in the US and other parts of UK for seven years, comments: "Regionalism is very strong in the North-East – people are proud to belong here, which is something you don't find in most of the other parts of the country, that I have lived in."

Cost of living is important too. One migrant academic said "I have the greatest job here and that was the main reason to move. But Newcastle is probably the only place in England I can afford to live!"

Professor at University of Newcastle

British by birth, she had originally moved to Australia some twenty years ago for employment and has now returned, with her Australian husband, for a senior post at Newcastle University.

Moving back to England has been much more difficult than she had thought it might have been. Problems have ranged from her bank account to even renting a van to move her belongings. Her husband who used to work as a Chief Planner in Australian local government has had to take a significant step down as a team member in Darlington, because his Australian qualifications are not fully recognised in the UK until he completes some professional examinations to prove his qualification for the job.

On first arriving in Newcastle he was unable to rent a removal van with his Australian passport and driving license. His passport stamp says "Spouse Visa" so his wife needs to accompany, with her passport, whenever he confronts officialdom. Her bank account has been declared 'dormant' and she cannot apply for facilities such as debit or credit cards until it is brought back to active status again. She says, "I have been operating my bank accounts from Australia for paying several dues for professional organizations of which I am a member of in UK. There should be no reason for the account to be dormant". However, as she wasn't in the country for a long time, she has to go through all the paperwork to 'reinstate' her banking status.

Her husband had no rights to open a bank account until he had a job or open a joint account with her. Finally, in order to resolve all of these issues more speedily, he decided to subscribe to the Bank's Premier Service for an additional £150 a year, for which they were allocated a personal manager, whose advice was that they open a joint account.

She explains "When I first went Australia, I told them, I am new here and I want to open a bank account" and within few minutes she had it. It seems that even twenty years ago Australia was more equipped than the UK is now to handle new immigrants.

Systems both within government and the private sector often seem to revert to default when confronted with migrants. Whatever their past record of achievement, many feel they are treated at best as a *tabula rasa*, and at worst as a potential bad debt or security risk.

Mature Student

A PhD student in Health Economics at Newcastle University, who has been a practicing health economist in Australia for 8 years recounts a common problem. She decided to take a break and return to full time education in the UK. Despite her previous work record and the fact that in Australia she has a HSBC credit card with a substantial limit, she was regarded by the banks as they might an 18 year-old undergraduate. She was initially refused a credit/ debit card and later was granted a card with a limit of £250 which is the maximum for any student. She says, "the bank just wouldn't consider my past credit history as I am classed as a student here. Because I didn't have a bank account for my initial period here, I couldn't even get a mobile phone connection"

The systems affecting immigration are equally perplexing for the British companies who are seeking to employ migrants:

College/employment transition

Zhang Wei (from China), recently graduated with Masters Degree in Transport Systems Engineering from Newcastle University and had been offered a job in a company called Serco, who agreed to sponsor her work permit. The Home Office rejected her application without a reason and further sent notices to the company that if they were to employ her, they would be in violation of immigration regulations. "I am very disappointed, I spent so much time preparing for the application and waited for their decision to come." Wei says. One of the Directors at Serco commented, "I cannot think of a reason why they would refuse her a visa. We wanted someone with Mandarin speaking abilities as we are planning to expand our transport business to East Asia. The paper work was extremely difficult to go through and we even had to submit proof of our existence, which is interesting as Serco is one of the largest suppliers of speed cameras to the Government (Department of Transport)".

"The fastest application, I have seen ever getting processed for the work permit is for several months" says another entrepreneur from China Town.

Many respondents expressed problems with opening of bank accounts: it was particularly alarming, for example, to hear that it had taken almost 8 months for an American company to open a business bank account after locating in Newcastle. Part of the problem seems to be that the system is set up to work for certain categories of people and not for others. Because it is now so clearly obvious that students are a significant market with clearly identifiable needs and behaviours, systems both national and local have adapted to them. A similar recognition of the needs of migrants is now called for.

Satisfied with the System

A medical practitioner in Durham has a different story. "I think the service delivery in the North-East is great - far better than Bangladesh" He went to medical school in Bangladesh then moved to Newcastle in 1960 where he met his wife who was then doing her PhD in Chemistry at the University of Newcastle. "I think things are pretty much happening as they should happen" he says, whilst commenting on his application for his naturalisation as a British citizen. "There were absolutely no issues with it. I had already worked and lived in the country for 7 years when I thought I should file for the process, and our passports were sent directly to us without any problems."

On being asked whether there was any other place that he would like to move in to in UK he said "I've made friends here - some of the greatest friends of my life - and I have lived here for so many years that this is home for me. But my children might want to move out as they feel Durham in general is very quiet."

Finally, there are a growing number of individuals in Tyne & Wear who are making the most of the system, whatever its faults and simply getting on with it.

From Asylum Seeker to Businessman

Mohammad, from Iran who felt completely alone when he first arrived in Newcastle. Mohammad came to England in December 2000 as asylum seeker. From Dover he was sent directly to Newcastle. Unable to speak English, it took 3 years for local people to accept him: "I can now speak English, which has made it possible for me to communicate to people why I came here. People have become more accepting of me."

He has stakes in several businesses including:

- A Computer company that installs computer stations for fast food chain stores
- Pizza shop – partnership business which employs 7 staff
- Curley's bar – Mohammad is sole trader and employs 8 people
- New premise which are currently being converted into a bar / restaurant
- buying and selling property with other business associates

Mohammad finally received UK residency in January 2005..

6. Attraction and Retention

6.1. What other Cities and Regions are doing

There is much to be learnt from other places which have already given serious thought to the interface between migration and regional development policies.

Canada – ‘regionalization of immigration’

Canada’s immigrant population is overwhelmingly concentrated in the three large cities of Vancouver, Toronto and Montreal, which together accounted for 78% of the total immigration inflow in 2000, and it is trying to reverse this trend by channelling more immigrants into regional areas. Canada has identified a need to meet strategic skill shortages and fulfil specific economic development goals through specially targeted regional migration programs. The key elements of these programs are set out below, with examples from selected provinces.

Provincial Nominee Programs

These programs allow each province or territory to enter into an agreement with the federal government to establish their own migration program, and to nominate a certain number of immigrants, based on their ability to become economically established in Canada. Each province determines its skill shortages and sets its own general categories for prospective immigrants. Applicants are assessed against the province or territory entry criteria, then recommended to the federal government which carries out health and security checks and issues permanent migration visas. A provincial recommendation under this category usually speeds up the migration processing compared to federal-only categories.

The Province of Quebec

It has the largest and most developed program –“Regionalisation of Immigration in Quebec”- which commenced in 1992 and is ongoing. The Province has its own Department of Immigration, with a number of directorates set up in regional centres to help link immigration with development plans, and involving municipalities in the management of the program. The municipalities identify local labour needs and determine which migrants they would wish to attract, as well as providing integrated settlement services. The Quebec Immigration Department maintains a website which provides detailed information for prospective and new migrants (both individuals and businesses), including an online application facility. Quebec also conducts information sessions for prospective migrants in potential source countries including France, Belgium, Argentina, Mexico, Peru, Colombia and Venezuela. In 2000 a total of 35,000 immigrants arrived in Quebec, with 5,200 (or 13%) settling outside Montreal under the regional program. The Province has the

ambitious goal of attracting 40,000-45,000 new migrants in 2003, with 25% of these settling outside Montreal.

The Province of Manitoba

Has developed a pilot municipal nominee program which features direct international recruitment. This model is being closely monitored to assess its potential for broader implementation, particularly for those regional municipalities which are seeking to stabilise their populations. The general selection criteria for Manitoba include the requirement to have an occupation on the province's shortage list, a valid job offer, relevant experience/training, and evidence of settlement support after arrival. Business owners must meet minimal financial requirements in relation to personal net worth and business equity investment, demonstrate successful business experience, have visited the province (or plan to) to explore business opportunities. Manitoba has also developed a specific initiative to recruit Filipino nurses, with provincial government staff travelling to the Philippines to interview and test candidates. Those selected receive a licence to practise nursing in Canada, and an employment contract with a regional health authority. Overall, Manitoba attracts 1,000 nominees per annum.

British Columbia

The Province has a shortage of doctors and nurses in rural areas, and has established a targeted migration recruitment program called "Health Match BC". It has set up an interactive website which operates as a free recruitment service for rural communities and practices, job search assistance for intending applicants, professional examination procedures, and an online migration application facility. The scheme is promoted particularly to health professionals in the USA, UK, Australia, New Zealand and South Africa.

The Saskatchewan Nominee Immigration Program

This is a programme for farm owners and operators. It is aimed at people with proven experience in farming, who have substantial capital available to invest and who have made a signed offer to purchase land for a farming operation in Saskatchewan. In 2002 a total of 60 nominated immigrants (including farm owners) arrived in Saskatchewan.

The Canadian regional-linked programmes, have not yet attracted significant numbers of migrants away from the popular metropolitan centres. However they do demonstrate that regional initiatives, particularly those aimed at specific professional/skill groups can achieve modest success. Certainly Quebec shows the benefits of a proactive provincial program overall and indicates the potential for a non-metropolitan target.

Australia

Alongside Canada, Australia has made the most advances in involving sub-national governments in the immigration process. Since 1996, states

and territories have played a role in immigration of skilled immigrants through regional variants of national immigration programs.

Contrary to many other countries, Australia is not making efforts to direct refugees and asylum seekers away from the large cities. The Australian approach has two general features that set it apart from the approach taken in Canada with respect to involvement of the provinces. First, most immigrants under regional categories are sponsored. Employers, state and territorial governments, and family members can sponsor immigrants. Family members have been the dominant sponsors, accounting for seven out of ten immigrants admitted through regional programs. Next in importance are employers sponsoring skilled workers, with one quarter of the total.

Second, most of the programs apply only to designated areas and are intended to increase the number of skilled immigrants settling in those areas. These areas have not attracted many skilled immigrants in the past, although they may have received family class immigrants and refugees. The areas are selected on the basis of consultation between the states and the department of immigration. Entry requirements are reduced under these regional variants of national programs. The State/Territory Nominated Independent scheme, which is similar to the Canadian provincial nominee program, is not limited to parts of the state. The regional facilities are collectively known as State Specific Migration Mechanisms or SSMMs. State and territorial governments determine the extent of their involvement in these mechanisms in relation to their own development priorities. More than 11,000 immigrants have been admitted under SSMMs during the five years since their inception, their impact on the geographic distribution of immigrants in Australia is limited, as the country has taken in close to 100,000 immigrants per year during this period. The SSMM categories are as follows:

Skilled - Regional Sponsored Category

Skilled relatives - brothers, sisters, nephews, nieces, nondependent children and working-age parents - are allowed to be sponsored for migration to areas of Australia designated by state and territory governments. Currently all of Australia except for Sydney, Newcastle, Wollongong, Perth, Brisbane, the Sunshine Coast and the Gold Coast are designated areas. Under the national immigration program, skilled immigrants have to pass a points test and meet these basic requirements: The applicant must be under 45 years of age, have skills equivalent to an Australian diploma level or higher (i.e. most trade certificates) and have functional English. Sponsorship by relatives counts for a certain number of points, and this reduces the entry barrier. Under the regional sponsored category, however, applicants only have to meet the basic requirements.

Regional Sponsored Migration Scheme

Employers and some capital cities nominate overseas workers when they are unable to recruit suitable skilled personnel through the local labour market. Approved certifying bodies, generally regional offices of state and territory development authorities, assess nominations. They verify that a

genuine fulltime vacancy is available for two years or more, and that it cannot be filled through the local labour market. As with the regional sponsored category, the applicant must be under 45 years of age, have skills equivalent to an Australian diploma level or higher (i.e. most trade certificates) and have functional English. From January 1, 2001, there were 42 certifying bodies covering all of South Australia, Tasmania, the Northern Territory, the Australian Capital Territory and most regional areas of the other states.

State/Territory Nominated Independent Scheme

States and territories select applicants who have a sound chance of gaining employment in the state or territory within a short time of their arrival. Applicants tend to be identified through a Skill Matching Database. The South Australian, Victorian and Australian Capital Territory Governments currently use this scheme. The settlement destination is not restricted to designated areas within the state or territory, as is the case with the two programs mentioned earlier.

State Sponsored Business Skills

States and territories can sponsor business skills applicants. By so doing they make it easier for the applicant to be admitted, as the applicant is awarded a certain number of points towards the point test, and as the required net assets in a qualifying business are reduced by one-half (A\$ 100,000 instead of A\$ 200,000 for applicants who are not sponsored). States and territories may also sponsor senior business executives, who must be employed by a business with a turnover of A\$ 10 million, compared to A\$ 50 million for non-sponsored applicants. As with state nominated independents, the settlement destination is not restricted to designated areas within the state or territory.

Regional Established Business in Australia

People temporarily in Australia may apply for permanent residence if they have successfully established a business in a designated area of Australia. This is a variant of the national Established Business in Australia (EBA) program. The criteria are the same as for the national program⁴² but applicants attract a certain number of qualification points on the basis of sponsorship by the state or territory. The designated areas are the same as for the skilled regional sponsored category.

Australia's challenge of dispersal of immigrants is somewhat different from the challenge facing Canada. Immigrants and the Australian-born are distributed across the states and territories in much the same way. In Canada, by contrast, immigrants are more concentrated than the Canadian-born in Ontario and British Columbia. In Australia, immigrants are found in the large cities. In Canada, Toronto and Vancouver draw far more immigrants than other large and medium-sized cities.

Scotland's Fresh Talent Initiative

The Fresh Talent Initiative is a direct response by the Scottish Executive to the projected decline in Scotland's population to below 5 million by 2017. It is the first attempt in the UK to consider the regionalisation of immigration.

It sets out to attract, and retain within Scotland, highly skilled workers both from overseas, both foreign and expatriate. It aims to do this through a combination of aggressive place marketing and the streamlining of the migration experience in order to make it as easy as possible for migrants to settle. It is unique in the UK in that it has been granted permission by the Home Office to waive significant sections of immigration regulations.

Prominent within this is The Fresh Talent: Working in Scotland scheme which will enable non-EEA nationals who have successfully completed an HND, degree course, Masters or PhD at a Scottish university to apply to stay in Scotland for up to two years after completing their studies to seek and take work.

To be granted leave under the Fresh Talent: Working in Scotland scheme applicants must:

- Have successfully completed a course at a Scottish institution of Higher or Further Education.
- Have lived in Scotland whilst studying.
- Intend to work during the period of leave granted under the scheme.
- Be able to maintain and accommodate themselves and any dependants without recourse to public funds.
- Intend to leave the UK at the end of your stay, unless granted leave as a work permit holder, highly skilled migrant, business person or innovator.

Scheme participants will subsequently be eligible to switch in-country into leave as a:

- work permit holder
- Highly Skilled Migrant Programme (HSMP) participant
- business person
- Innovator

The scheme includes the establishment of a 'one-stop-shop' Relocation Advisory Service, which opened in October 2004, with 5 staff, to handle enquiries on a range of issues including immigration, legal and financial matters, housing, education and leisure. The advice service is not only available to potential migrants but also to employers seeking to employ migrants.

Research programmes are under, for example a mapping of foreign qualifications to provide guidance to Scottish employers who may be confused with the credentials of job applicants. There is also a study of

migrants who have already made a successful transition to Scotland, to act as exemplars for the scheme.

The other main strand of Fresh Talent is the joining up of all the agencies with a responsibility for projecting Scotland's image abroad. Where previously there was little liaison between responsibilities for business and export, inward investment, tourism, education and Scottish diaspora networks, all now work in close co-operation.

The first round of applications for the Working in Scotland Scheme close in June. The Fresh Talent initiative in total has an annual budget of £1.7 million.

London

London clearly has a different relationship with migrant workers than any other part of the UK. It has no shortage of high value employment opportunities nor of highly skilled migrants seeking to fill them. However, the London Framework for Employment and Skills Action (FRESA 2002) has identified strategies to support asylum seekers and refugees who are having difficulty accessing the labour market or finding work appropriate to the qualifications and experience.

There is some evidence of initiatives being introduced within London to support migrants who have already arrived within the UK. According to the FRESA London has witnessed a rapid increase in population part of which is accounted for by migration, and specifically international migration that has increased steadily over the last decade. International migrants are also reinforcing the younger age profile of London with more than three quarters of total international migrants aged between 15 and 34 years.

The FRESA identifies Refugees and Asylum Seekers as experiencing particular disadvantage within the London labour market. Employment is recognised as crucial for the long-term integration of refugees and asylum seekers into society. The FRESA refers to studies which suggest that refugees have high levels of skills which are often higher than the resident population. Despite this they often experience very high unemployment rates - particularly at the beginning of the refugee's or asylum seeker's stay in the capital. To deal with some of these issues a Flagship programme has been introduced for asylum seekers and refugees involving a basic and higher level skills programme and job brokerage.

One of the London Development Agency's priorities is to address the specific needs of refugees and asylum seekers. Relevant interventions identified include tailored programmes to meet the specific needs of such groups. Actions include:

- developing literacy, numeracy and ESOL programmes;

- development of business focussed employment networks which enable refugees to promote themselves to employers and have established specialist refugee forums with employers;
- introduce greater diversity awareness into the IIP standard; pilot a pan London programme which links successful customised training and integration programmes for groups which fill key skills gaps such as health social care hospitality and teaching;
- promote additional Centres of Vocational Excellence to offer a mix of skills and workforce development activities tailored to the needs of SMEs – for example the Asian Oriental School of Catering which offers food preparation, health and safety, customer service and ESOL training;
- Conversion courses.

The London FRESA also identifies the need to build inter regional collaboration in relation to mapping cross border labour market relationships and planning employment and skills actions. This needs to be addressed given the increasing mobility of the labour force and the extending reach (currently international for some sectors such as biotechnology) of businesses to attract quality recruits and source appropriate training and development. A recent recommendation arising from research on maximising the economic potential and impact of London's refugee communities is the establishment of a lead body to provide a strategic and co-ordination role and focus for the refugee and asylum work done by local authorities, LSCs, Jobcentre Plus and the voluntary sector across London. The lead body would be in a position to identify best practice and monitor funding needs and mechanisms, would coordinate the work of the statutory and voluntary sector across London and should promote the establishment of a system to ensure data about labour market participation is collected, collated and disseminated and used to inform policy development and improve policy delivery.

6.2. What Tyne and Wear city region is already doing

Higher Education

Universities in the UK in recent years have sought to rapidly increase the number of international students recruited due to the limitations on numbers of EU places funded by the Higher Education Funding Council and the gradual reduction in the unit of resource for each EU student. It is important to remember that EU students have to be given equal status to UK students under EU legislation. Non-EU students though are outside of quota limitations and are charged a comprehensive fee, set at a minimum level, but potentially set at a higher level for high demand programmes. So whilst a UK or EU undergraduate student currently pays a fee of just over £1100, and is supplemented by a funding council grant which may be only £3000, an overseas student may be paying £8000 or more for the same programme. So such students are vital to the finances of universities.

Growth in the international student market is very marked, with some 2 million students globally studying outside their home country and with further growth expected. By 2020 the top international student supplying countries are expected to see further growth:

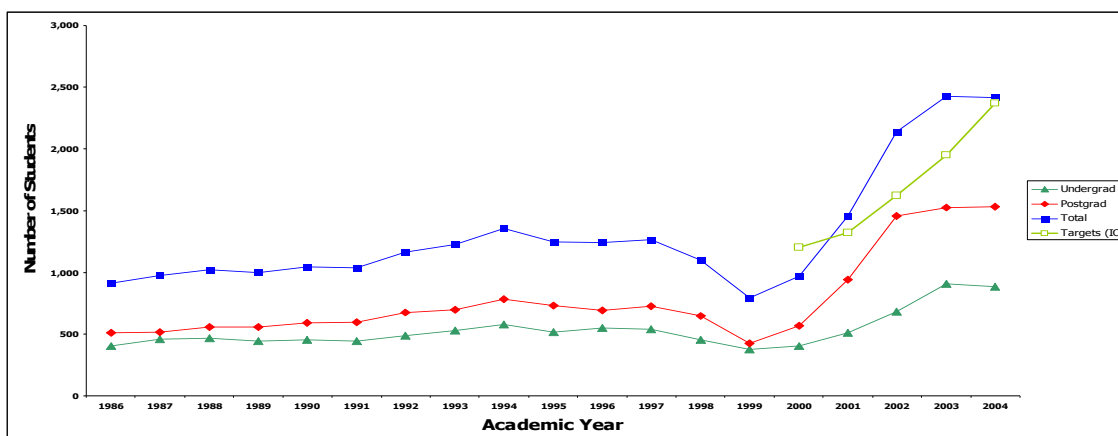
Country	Compound Annual Growth Rate	
	Base Scenario	Optimistic Scenario
China	11.4%	15.0%
India	9.1%	13.1%
Malaysia	7.0%	9.3%
USA	1.6%	3.6%
Pakistan	9.4%	12.6%
Hong Kong	2.9%	5.4%

Demand for International Student Places in the UK by Subject of Study ('000s)

SUBJECT AREA	2003	2005	2010	2015	2020	GROWTH
Business Studies	51	54	76	100	132	6.0%
Arts and Humanities	43	42	49	58	70	3.3%
Computing Science	16	20	34	48	64	8.5%
Engineering & Technology	30	32	39	48	59	4.1%
Physical & Math Sciences	23	24	28	33	39	3.2%
Social Science	21	22	26	31	38	3.6%
Medicine/Health Sciences	17	18	22	26	32	3.8%
Law	12	12	14	18	21	3.8%
Education	10	10	12	15	18	3.8%
Architecture and Building	6	6	8	9	12	4.0%
Other	8	16	18	21	25	4.3%

University of Newcastle

Looking at Newcastle University, there has been a rapid growth in international students over the last five years.



All Students by Level of Study as at 5 November 2004

LEVEL	TOTAL				
	Home	Ch Is	EU	O/Seas	Level Total
UG	11,789	22	547	900	13,258
% Level	88.9%	0.2%	4.1%	6.8%	100.0%
% Overall	83.8%	88.0%	58.6%	36.8%	75.9%
PGT	1,272	2	235	891	2,400
% Level	53.0%	0.1%	9.8%	37.1%	100.0%
% Overall	9.0%	8.0%	25.2%	36.5%	13.7%
PGR	1,006	1	152	652	1,766
% Level	57.0%	0.1%	8.6%	36.9%	100.0%
% Overall	7.2%	4.0%	16.3%	26.7%	10.1%
Overall Total	14,067	25	934	2,443	17,469

Currently nearly 20% of Newcastle students are either from the EU (non-UK) or from overseas. Of these the strongest group is from China, and even more so than in other UK universities.

Current policy in Newcastle is to grow the international student base, aiming at doubling the numbers by the end of the decade.

To realise this, and accommodate an extra 2500 non EU students the University faces a number of challenges, not least accommodation and a supportive local environment, both to ensure a good experience for existing students to ensure a positive message is transmitted by word of mouth as well as having the infrastructure to offer to new applicants. This includes new student residences, expansion of teaching facilities on campus, and softer forms of support including social and religious facilities, and access to casual work and placements. Opportunities to offer

students a chance to stay on and work for a year or two after graduation would facilitate this process.

HESA Statistics - Top 20 Countries Newcastle Share vs UK Share

COUNTRY	UK 2002			NEWCASTLE 2004 NOV 5 2004	
	Rank (UK)	Total	% UK Total	Total	% Ncl
China	1	31,930	18.3%	645	26.4%
USA	2	14,365	8.2%	91	3.7%
Malaysia	4	10,205	5.8%	141	5.8%
Hong Kong	5	9,735	5.6%	123	5.0%
Japan	7	6,165	3.5%	53	2.2%
India	3	10,900	6.2%	116	4.7%
Gulf	6	6,490	3.7%	207	8.5%
Taiwan	8	4,920	2.8%	134	5.5%
Singapore	9	4,160	2.4%	75	3.1%
Cyprus	11	3,775	2.2%	4	0.2%
Norway	13	3,650	2.1%	62	2.5%
Canada	12	3,685	2.1%	26	1.1%
Nigeria	10	4,135	2.4%	91	3.7%
Thailand	14	2,975	1.7%	54	2.2%
Zimbabwe	15	2,920	1.7%	7	0.3%
South Korea	16	2,900	1.7%	32	1.3%
Kenya	17	2,820	1.6%	6	0.2%
Pakistan	18	2,805	1.6%	32	1.3%
Israel	20	1,410	0.8%	4	0.2%
Turkey	19	1,575	0.9%	25	1.0%
Top 20 Total		131,520	75.3%	1,928	78.9%
Overall Total		174,575		2,443	

It should also be noted that the University of Northumbria has approximately 3,500 non-EEA students on its roll.

The most fruitful area for intervention is in the retention of overseas graduates in the region. Graduates have two advantages: they bring skills the region needs and they already know the region and have developed attachments to it. Whilst graduate retention is an issue of concern to regional universities and economic development agencies, the focus is entirely upon British students. As HEFCE does not finance overseas students, it has no interest in tracking their progress after graduation. As such there is no data held on overseas students other than alumni services (which is not in the public domain), the assumption being that most leave the area, if not the UK, almost immediately

The Health Service

It is widely reported that the National Health Service relies heavily (and possibly more than any other major employer) on recruits from overseas ranging from nurses through to highly specialised consultants and researchers.

For example, according to the Royal College of Nurses, 41% of 87,000 nurses recruited in the UK from 2000 to 2003 came from overseas. Meanwhile a third of doctors working in the NHS in England in 2002 were reported to have been trained abroad¹⁷.

However, more recently there has been evidence of a reduction in reliance on foreign workers. After a period of heavy recruitment from countries including the Philippines, India and South Africa, the number of overseas nurses recruited in 2004/5 fell by 19% on the previous year. This was only partly being offset by a 6% increase in the number of UK-trained nurses recruited. There is also a suggestion from the King's Fund that as many as 40% overseas workers already in the NHS may be becoming attracted to jobs with higher pay in other countries such as the USA.¹⁸

However, the picture varies greatly around Britain. Whilst in London 14% of nurses are from overseas, the average for UK as a whole is just 4%.

Northumberland, Tyne and Wear Strategic Health Authority

Turning to the North East, Northumberland, Tyne and Wear Strategic Health Authority reports that international recruitment is a small but significant part of its drive to expand NHS workforce from 41,000 to 45,000 over the next five years, although it only one of a number of strands of the recruitment and retention strategy.

The Authority reports attracting 130 international recruits in 2003/4 and 125 in 2004/5, and it expects to maintain this level in the current year. Overseas professionals are recruited mainly into nursing, radiography and pharmacy posts. Most NHS trusts within Northumberland, Tyne and Wear recruit nurses from the Philippines. However, a number of pharmacists have been recruited via a government to government agreement with Spain. Doctors have been recruited from Germany, Italy, France and Poland.

Interestingly, the SHA regard overseas recruitment to be a short term solution until its longer term strategy of increasing the number of locally-qualified staff succeeds.

¹⁷ London Calling: the international recruitment of health workers to the capital. King's Fund, July 2004

¹⁸ Overseas nurses plan to quit Britain. The Guardian, 18 May 2004

Experience has been that most overseas recruits have settled well into the region quite well due to the high level of support the trusts are able to offer through extensive induction programmes, language support and continuous mentorship. Tax arrangements are supported by local NHS trusts and Department of Work and Pensions. Accommodation and schools for overseas recruits' children are almost always arranged by local NHS trusts. Families of overseas healthcare professionals are offered ESOL (English language) courses at a number of local further education institutions.

There are a number of factors which combine to provide a high quality of life for people living in the area; including travel to work times, cost of living, house prices, local facilities and amenities, environment, and level of disposable income. Most NHS trusts offer overseas recruits an advance salary payment and usually a month's rent.

In a recent initiative to recruit and integrate a group of French GPs and their families in the region, a French-speaking member of staff was allocated to advise and troubleshoot. This helped to overcome most difficulties, although non-English speaking spouses did have problems, particularly with documentation relating to banking, accommodation and other services. Whilst this represented a considerable investment on behalf of the SHA it was seen to be necessary in order to ensure the long term benefit of their recruitment. Other trusts who do not invest so much in their overseas recruits experience a much high turnover of staff.

Most NHS trusts now have an overseas co-ordinator to support recruits. Their role includes facilitating issues around local culture, climate, making friends and racism. Overseas recruits are also supported by Royal Colleges and unions such as Unison.

Routes for active recruitment

The international recruitment of doctors to the NHS is centrally co-ordinated by the Department of Health (DH) but is targeted through a range of recruitment routes:

- The Global Scheme identifies doctors interested in working in England as consultants or GPs, and a specialist recruitment and response agency matches international applicants with NHS vacancies on their database.
- The NHS International Fellowship Scheme attracts experienced medical specialists to the NHS and is targeted at specialties 'where there is clear need for international recruitment to fill the expected number of vacancies and where additional incentives are required to attract high calibre candidates from overseas'. Fellowships are offered for up to two years.
- The Managed Placement Scheme is targeted at doctors at consultant level who are interested in working in the NHS, but initially wish to 'sample' working and living in England before applying for a substantive post.
- The GP recruitment scheme is targeted specifically at GPs. NHS trusts can also recruit directly using agencies that are compliant with the

Department of Health's Code of Practice; the it expects that this recruitment activity should focus on North America, approved areas of the Middle East, Australia, New Zealand and Europe (in the latter case, agreed not to overlap with Department-led initiatives).

NHS international recruitment of nurses and other health professionals has been facilitated by regional co-ordinators based in strategic health authorities, who support employers in recruitment and co-ordinate recruitment activity between employers. The Department of Health has also launched the Nursing UK website (www.nursinguk.nhs.uk) for overseas nurses with the aim of supporting applicants from countries with which there are government-to-government agreements - currently Spain, the Philippines and India.

Conclusion

The NHS has been recruiting overseas staff for longer and in greater magnitude than most other employers in the UK and so it is no surprise to find sophisticated systems in place to ensure effective settlement and integration. There would appear to be much good practice to be learnt from the NHS by other employers. Of course, most employers cannot match the scale either of the NHS's demand or its support services for overseas recruits. However, it might be possible to replicate some of these services at a sub-regional level, possibly upon a sectoral basis.

The other point to note, however, is that even though the NHS nationally is a major foreign recruiter, the figures for Northumberland, Tyne and Wear are somewhat modest. Furthermore it appears that recruitment may have reached a plateau from which it will eventually fall.

Migrant Entrepreneurship

Our enquiries suggest that in general, the business development strategy for the North East gives little consideration to the potential of overseas migrants as entrepreneurs. Yet it hardly seems credible that the region is going to achieve the business growth necessary to achieve parity with other on the basis of the entrepreneurship of local people alone. This requires a cultural change which will take a generation or more.

The region needs to find new sources of business creation and growth, as well as for new markets, and overseas migrant entrepreneurship is one of the most important places to look. There are two examples of contrasting but complementary work in this regard.

Gateshead International Business Centre

This is a joint initiative between Gateshead Council and One NorthEast. The new 2090 square metre office building provides a comprehensive package of business and living accommodation and business support. It has attracted 34 businesses over the last three years who are exploring UK and European markets and making contacts with North East businesses. Many are owned by migrant entrepreneurs.

The new building will also provides space for new local creative businesses who will be offered the opportunity of being part of Gateshead's Cultural regeneration.

The project marks an investment of just under £4 million from Gateshead Council, One NorthEast through the TyneWear Partnership and European funding through the Government Office North East.

Most recently it has sought to employ a Mandarin speaker, emphasising the importance of attracting Chinese businesses to the region.

If, as we suggest elsewhere in this report, overseas graduates of local universities hold the key to future progress, this and other managed workspaces and incubators across the region needs to work in close harmony. It would appear that such a networked concept of talent development and business growth is still some way from realisation.

Community Enterprise Direct

This Gateshead-based social enterprise has several strands to its business but in recent years it has identified asylum seekers and refugees as a priority. To assist the large number of Refugees and Asylum Seekers being relocated to the North East, CED has established a Project funded by the Big Lottery, the Included Communities Fund and the Home Office to provide a team of Community Enterprise Advisers to work exclusively with Refugee and Asylum Seeker communities.

The Project started in September 2003 and to date 8 new Companies have been registered, 31 people have attended a Community Enterprise Skills Programme and are now qualified as Company Directors. It has built up particular expertise in supporting would-be entrepreneurs from the African community.

7. Designing cosmopolitanism into the public realm

Cities are not only made up of economies and social systems. They are also an amalgam of places, spaces and experience, both physical and virtual. Such phenomena say much about a city, the way it sees itself and the way it wishes to be seen by others. As such, any attempt to attract and retain migrants to Tyne & Wear must consider these factors and the extent to which they assist or hinder the objective of achieving managed migration.

This Section therefore provides an analysis of how intercultural place-making can contribute to the attractiveness and competitiveness of a city

7.1. Review of Current Thinking on Urban Design, Urban Animation and Place Making

In the last ten years there has been a growing recognition that aspects of the planning and design of our towns and cities that were taken for granted – zoned activity areas, privatised shopping malls, car based transport systems – have in fact contributed to a diminishing sense of place and to a lack of identity.

This section considers design in the public realm in the context of migration. This impacts in many ways.

Firstly in the context of existing migrants based in the region, by taking a multicultural approach and examining differing communities and their urban contexts by for example ethnic grouping – the Asian communities; or by religious background eg the Jewish community; or by nationality for example the Scandinavian Tyne and Wear context – the development of initial approach to understanding their local context in the built environment can be built on.

Secondly, in the context of potential migrants. There has been a lot of work recently that adds significantly to our understanding of the urban design needs of potential migrants, particularly by Richard Florida.

And thirdly, the context in which intercultural activity is already taking place in the broader urban context. This recognition is slowly translating into new approaches in the UK to urban design, urban animation and place making.

What is clearly increasing in importance is recognition and emphasis on the fundamental value of good design in improving quality of life. The starting point for this was the *Towards an Urban Renaissance* in 1999 and subsequently, the urban white paper *Our Towns and Cities* and the

incorporation of elements of this into the Sustainable Communities agenda, in particular in relation to what has become known as Liveability.

At the Urban Summit *Delivering Sustainable Communities* in Manchester in January 2005, government delivered a new Planning Policy Statement (PPS1) *Delivering Sustainable Development*, which introduced almost for the first time, in paragraphs 33 to 40, some robust statements about design requirements to be included in planning authorities' policies and strategies. In addition, under the Planning and Compulsory Purchase Act 2004 every local planning authority now has a responsibility for reporting, on an annual basis, the extent to which policies set out in local development plans are being achieved. Thus their role is not just about plan making and development control – it is now also about facilitating and promoting the implementation of good quality development.

In addition, the design element of other PPS's have been strengthened. In PPS 6 *Planning for Town Centres*, for example, also issued in 2005, in paragraphs 2.19 – 2.28 there are a number of strong statements of design policy 'It is essential that town centres provide a high quality and safe environment if they are to remain attractive and competitive. Well designed public spaces and buildings, which are fit for purpose, comfortable, safe, attractive, accessible and durable are key elements which can improve the health, vitality and economic potential of a town centre. Design of development for main town centre uses, regardless of location...should promote high quality and inclusive design, in order to improve the character and quality of the area in which such a development is located and the way it functions'.

PPS 6 is also about the efficient use of land – 'local planning authorities...which encourage well designed and where appropriate higher density, multi storey development...including the promotion of mixed use development and mixed use areas'.

It also encourages a diversity of uses in town centres as making an important contribution to vitality and viability, recognising the needs of the daytime and evening economy, ensuring tourism, leisure and cultural activities are dispersed throughout the centre. Local authorities are encouraged to develop a local strategy for the evening and night time economy, taking account of the Licensing Act 2003, tackling issues from antisocial behaviour and crime prevention to late night transport.

So the use of materials, the urban scale, urban detailing including windows, doors, coordinated approach to street surfaces and furniture responds to these contexts.

There are also important developments and investment in the context of public spaces and green spaces, and town centres. In the context of PPG 17 – *Planning for Open Space Sport and Recreation*, local authorities must make robust assessments of the needs of the existing and future needs of their communities. Open space should be taken to mean all open space of public value including not just land, but also areas of water such as rivers, canals, lakes and reservoirs which offer important opportunities for sport

and recreation and can also act as a visual amenity. There is also the need to differentiate between green space and open space. In this context, design of public space means defined boundaries, building frontages, clearly defined entrances, a network of pedestrian routes, giving priority in streets to people, meeting points and public places where civil life and social interaction take place.

Government is taking an increasing interest in this Cleaner, Safer, Greener agenda. It has just initiated a £5m programme by launching three 'how to' guides covering key issues affecting town centres, homes and streets and parks and open spaces. It will support the guides with a Academy for Sustainable Communities (ASC) programme, working with selected local areas and offering a range of events intended to stimulate action. It will also raise awareness and seek to make better use of the powers, tools and good practice available to local authorities and other relevant authorities (police and PCT) in Crime and Disorder Reduction Partnerships to deliver better places. In particular it will seek better implementation of new powers and tools resulting from the Licensing Act 2003, Anti-Social Behaviour Act 2003, Traffic Management Act 2004, Housing Act 2004 and Clean Neighbourhoods and Environment Bill.

There are other interesting interventions which are slowly moving up the agenda which could have relevance for the quality of urban design. These include the increasing implementation of Business Improvement Districts (BIDs); the development of Neighbourhood Charters and possibly Neighbourhood Improvement Districts. Architecture Centres are involved in the development of Design Review & Design Champions Networks with the Regional Development Agencies and CABI. They are working with DCMS and DFES on built environment education programmes in conjunction with English Heritage, CABI Education and other partners.

As part of their enabling function, CABI recently produced a publication - *Creating Successful Masterplans - a guide for clients* which defines masterplans and the stages involved in their implementation. It says that design codes should be tested at all levels of resolution of region, city, block and building. Quality should be at the heart of design and coding and help to remove characterless development whilst allowing flexibility. The code must be prescriptive enough to deliver key goals, but tuned in to distinctive needs of each unique design situation.

Citizens should be able to feel a sense of ownership of the urban area where they live, and government are determined to ensure that this is the case - under the Planning and Compulsory Purchase Act 2004, there is also now a need to both involve existing communities in the process of the development of the public realm.

However, the issue is still more complex than this. Overlying it, is the often unchallenged belief that the public realm is enjoyed by users who can be simply characterised by age or gender for example, or by simple demographic or geographic contexts. How many times do we read analysis of planning and urban issues with the phrase 'young people' or 'older people' for example? It is as if the public realm is being built and

developed for well ordered groups of easily classifiable people who have simple needs which can be met simply.

What this forgets, as is highlighted in other areas of the report, is that the starting point for the development of the public realm in the city region has degrees of complexity, that far exceed the simple analysis on which many 'planning' decisions are based. Existing populations, visitors, and potential migrants, are often analysed quantitatively, simplistically, when what is needed is a much more qualitative approach which defines distinct clusters, and in fact segments markets, based on different behaviour, motivations, attitudes, needs and responses, not numbers. It is not one size fits all.

Further analysis highlights that, from a cultural context, existing clusters within the city region, have needs in the development of the public realm which are markedly different to the stereotype. This stereotype suggests their needs are 'multi cultural' rather than 'intercultural'. Closed rather than open. We are interested in this context in 'intercultural' activity, that builds on the work of existing groups defined by ethnicity, culture, location or historic practice, and develops new forms, new ways of working, new products and services that integrates rather than excludes.

The work of Richard Florida, principally in two publications (*The Rise of the Creative Class* and *The Flight of the Creative Class*) has refocused thinking, in some circles, onto the urban design needs of potential migrants – and these are proving to be somewhat different to the expected. He focuses on the three T's: Technology, Talent and Tolerance, and each has implications for urban design.

Florida developed a quality of place index – we can mention three here – the melting pot index which is about the mix of different immigrant nationalities or ethnic communities in one place; the bohemian which measures music, theatre and other artistic activity which happens in a place; and the gay index. Each need sufficient space to express their identity. In Florida's analysis, there is a clear association between places with higher endowments of human capital and higher than average quality-of-place.

It is often the informal rather than the formal which is the guiding principle, or the attracter, which translated into urban design terms means that it is equally about neighbourhoods in the city fringes, or the suburbs that evolve and grow organically rather than new formal quarters in the city centre; it is about, to use what is something of an old fashioned word, townscape rather, or as well as, iconic buildings; it is about environments rather than architectural statements.

Its also about authenticity and uniqueness which comes from several aspects of community – historic buildings, renovated buildings, innovative new build built to high design standards, established neighbourhoods, a unique urban mix. He would argue that planning should encourage higher-density growth, diverse, mixed-use urban redevelopment, and the preservation of authentic neighbourhoods. Such urban qualities are prized

by creative economy workers even by those who live in the suburbs and visit the central city only occasionally. They seem to be key ingredients for any great creative centre.

Regional economic growth needs creative people whose preferences are for diversity, tolerant and openness. In particular it emphasises the low entry barriers to newcomers so they are welcomed and integrated easily rather than being unwelcome and isolated.

Florida's creative class crave real experiences in a real world, and stimulation not escape. Thus a place full of chain stores and chain restaurants and chain night life is not authentic - it could be anywhere . They want to hear different kinds of music and try different kinds of food, they want varied nightlife places, unusual venues, small experimental galleries. It is very much about an approach to street level culture reflected in its urban design. Put simply, the notion of the 'funky neighbourhood'.

But it is also about connectivity between places, neighbourhoods and centres, a key element of the development of social interaction, so that it is not a mosaic of isolated places. So public transport systems matter too..

Urban places and spaces which are welcoming for the broader diversity of people and which meet the urban needs of different groups can be seen as necessities to not only the existence of urban cultural diversity, but also to intercultural relationships and activities. So a more enlightened approach to the development of the public realm in an intercultural context would involve specific initiatives which recognise the specific needs of different communities in both micro and macro contexts in terms of the particular qualitative characteristics of their communities, which involves highlighting distinctiveness, producing attractive, safe and friendly urban environments which at the same time respects built heritage and landscape.

Cities can then use these new 'cultural resources', to develop place marketing strategies not by association with the usual historic contexts - shipbuilding, football, Newcastle Brown, but by other associations or other important historical contexts that can be built upon.

The development of an intercultural city needs to recognise and respond to these contexts, to build on the existing to develop the new, in terms of for example developing housing types which respond to 'cultural' need rather than just normal developers stereotype; build neighbourhoods and local facilities which embrace identified 'intercultural' needs. It is also concerned with developing quarters or, even more interestingly, 'fusion zones' which offer opportunities for intercultural activity by both creative provision particularly

7.2. A review of current practice in the region:

So how does this translate into the Tyne Wear region, in the context of the intercultural city and its relationship with migrants?

At present, not only are the existing migrant groups small in number, they are also, with one or two exceptions, largely 'integrated' into the predominant demographic context found in the region. Consequently it is difficult to find any convincing evidence of intercultural activity, particularly in the context of design and the public realm. We can demonstrate this, briefly, by examining a number of case studies.

The Bigg Market is an example of the 'daytime' and 'night time economy' working hand in hand in Newcastle City Centre. There are some stunning buildings - ancient (cathedral etc.), 19th century Victorian and ultra modern, but it is not easy during the day to get a sense of the intercultural city. Bigg Market has restaurants & takeaways - Greek, Indian, Italian, Iranian, Middle Eastern etc. but they have slightly transient feel to them. However there is a place Café Neon which has tables out on the street where all sorts of people eat, have cups of coffee, free newspapers to read (a younger crowd - European students, Iranians, trendy middle class mums with babies, arts/business people) it has the feel of Amsterdam or Brighton. But at night, it becomes a hard drinking focus for 'young people' - it could be any town, anywhere, except that it exemplifies the 'party toon' perception of the city, one that originates in the predominately white working class estates and suburbs of Newcastle. Occasionally when we saw someone who wasn't white it made us think of being in another country where you see a non-white person and nod a greeting of solidarity.

We also looked at Chinatown in Newcastle looked at the integration of the Chinese community - Chinatown at night time through restaurants using neon lighting in classy non-garish way, becomes a hybrid cosmopolitan space which generates an attractive and welcoming atmosphere. The place has beauty, colour and vibrancy. The Chinese community have clearly been involved in the whole process of the development of this 'quarter', and this is evident in the aspects of urban design - the gateway, the lighting, the 'retail offer', the legibility of the quarter, the assault on the senses from all sides - sound, smell, sight, taste even touch! However, one would have to ask, what differentiates this Chinese quarter from that found in so many urban centres across the UK, or for that matter, Europe and worldwide. It is an example of a 'multi cultural' city, not an 'intercultural city', and one which we are seeking to move on from.

In Sunderland, we examined, briefly, the context of the Bangladeshi community who live in streets with back to back houses, which reminded our researcher of Rochdale and Lozells/Aston in Birmingham, but without the same confident outward symbols (in those places proud purpose built mosques whereas here a house adapted). Of course the community centre is the key symbol, not architecturally but socially, as are grocery shops. Otherwise, there were very few indicators, from an urban design perspective, of any sense of an intercultural context. But we did see

young hip street smart looking young male Bengalis (and a few young women too) that made us think from our experience of Birmingham and the East End of London that there is/will be a new layer of confident Bengalis who will have impact on the area/town in the near future if not already. Further investigation could also be made of the new Sunderland Arc regeneration scheme, for example the Sunnyside Gardens public open space, to see to what extent they have any context in which intercultural activity can take place, to see if the cultural offer is broader than the Museum & Winter Gardens or the refurbished Sunderland Empire. The initial evidence suggests it is - witness the massive Radio 1 Festival which took place only a matter of weeks ago in Sunderland, not something that could have been considered only a matter of years ago.

In South Tyneside, our research took us to South Shields to investigate the existence of the Yemeni community. In particular, the Yemeni riots in 1919 and 1930 which took place at Mill Dam, the location for the Customs House Arts Centre, is a great story but it was disappointing that there is not much awareness of it amongst staff, apart from the Director who knew about it but wasn't there. Whilst we were aware that a small Yemeni community still lives in South Shields, there was little if any sense of that, indeed, yet again, South Shields seemed very mono cultural.

At the Byker Wall, Newcastle we looked for evidence of refugee and asylum communities, located there as part of the broader dispersal strategies. Byker Wall has no outward sense of the intercultural but occasionally it is possible to see someone with an African head-wrap.

In Bensham, Gateshead we briefly examined the urban context for the Jewish community which lives here. Gateshead Town centre has some interesting examples of public art, also in some of the parks. As to the Jewish community, there are hardly any visible signs of their presence, apart of course from the synagogue.

So disappointingly, very little if any evidence across the Tyne & Wear region of the intercultural city, as articulated through its urban design, and its sense of place. Compare this situation with the vibrancy and the vitality of for example, Birmingham, or Bristol, which gives some indication as to the extent of the problem. However, there are a few relevant points to make in the context of the potential of Tyne Wear for migration and attractivity.

Newcastle and Gateshead already have a strong sense of place and identity, and as such are already able to attract, in the short term, incomers to the city region. In particular we can point to research which makes the case that "the 'buzz' created in Newcastle and Gateshead is being reinforced by an unexpected 'brain gain', as a new generation of creative professionals and knowledge workers are drawn to live in the two cities... incomers are being attracted by a quality of place and sense of

authenticity, magnified by the excitement of a place that is in the throes of change".¹⁹

It is argued that what attracts incomers to the region are the factors discussed in the first section above – an improvement in quality of life, involving 'easy access to different types of city life'. It is also being boosted by the perceived availability of affordable housing for first time buyers, even in desirable places like Heaton in the suburbs of Newcastle, and even places such as North or South Shields, Whitley Bay, or Benwell, Scotswood and the like. This despite huge prices in suburbs such as Ponteland, Gosforth, Darras Hall.

So, from an intercultural perspective in the context of urban design, the challenge seems to be how to maintain this perceived 'brain gain'.

7.3. A review of best practice elsewhere

"Our objective now is to animate our capital infrastructure with unique and world class events and festivals which will continue to attract new visitors to the area as well as inspire and excite local communities" is the statement from the Head of Communications for the Newcastle Gateshead Initiative... and it is happening, with Culture10, a programme of events and activities designed to invigorate public spaces with the very best of the regions culture in art, performance, music, sport and film. Hotbed 2004 focused on art, gardens, fashion and design, followed by 2005 Alive, which impressively includes the opening of the Sage Gateshead, The Tall Ships race, 25th anniversary of the Great North Run.

However, an argument could be put forward that the job is not done. Indeed, there is still much to do. We highlight a few propositions, in the context of the intercultural city, and relate them to examples from elsewhere.

Public Space

Firstly, there is a need to develop new ideas about open space and green space. As far as we are aware, the majority of development work that has taken place, certainly in Newcastle Gateshead in the last decade, has been either the restoration of existing green spaces – whether Saltwell Park and Leazes Park both recently restored to their Victorian glory, or the development of new hard public open spaces, for example on the Quayside or Baltic Square. We would like the development of new urban parks and open spaces, to be considered, but considered in the context of the new and the futuristic spaces which other competing cities across the globe are now developing. Outdoor recreation, structured or casual, is an important element in the 'offer' of the public realm that cities and city regions can make. This relates back to the dilemma between the need for informal spaces and places as well as formal ones.

¹⁹ *Northern Soul: Culture, creativity and quality of place in Newcastle and Gateshead* (2003) Demos/RICS

Some examples can be considered.

Chicago

In Chicago, it has been argued that the new Millennium Park makes a significant contribution to the public realm, both through the public open space and green space offer, and the related cultural animation programme. First planned in 1998 as a way to create new parkland in Grant Park and transform unsightly rail tracks and parking sites, Millennium Park has evolved (they modestly argue!!) into the most significant millennium project in the world. Located in downtown Chicago on Michigan Avenue between Randolph and Monroe Streets, the 24.5-acre park is an unprecedented center for world-class art, music, architecture and landscape design, where you can experience everything from interactive public art and ice skating to al fresco dining and free classical music presentations by the Grant Park Orchestra and Chorus. Among the park's prominent features are the Frank Gehry-designed Jay Pritzker Pavilion, the most sophisticated outdoor concert venue of its kind in the United States; the interactive Crown Fountain by Jaume Plensa; the contemporary Lurie Garden designed by the team of Kathryn Gustafson, Piet Oudolf and Robert Israel; and Anish Kapoor's hugely popular *Cloud Gate* sculpture.

Chicago is a city whose suburbs are rigidly divided into ethnic enclaves and little interaction. Millennium Park offers to be a place where all Chicagoans can meet to share an experiences, albeit fleetingly.

Paris

Parc Citroen is a new 35-acre public park in Paris that replaced an Citroen car manufacturing plant. It was conceived as a place of transition from urban to rural based on four themes: artifice, architecture, movement and nature. The park is an example of a new generation of civic spaces in metropolitan Paris. Citroen is an exercise in post-modernist geometry embellished with two greenhouse pavilions that stand at the urban end of a vast lawn, separated by a paved area featuring dancing fountains. On sunny days, children rush the basins, called here "lisières," dodging the waterspouts despite signs warning them away. The River Seine flows at the far end of the park, which opens to an expansive view of the Parisian arrondissement beyond as well as the river boat traffic. One edge of the lawn is bounded by a monumental canal, the "Jardin des Metamorphoses", composed of an elevated reflecting pool that reaches through granite guard houses. On the other side are two sets of small gardens: the six "Serial Gardens" and a "Garden in Movement" that presents wild grasses selected to respond at different rates to wind velocity. Parc Citroen perpetuates the Paris tradition of siting prestigious parks perpendicular to the Seine. In addition there are parks such as the Atlantic Garden (built over Montparnasse railway station). Spaces need not be large, some in Paris are tiny, such as the pocket parks. In Paris they have built public spaces over motorways, canals and old railway viaducts, but all bring the outdoor, the open space to the urban context.

Neighbourhoods

Secondly, we would suggest that there is a need to develop the micro as well as the macro, the housing and the corner shop as well as the iconic gallery or bridge. In particular, perhaps there is the need to develop, define, refine and most importantly, profile, this sense of neighbourhoods, each with its own unique identity, particularly in the suburbs of Newcastle Gateshead, and Sunderland. What potentially makes them attractive to different segments of the 'migration' market?

We are obviously aware of the significant achievements of projects such as Grainger Town in Newcastle, and the development of Ouseburn, but we would argue that, from a urban design viewpoint, there is still much to do in terms of 'place making' other neighbourhoods, particularly those in the 'suburbs'. And we are aware of the 'Going for Growth' strategy, and the 'urban villages' proposition in the East and West End of Newcastle, the process of which was heavily criticised at its outset. Where does Langley Park or Whitley Bay fit into this equation? Or Tynemouth and Marsden Bay?

We will look at an example of how this has worked elsewhere. Firstly Toronto:

Toronto

It is a city made up less of a CBD and suburban rings but rather a mosaic of neighbourhoods, which makes it a very attractive proposition to potential migrants. Ask a Torontonian where they live and they won't reply with a street address or intersection. They'll name the neighbourhood. Cabbagetown. Greektown. Corso Italia. Toronto is a city of neighbourhoods. These are some of the highlights:

- **Chinatown** There is not one, but five Chinatowns in the Greater Toronto Area (GTA). The heart of the largest is at Dundas and Spadina in downtown Toronto. Chinatown East is smaller, but no less boisterous. Pacific Mall, the continent's largest Chinese mall, is the centre of Markham's Chinatown. Plus, there are two more Chinese neighbourhoods to discover in Mississauga and Scarborough.
- **Cabbagetown** Named for the cabbages that once grew in every yard, helping early Irish immigrants make ends meet, this neighbourhood is lined with beautifully restored Victorian homes from the 19th Century. It is also home to Riverdale Farm, Toronto's only remaining farm. Cows, chickens and sheep are raised for educational purposes here, right in the heart of the city.
- **The Village** Toronto's proud neighbourhood of gays and lesbians is known as The Village. It is an area of exuberance centred at Church and Wellesley streets that is marked with rainbow-coloured flags fluttering from every pole. The annual Pride Parade takes place here towards the end of June, drawing close to 750,000 people, straight, gay or otherwise, from across the city and around the world.

- **The Beaches** Once a summer -only retreat with carnivals, cotton candy and cottages that Torontonians flocked to when the heat hit, The Beaches is now a year-round funky corner of the city that thousands call home. Its claim to fame is its lengthy boardwalk, sandy volleyball courts, and California vibe. However, the stores, bars and restaurants along Queen Street East are distinctly Toronto.
- **The Danforth/Greektown** The first section of Danforth Avenue , just across the Don Valley , is the place to go if you crave a serving of saganaki, set aflame beside your table, or any other Greek culinary specialty . The area caters to Toronto' s Greek population, the second largest in the world outside Greece itself, but the lively action on the strip draws people from all backgrounds.
- **West Queen West** With its unique galleries, boutique hotels, funky shops and one of Toronto's finest dog parks, West Queen West is the epitome of cool. Its eclectic mix of styles draws a diverse group of inhabitants, from loft-dwelling artists and young professionals to families renovating Victorian homes.
- **St. Lawrence and Corktown** More than a century ago Corktown was filled with Irish immigrants from County Cork and the St. Lawrence neighbourhood was the city' s industrial heart. Although much has changed since then, its rich past still lives on. Especially in the St. Lawrence Market, where delicious specialties from dozens of market stalls tempt the hungry.
- **The West End** For the adventuresome, a group of colourful neighbourhoods awaits to the west. They are: Roncesvalles Village, also known as Little Poland, where you can savour kolduny and chlodnik; Bloor West Village , where the Ukrainian Festival generates plenty of excitement every August; and High Park, a hilly oasis for those wishing to get back to nature.
- **King Street West** This stretch of King Street was once bustling with lunch-box toting workers trudging off to work in local factories . Today those factories have been transformed into lofty offices and gleaming condos where young professionals work and play . The Amsterdam Brewery, its air heavy with the scent of malt, is the perfect place for a break while exploring this neighbourhood.
- **Little Italy and Corso Italia** With almost half a million people of Italian origin, it is no surprise that Toronto has two distinctly Italian neighbourhoods .The first is known as Little Italy . Boot-shaped decorative lights illuminate College Street, making this area unmistakable . The second is Corso Italia, on St. Clair Avenue West, where the latest Italian fashions are displayed and soccer is taken very seriously."

They have teased out particular characteristics of the localities, the urban grain, the cultural animation, to give them separate identities, which translate to any reader, of any age, in any language – it means Toronto is open, welcoming, accessible to all sections of the community. Which they can they use in a significant way in their place marketing.

Secondly, Brick Lane in London. Its narrow streets, breathtaking juxtapositions of retail offer and public realm, and another assault on the senses, conceal a real diversity of affordable housing, mix of tenures and

diversity of communities. It certainly needs leaps of imagination before Tyne & Wear can attain this type of intercultural activity, but, on a smaller scale perhaps, it may well be the case that historic origins in the region can be traced back to migrants and incomers in an almost anthropological manner – its roman origins, links with Scandinavia, its seafaring history. Newcastle has already established a number of international Strategic Cultural Partnerships, initially with the cities of Gothenburg in Sweden, Gdansk in Poland, Bergen in Norway and Tallinn in Estonia. What are the historic relationships to Newcastle's populations? What Brick Lane represents is small scale development which when looked at collectively produces an intercultural critical mass. A brief characterisation:

"Cockney stallholders mix with Bangladeshi restaurateurs while arty designers from across Europe sell their work next to Jewish bakers and Middle Eastern rug makers. With traders offering everything from furniture to fruit, jackets to jewellery, toasters to teas and sunflowers to saris and silk, the borough (Tower Hamlets) has a truly eclectic range available on its stalls. Several hundreds years old and with more than a thousand stalls, Petticoat Lane is probably the most famous of the borough's markets. It is thought to have been established early in the 17th century by Huguenot lace makers and then expanded by Polish and German Jews in a little street named Petticoat Lane because of the many clothing stalls along it.

Massive crowds converge on the area every Sunday to haggle for bargains, which include cut-price clothing in general, and cheap leather goods in particular, beautiful Asian fabrics, jewellery and kitchen products. Around the corner from Petticoat Lane is the Old Spitalfields Market – another historic marketplace that has been around since the 17th century. Housed under a large glass roof, this indoor market offers both great shopping with books, fabrics, clothes and designer goods on offer as well as an excellent range of cafés and restaurants. As with most local markets, its big trading day is Sunday, when Spitalfields plays host to an organic food market selling fruit and vegetables, home-baked bread and cakes, and organic meat and poultry. Apart from the market, there is a whole range of other activities in this neighbourhood: the newly restored Christ Church, have a stroll round the many picturesque streets lined by Huguenot silk weavers' homes, or visit one of the many art galleries? Brick Lane lies only a short walk from Old Spitalfields, but has a completely different atmosphere. A centre of the borough's large Bangladeshi community, which has earned the neighbourhood the name Banglatown, shoppers here are as likely to find exotic foods, vibrant fabrics and colourful spices as they are to be haggling for second-hand furniture and cut-price clothing. Visitors in need of a break from the stalls are spoilt for choice as the area is home to hundreds of cheap but quality Indian and Bangladeshi curry houses, as well as a new breed of trendy City bars. Brick Lane is also worth a visit because of its historic and immigrant heritage, which includes the London Jamme Masjid mosque, built in 1744 as a Huguenot church then turned into a Jewish synagogue in 1897 before becoming one of the foremost Islamic places of worship in the capital. The neighbourhood, whose market can be traced back to the sale of livestock outside the City boundary in the 18th century, is also home to the Truman Brewery. Founded in 1669, the building has now been converted to designer and artist studios, workshops and bars."

Might this one day be Stanhope Street?

Night time Economy

Newcastle, more than almost any other major British city highlights the need for diversity in ownership if the night time economy. An interesting statistic, of Newcastle's licensed premises, 66% are owned by national companies, 30% by regional companies, and a mere 4% by local and independent organisations. Not much room to explore and experiment in this context, not much room to express individual identity. In our view this is one of the fundamental issues in defining Newcastle's 'monoculture'. There are other ways of approaching this as have been previously documented. In Paris and New York there is a dispersed pattern for night time economy which exclude , by distance, close proximity of licensed premises.

Public Art

Finally, some thoughts on the possibilities of Public Art in the region. On the whole (but with a few significant exceptions) the public spaces that exist do so because of civic agendas of bygone times rather than public consensus. It could be argued that intercultural public art can enhance this social meaning in public places in a new way. Public art has a role to play in changing the idea, of the city, its identity and image by using the creative process in bringing to the fore the voices of citizens who live these landscapes every day. Working closely with communities to create an artistic intercultural response, artists can reflect a valuable knowledge of the communities, aspirations and experiences. Discover creative ways to adapt/use buildings and spaces as part of the flow of life in the city - homes, streets, parks, community halls, places of worship. Integral to public art is the principle that you place art in spaces where people congregate and pass through. Its presence being part of the process of creating a shared experience. A process which can potentially regenerate communities and their places.

Tyne and Wear has demonstrated the iconic power of public art more than any other part of the UK. The ability to galvanise and project the spirit and image of a region through works such as the Angel of the North is now widely recognised. Public art could play an equally powerful role in symbolising Tyne & Wear's aspiration to be an intercultural city.

8. Achieving the competitive advantage of diversity

Conclusions and recommendations

This final section explores the potential policy initiatives at national, regional and local level if a Managed Migration strategy for T&W were to be feasible.

8.1. How can T&W become a place which attracts more migrants?

Making more of current programmes

It is important to raise the awareness levels amongst local policy-makers and employers of what the rules of migration are and what can be achieved. It will also be necessary to encourage centres of expertise and knowledge to emerge. This may be a 'one-stop-shop' advice service or a close network of specialist agencies with an efficient referral system

New policies and mechanisms

At the national level there is firstly the need to establish that within the English context, migration and regional development can be linked, as has already been established in Scotland. There is then the question of how to modulate the regulatory framework in ways which would be effective, measurable and least open to abuse:

- Given T&W's popularity with students this should be a priority for intervention, eg following the Scottish example of extending leave to stay to up to 2 years beyond graduation
- Widespread encouragement for people in the region to take advantage of the new facility to sponsor migrants by employers, public agencies, voluntary and faith organisations or even groups of individuals
- Add a regional-specific weighting to the new points system for migrants, offering credits to those willing to settle in the NE for a specified period
- There are various forms of financial incentive including deduction of tax, Council tax or Business Rates for regional settlers; progressive refunding of immigration fees over several years, refunding of moving costs or a revolving loan fund.

Overseas promotion

A more focused and integrated international promotion of the region aimed at attracting international students, workers and investors, with a strategic plan to target specific countries, building on existing international offices/connections of ONE, Universities, Chambers of Commerce

Building on local connections

In identifying countries to target draw upon current ethnic concentrations in the region and establish both formal and informal linkages through families, trade associations, sports and arts organisations etc Encourage more family re-unifications.

8.2. How can T&W become a place which retains more migrants?

Building an accessible economy

- Better access to information on job vacancies through a local employment database
- Better promotion of cases in which long term vacancies have been filled by skilled migrants
- Explicit support from trades unions and associations
- A regionally recognised system for assessing and accrediting the qualifications and experience of overseas migrants so they can find work at the appropriate level, such as the Manitoba Credentials Recognition Program
- A programme of intercultural and migration awareness training for HE executives and employers
- Raise the level of awareness of migrant entrepreneurs in the local business support community
- Research new market opportunities that migrant businesses could create and exploit
- Improve opportunities for overseas students to find work experience or build relationships with local companies during their courses
- Ensure closer links between the Universities and network of incubation and business centres to ensure more overseas graduates start their first business locally

Building a welcoming community

- Ensuring the facts about migration are better publicised in the region than the misconceptions
- Discouraging the locating of migrants in areas of high indigenous population disadvantage

- Educating local employers and community groups in how they can sponsor migrants

Reception and early settlement of immigrants

Personalised support package for migrants

- Easy availability of appropriate and quality accommodation – not just surplus stock
- Access to language and translation services
- Ensuring an adequate supply of trained ESOL (English for Speakers of Other Languages) tutors for spouses and children
- Early assessment of health, education, social care issues for spouses and families
- Assistance gaining access to banking and other financial services and establishing credit-worthiness (this can be one of the most frustrating experiences high skilled migrants face)
- Assistance accessing religious and cultural needs

Sustaining settlement and building integration

Produce a 'tool kit' for small communities on how to integrate new neighbours

8.3. How can T&W become a more cosmopolitan city region?

Understanding the immigration context

- Engage Tyne and Wear Research and Information to become an observatory of migration issues and ensure regular publication of facts and findings
- Regular news provision on the long term consequences of a falling and aging population and encouraging public debate on options available
- Migration awareness education for editors and reporters of regional newspapers and broadcast media

Strategies for developing consensus

- Strategies to avoid alienation and resentment in indigenous (and more established migrant) communities
- Set goals and targets for immigration and widely publicise, explain and debate

Leadership

- Encouragement of established leaders in the business and political communities to identify themselves with migration issues and to advocate them amongst their peers
- Annual T&W/NE Summit on population and migration issues
- Annual reports from all local authorities/public agencies on what they are doing to make T&W a 'migrant friendly city'.
- Highlight immigrant role models and ambassadors

8.4. Concluding Remarks

Even in countries and regions where immigration has been explicitly and assertively promoted by governments and where local communities have been supportive, there is no guarantee that highly skilled migrants will settle for the long term benefit of a city unless there are sound economic reasons to do so. If enough of the right kinds of jobs and business opportunities are not in ready supply, they will inevitably move to the places where they are.

The other factor that will influence immigrant attraction and early-stage retention is critical mass. Immigrants are attracted to places in which they will not stand out from the crowd. That critical mass is possibly on the verge of being reached in the city core (particularly during student term time) but nowhere else in the city region. Anything that achieves the semblance of a diverse critical mass is to be encouraged, otherwise the city will lose to other cities as many high value migrants as it attracts.

The city region's biggest asset is itself. Get people there and it rapidly grows on them. You have then taken a major step in getting them to return or to stay. The city's lack of image or profile overseas remains a major impediment to attracting high value migrants who are choosy.

There may be a need to consider the impact of other Government policy agenda on Managed Migration to T&W. For example, what might be the effect of a change to the Incapacity Benefit rules? It might return a disproportionately high number of native North Easterners onto the labour market and directly into competition with some of those migrants (albeit at the lower end of the skills spectrum) who have been encouraged to settle there?

Achieving special provisions or waivers of migration legislation for an English region will be difficult both politically and administratively. It will be difficult to explain and to police and may create a political backlash if mishandled. The argument would have to be made and won at the highest political level. Long before the case can be made, there is a debate to be won at the regional level. For example both there is still a very low level of awareness of the issues or potential of migration in the skills development and business support communities. Only when they feel there is a case to be made and start to state this explicitly in their forward plans will senior civil servants and ministers take it seriously.

Next Step

A workshop comprising officials from the Treasury, Home Office (Immigration and Nationality Directorate), Office of the Deputy Prime Minister with representatives of GONE. ONE, City Region to map out possible areas for policy innovation. Perhaps a guest speaker from the Scottish Executive and/or an immigration specialist from a Canadian Province.

APPENDIX

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People interviewed in the course of the research

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Ian Wang	X & T Printing UK Ltd
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Note on data

The data on migration and attractivity is taken from the 2001 Census, specifically its Special Migration Statistics Set 1. This contains counts of people who declared that they had a different address at the time of the Census (29 April 2001) compared to that one year previously, termed 'migrants'. The analysis here is restricted to migrants who clearly indicated their previous address as being somewhere else in Britain. It therefore excludes those moving in from outside Britain, as well as those migrants who ticked the box on the Census form saying that they had had no usual address one year ago.

When interpreting the results, it is important to note that migrants (and the population numbers used for calculating the rates) are classified according to their position at the time of the Census, because the census does not ask anything about people one year ago apart from the whereabouts of their usual residence then. This is not really a problem dealing with ethnicity, because although it is known that over time some people rethink their ethnic background, to all intents and purposes (especially over a period as short as 12 months) it can be assumed that this does not change.

For NS-SeC, however, such an assumption is less defensible. This classification is based on both labour market position and broad occupational grouping. Both these can change over time, and indeed such changes are more common for migrants than non-migrants. The in/out ratios are therefore on the basis of their classification after their move. In practice, the NS-SeC categories used here are so broad that few people are likely to have changed their class. The main exception is full-time students who graduated during the pre-Census year.

Finally, it should be noted that the counts used in the NS-SeC analysis are not for all persons, but for the representative persons of moving groups (MGRPs). Moving groups are defined as one or more people that were living in the same household at the Census and 12 months earlier but who changed address in the meantime. The representative person is either the sole member of a one-person moving group or is the person who precedes the other members of the moving group on the census form unless a person listed later is a parent of the first-named or has higher status in the labour market. The NS-SeC analysis excludes all those who were not members of private households at the Census, i.e. those who were then living in some form of communal establishment including student halls of residence (but includes those who moved out of a communal establishment during the year).