

Controlling public spending

Last week some of you complained I did not point out in the housing debate that high levels of inward migration add substantially to housing demand. I have regularly pointed this out and called for more control of economic migrant numbers , as well as regularly urging tougher action against people smuggling and illegal migrants. The debate last week was not involving the Home Office who are responsible for migration policy and speeches were limited to just four minutes.

It is the case that whilst economic migrants may be a cheap solution for some businesses seeking labour it is often a dear solution for taxpayers. Each new migrant needing a social rented home, school places for children, surgery and hospital facilities and transport capacity may need around £200,000 of capital to be found or invested new to make the necessary provision. I have argued that government should therefore limit numbers more than it does. I have also said that the set up capital for a new migrant should be paid for out of the overseas aid budget. If we took 100,000 migrants fewer this year that would save a possible £20 bn of capital. Clearly if migrants were willing to go to Council areas that have spare social homes and public service capacity there is a much lower cash outlay, but as we rightly do not order people where to go many go to areas of high demand with little or no spare capacity.

I will have another go as the government is now looking for spending reductions.