

HRM challenges, migrant workers and the regulation of migration post-Brexit/post-COVID: evidence from four sectors

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Objectives

- What are the implications of the changing migration regulation regime in the UK for HRM practices?
- How are employers in sectors which are heavily reliant on migrant labour (social care, hospitality, food and drink processing and warehousing) responding post-Brexit and post-pandemic?
- What are the ways in which employers are managing the end of free movement from the EU and the pandemic crisis in terms of recruitment, retention and other HR practices?

Context developments (Leeds Team update)

- **Ongoing vacancies** (1.2 million as to Nov 22) including in our sectors and **rising inactivity rates** (21.6%, 1% higher than pre-pandemic, long-term ill health rising above 2.5 million people for the first time on record esp. older+disabled)
- See Prof Forde's [summary of our ReWage Report](#) on Free movement and shortages
- International comparison: the UK still **one of 5 developed countries** where **employment rate is not growing** post-pandemic
- [EIS 2022](#) highlights importance of access to health treatment and employment support for the inactive (often not benefiting from it as excluded from UC)
- Pay growing but much **below inflation** (7% in private/only 2% in public)
- Employment of migrant workers **born in EU below 2016 levels**, while that of **non-EU workers up by 180,000** in the last year (EIS 2022)
- Skills training **under-investment and under-use of existing schemes not fit for purpose**—see our [evidence](#) for the Public Accounts Parliamentary committee
- Automation and technology investment: cost of living crisis limits employers' initiative

Survey of employers

	Progress – Full Completes (datasheet and telephone interview)				
By Sector (overall target)	Number of completes	Percentage of target	By Size (overall monitoring target)	Number of completes	Percentage of monitoring target
Food and Drink Processing (300)	136	45%	5-9 (516)	340	66%
Hospitality (500)	297	59%	10-24 (476)	358	75%
Residential and Social Care (500)	369	74%	25-49 (263)	160	61%
Warehousing and freight transport (300)	184	61%	50-99 (187)	84	45%
			100+ (159)	44	28%
TOTAL (1,600)	986	62%	TOTAL (1,600)	986	62%

*Initial headline results
from employers' survey*

Some general characteristics

- **Sector:**

- Private-75%

- Public-3%

- Voluntary -22%

- **Has your establishment ever employed any migrant workers from the EU?**

- Yes-32% and No-63%

- **Size**

- 5000+ employees 29%

- 1000-5000 employees 19%

- 50-250 employees 15%

Some general characteristics

- **Has your company ever been consulted by the government/trade body/employer organisation on the shortage/migration policies?**
-No-79%
- **Have staff responsible for recruitment and employment administration required new training around migration and the right to work checks since the introduction of the Points Based System?**
-No-65%
- **For any of the workers you have recruited in the last 12 months, have you conducted any right to work checks?**
-Yes -77%

Changes in employment

- **Have any of the following forms of employment increased or decreased in numbers in this establishment between June 2016 and Dec 2019?**

-Mainly remained the same but 22% directly employed with open-ended contract

- **Have any of the following forms of employment increased or decreased during that time?**

-Mainly stayed the same but 30% directly employed with open-ended contract

Changes in employment

- **Did the number of workers, change in this establishment between the EU referendum in June 2016-Dec 2019?**
 - Generally remained the same but UK workers increased by 15%

- **Has the number of workers, both on direct and indirect employment contracts changed during the same period?**
 - Generally remained the same yet those of UK workers by 30%

Vacancies and policies

- **What are the main causes of worker shortages/hard-to-fill vacancies at your establishment?**
 - Not enough people interested in doing this type of job – 37%
 - Wage levels considered too low-24%
 - Low number of applicants generally-23%

- **Have you tried any of the following to deal with hard to fill vacancies over the last 12 months?**
 - Improve opportunities to work flexibly (part-time/flexible working)-47%
 - Increase pay-45%
 - Improvements/changes in training-32%

Vacancies and policies

- **Have you made any use of the following schemes to address any recruitment/training issues?**

-Apprenticeships – 25%

- **Which of the following supply chain issues, if any, have you experienced over the last 12 months?**

-High input prices and/ or material shortages-61%

-Long delivery times-54%

-Staff shortages-48%

Vacancies and policies

- **Have the following immigration strategies become more important to your business since the end of free movement in January 2021?**

-Recruiting from pools of EU or other migrant workers in the UK-15%

-Recruiting Ukrainian refugees who are in the UK on one of the Ukrainian schemes-15%

You indicated that your vacancies are not eligible for sponsored visas, why are they not eligible?

-Vacancies do not match the category of the sponsorship-69%

Final updates

- Where are we at with the **qualitative research**?
 - Only 2 out of 12 case organisations accessed for the case studies (hospitality + warehousing) - employers busy with multiple challenges
 - Any specific contact to recommend in Y&H?
 - First quarter of 2023 aiming to increase access when businesses are quieter (any thoughts?)
- **Impact work**
 - Work Foundation Blogs, interview for Financial Times, cited in various newspapers re. ReWage report on free movement and shortages, Parliamentary committee evidence...check our Web page and newsletter!

Including your updates

Would AB members like to share with us
any work/news to include in our Newsletter?