

# Tourism Alliance Policy Working Group on the Youth Mobility Scheme

October 2023

# **White Paper**

# **Expanding and Reforming the Youth Mobility Scheme**

#### Introduction

The UK Youth Mobility Scheme is a cultural exchange programme that allows young people, typically aged 18-30, from 11 countries and territories to live, work and study in the UK for a period of two years. It is a core component of the UK's soft power programme.

Now that the UK has left the EU, and that there is no longer freedom of movement, there is an urgent need to extend the scheme to include many more European nations. We recommend that the UK Government:

- Commences negotiations to extend the Youth Mobility Scheme to key EU countries.
- Reform the Youth Mobility Scheme so that the number of applications more readily matches the quota of visas available through the scheme.
- Ensure that a YMS is a core component of all future trade deals.
- Include YMS as a part of a comprehensive mobility agreement with the EU as part of the UK-EU Trade and Cooperation Agreement review in 2025.

## **Background**

The Youth Mobility Scheme (YMS) is a bilateral agreement between the UK and another country whereby an agreed number of young people can travel to the reciprocal country to live and work for a temporary period, usually two years. As well as an age requirement, agreements also typically include proof of a minimum savings level (£2,530), and certain countries are subject to additional requirements.

If applicants are successful, there are very few restrictions on what the applicant can do during their stay in the host country, meaning that they are able to undertake employment or to study if they choose to do so.

The aim of the YMS is to promote cultural exchange, allowing young people experience life in another country, learn a different language and develop other skills and abilities that will benefit them throughout their career. It is also an important element of the UK's soft power in establishing cultural, political and business links between the UK and other countries.

During their stay, the person does not gain any long-term right to remain in the host country after that period of the YMS visa ends, although they can apply to stay under other routes of entry that the host country may have.

The UK currently has YMS agreements with 10 countries (plus a similar scheme in India called the Young Professionals Scheme which started in 2023). A list of these countries, and the quota for each country, is below.

The scheme is currently under-utilised due to the small number of countries with which the UK has a YMS agreement as well as due to a mismatch between supply and demand in the allocation of quotas.

Table 1. YMS Applications by country in 2022 and auotas by country in 2023

	Applications in 2022	Quota in 2023	Applications as percentage of 2023 quota	
New Zealand	3281	13000	25%	
Australia	7683	35000	22%	
Canada	2729	8000	34%	
Monaco	3	1000	0%	
San Marino	4	1000	0%	
Iceland	57	1000	6%	
Hong Kong	373	1000	37%	BALLOT
Japan	1244	1500	83%	BALLOT
South Korea	791	1000	79%	BALLOT
Taiwan	702	1000	70%	BALLOT
India		3000		
TOTALS	17005	66500	26%	

(Source: <a href="https://www.gov.uk/government/statistics/immigration-system-statistics-year-ending-june-2023">https://www.gov.uk/government/statistics/immigration-system-statistics-year-ending-june-2023</a>)

This paper sets out how the Scheme should be **expanded** and **reformed** in order to maximise the benefits that it provides to both young people participating in the scheme and to the UK.

## **Expanding the YMS**

Due to "freedom of movement" the UK has never needed to have YMS agreements with other EU countries in order to maintain and enhance youth cultural exchange programmes. Now that the UK has left the EU, there is an obvious need to re-establish the ability of young people to move between the UK and countries in the EU.

Lord Frost, in his Churchill lecture Speech at the University of Zurich on 15th March 2022, made exactly this point in setting out proposals to reset the UK's relationship with the EU through

increased youth mobility and a more pragmatic approach to movement between the UK and the FU.<sup>1</sup>

Recently, the former Environment Secretary, George Eustice MP has also called for an expansion of the YMS starting with bilateral agreements and moving to an EU-wide scheme<sup>2</sup>.

The adoption of a more pragmatic approach to mobility that focuses on increasing the opportunities afforded to young people would have considerable benefits. It would reaffirm the openness of the UK as a country, enhance cultural ties and provide considerable opportunities to improve and enhance relations between the UK and key overseas partners.

In the longer-term the UK should seek to enter into an EU-wide YMS agreement, possibly as part of the UK-EU Trade and Cooperation Agreement review, but that should not prevent the UK and individual EU member states from signing bilateral agreements now. EU countries have signed bilateral reciprocal youth mobility visa agreements with third countries – a recent example being Italy's YMS agreement with Canada which was signed in 2020<sup>3</sup>. Indeed, the possibility and benefit of signing bilateral agreements with EU countries appears to have been acknowledged by the Government in the recent UK-Denmark declaration, which referred specifically to an ambition to reach an agreement on enhancing youth cultural exchanges<sup>4</sup>.

The EU/EEA countries that we believe hold the greatest reciprocal benefits for cultural exchange, and should therefore be prioritised for negotiating YMS agreements with are:

- Italy
- Spain
- France
- Germany
- Greece
- Switzerland
- The Netherlands
- Poland

More widely, the UK's departure from the EU provides a significant opportunity to further expand the YMS to include future trade partners – something that the government is already doing by

"First, we should take another look at mobility issues. There is a whole set of problems here that is making life difficult on both sides: youth mobility, movement of specialists like musicians and artists, the ESTA- like arrangements that are coming in on both sides soon, and much else. These problems can be solved without compromising the general policy, to which both sides adhere, that free movement does not apply.

I think we have been too purist on this. We did in fact look last year as a Government at whether we should move to a more pragmatic position, but in the depths of the vaccine wars it was impossible. This time we should try harder. A world in which some categories of specialist service providers can move more freely, where young people's exchanges can get back to normal, and where there are not excessive paperwork and process requirements on tourists or those who have connections across European countries - that is obviously a better one and we should try to get to it. And by the way I hope we can get to a youth mobility deal with Switzerland too."

<sup>&</sup>lt;sup>1</sup> https://www.davidfrost.org.uk/news/churchill-lecture-university-zurich:

<sup>&</sup>lt;sup>2</sup> https://www.theguardian.com/politics/2023/jul/08/tory-brexiter-george-eustice-visas-young-eu-workers-labour-shortage

<sup>&</sup>lt;sup>3</sup> https://www.esteri.it/en/opportunita/scambi\_giovanili/accordo-in-materia-di-mobilita-giovanile-tra-litalia-e-il-canada/

<sup>&</sup>lt;sup>4</sup> <a href="https://www.gov.uk/government/publications/uk-denmark-joint-statement-on-bilateral-cooperation/joint-statement-on-foreign-security-defence-development-and-bilateral-cooperation-between-the-united-kingdom-of-great-britain-and-northern-ireland">https://www.gov.uk/government/publications/uk-denmark-joint-statement-on-bilateral-cooperation/joint-statement-on-bilateral-cooperation/joint-statement-on-bilateral-cooperation/joint-statement-on-bilateral-cooperation/joint-statement-on-bilateral-cooperation/joint-statement-on-bilateral-cooperation/joint-statement-on-bilateral-cooperation/joint-statement-on-bilateral-cooperation/joint-statement-on-bilateral-cooperation/joint-statement-on-bilateral-cooperation-between-the-united-kingdom-of-great-britain-and-northern-ireland</a>

including a YMS agreement in the recent trade deal with India<sup>5</sup> and enhancing the existing YMS agreement in the with Australia, New Zealand, and Canada to enable young people from those countries to extend their stay in the UK for an additional year on top of the usual two years, as well extending the age limit to 35 rather than the usual 30<sup>6</sup>.

The non-EU countries that we believe hold the greatest opportunities are:

- USA
- Brazil
- Malaysia
- South Africa

The expansion of the YMS to these countries should be in addition to the existing quotas allocated to countries with which the UK already has a YMS agreement.

- The Government should continue to expand YMS by reaching bilateral agreements with other countries, especially those outlined in this section.
- The Government should continue the expansion of existing YMS agreements by extending the validity of the YMS visas and expanding the scope to cover 30-35 year olds.
- The Government should negotiate an EU-UK YMS agreement covering the EU27 as part of the review of the UK-EU Trade and Cooperation Agreement in 2026.

### Reforming the YMS

The YMS scheme quotas differ from country to country. For example, Australia, New Zealand and Canada have large allocations which are never filled; only 22%, 25% and 34% of their YMS quota respectively was fulfilled in 2022.

By contrast, in countries such as Japan, Taiwan, Hong Kong and South Korea the YMS quota is very low and demand far exceeds supply. In these countries the Home Office operates a ballot where invitations to apply are allocated to applicants on a random basis. The figures shown in Table 1 above refer to the percentage of those invited to apply after having entered the ballot. The Government does not publish the number of ballot entries received in each of those countries, but our information is that they are subscribed many times over the quota.

Overall, in 2023 there are potentially 66,500 young people that can temporarily work in the UK from the 11 countries where the UK has a YMS agreement (see Table 1 for quota number by country). However, in reality, the number of people coming to the UK through the scheme is much lower – only 17,005 applications in 2022 – due to the unfilled quotas in Australia, New Zealand and Canada as well as the total of 64 applications out of the 3,000 allocated in total to Iceland, San Marino and Monaco.

This demonstrates the significant mismatch between the demand for YMS visas and the quota of YMS visas allocated to each country, resulting in an inefficient system that restricts the overall number of people that can use the scheme.

<sup>&</sup>lt;sup>5</sup> The India Young Professionals Visa Scheme: <a href="https://www.gov.uk/india-young-professionals-scheme-visa">https://www.gov.uk/india-young-professionals-scheme-visa</a>

<sup>&</sup>lt;sup>6</sup> See, for instance, the extension of the UK-Canada YMS here: <a href="https://www.gov.uk/government/news/new-arrangement-expands-work-opportunities-for-canadian-and-british-youth">https://www.gov.uk/government/news/new-arrangement-expands-work-opportunities-for-canadian-and-british-youth</a>

One of the problems associated with this is the UK Government's requirement that the demand for UK nationals to go the reciprocal country must exceed the quota limit before it will enter into discussions on increasing the quota. This means that, for example, the UK's YMS quota with Japan will remain at just 1,500 per annum until more than 1,500 UK nationals want to travel to Japan despite there being considerable demand for young people in Japan wanting to come to the UK.

There are two reforms that would resolve this:

- Removing the requirement for UK applicants to reach the quota level before renegotiating quotas for people coming to the UK.
- Introducing a system for reallocating unused quotas from low demand countries to high demand countries so that the overall level of YMS visas allocated each year matches the number of visas available.