

MIGRATION ADVISORY COMMITTEE – STAKEHOLDER FORUM – FRIDAY 9 MAY 2008

The forum was well attended with over 50 representatives from employers, employer organisations and other stakeholder groups.

David Metcalf began by introducing the work of the MAC, the methodology being used to draw up the shortage occupation list and progress against the Government's deadline of the end of June 2008 (now August 2008). Professor Metcalf said that the Committee's approach was firstly to consider whether occupations were sufficiently "skilled". Then assess whether there was a "shortage" of labour within each skilled occupation. Finally to consider whether it was "sensible" for migrant labour from outside the EEA to be used to fill a skilled shortage, given that employment of migrant labour may only be one of a number of possible responses to labour shortage.

Professor Metcalf went on to state that "skill" would be defined by at least 5 indicators: pay; percent qualified to NVQ3+; SOC classifications; innate ability; and, training and experience required. "Shortage" would be analysed using a number of indicators including: pay change; return to qualification; vacancy duration; and change in employment. Finally "sensible" would bring out the tension between short run immigration and the long run upskilling of the local workforce.

Those attending were then invited to ask questions and a number of issues were raised. A summary of the main points are as follows:

- It was unrealistic to hope that all vacancies could eventually be covered by upskilling the resident labour market as skill requirements were always changing and training programmes often lengthy. It was therefore often necessary to draw on migrant labour when skills needs changed faster than training programmes could keep up. Similarly if you drive people to train in one direction to fill a shortage it will invariably mean that you are diverting them from other occupations. *MAC - immigration can't be seen as the sole way to fill labour shortages. It was sensible to look to upskilling local labour force where possible. Might have sunset clauses for some occupations to allow for upskilling to take place.*
- Migration figures recorded by the Government had limitations.
- Low pay, high skill jobs particularly reliant on the shortage occupation list route. For example ballet dancers and senior care assistants.

- If data being used are from recent past it wouldn't take into account tightening economic conditions and the possibility that unemployment might rise. *MAC - after the initial list is produced the Committee might start to look at individual sectors in more depth which might then help to understand issues and concerns for the future. Immigrants tend to move towards thriving economies. So a weaker economy might mean fewer migrants coming to work in the UK.*
- For the chef sector it was important that the Committee should compare salary levels of Indian chefs with those of chefs in other cuisines. On sunset clauses – happy to engage with any government training initiative in this area, but for the high end restaurants and fine dining the needs are so culturally specific that it may never be able to train to that level.
- In construction, shortages were affected by Government policies (e.g. housing). Probably true of other sectors too. It was important therefore that Government fed into the MAC's work as industry were not always aware of upcoming Government policy. *MAC - Government had responded to call for evidence and were plugged into the work of the Committee. When June list done the Committee will want to try and better understand individual sectors – construction will be one of them.*
- Ethical issues about taking teachers from areas of the world that desperately needed teachers, flood engineers from areas of the world that had recently suffered catastrophic flooding. *MAC - an important issue, but for Government, not the MAC. The MAC is tasked with identifying where migrants may sensibly fill gaps in the UK labour market.*
- Would the Committee consider language requirements as skilled? For example knowing Cantonese or Mandarin to work in a Chinese restaurant. Upskilling difficult for smaller businesses. Would like to commit to training, but would need Government support and very much a long term solution. *MAC - Committee understood these concerns. Accept that industry cannot train towards filling all vacancies immediately.*
- Social care sector has particular problems around salary levels due to LA funding. Therefore earnings indicator for shortage wouldn't work for this sector. Have problem getting recognition for particular difficulties in recruitment for the social care sector. *MAC – Well seized of the problems surrounding defining care*

worker skill level. However, Secretariat would be in touch to arrange meeting with sector to hear concerns more fully.

- Concern that review time of 6 months for the list is not responsive enough. Upskilling can only go so far as problems at more basic level of education. *MAC – not wedded to 6 month review. Accepts there might be occasions when the need to review a sector or occupation is more pressing than a fixed 6 month cycle might allow.*
- Government need to give lead to industry in areas where government projects will have a big impact (e.g. Olympics, cross rail). Often very niche occupations that require extensive training and therefore important that Committee look at bottom up forecasting evidence.
- Intra-Company Transfer route can be complex. It is being widely used in ICT sector. Why no 'sensible' step for getting these inward movements approved. *MAC – Not for this Committee.*
- Why is there not a role for profession regulators on the Stakeholder Panel as they have a very good knowledge of qualifications? *MAC – Government guided Panel constitution, however very willing to engage with stakeholders in a variety of ways.*
- How will the Scottish list work? *MAC - It will be an additions list and be published and reviewed at same time as UK list.*
- Keyworkers scheme worked well a few years ago – look into why it was stopped. *MAC – Agreed to look at this.*
- Not quite sure what was wanted in the call for evidence. Some indicators that the MAC has highlighted have not been looked at before and therefore information isn't readily available. *MAC – June not the end of the story. Ongoing process.*