

The background of the page is a black and white photograph of a multi-story building under construction. The building's facade is covered in scaffolding and safety netting. To the right, the lattice structure of a construction crane is visible against a light sky. A large, solid blue circle is overlaid on the left side of the image, containing the main title and subtitle.

MIGRATION AND CONSTRUCTION:

The view from employers,
recruiters and non-UK
born workers in 2019

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“Non-UK born workers have long played a key role in Britain’s construction sector. They currently account for 14% of our workforce (54% in London) and give employers flexibility to respond to their skills needs, particularly the demand for ‘low-skilled’ workers.

This report suggests that companies are becoming slightly more dependent on non-UK born workers, but that industry is committed to growing its domestic workforce and modernising its operations.

Further, the report shows that restrictions on non-UK born workers under the UK Government’s new skills-based immigration system could, in the short-term, lead to skills shortages which may impact on construction project times, costs and the economy.

This report makes three key recommendations to ensure that the new migration system works for the construction industry. Firstly, employers would welcome an extension on the ‘low-skilled’ visa from 12 to 24 months. This would provide employers with greater security on staff retention, while industry works to grow the domestic workforce.

Secondly, employers have asked that non-UK born workers entering the UK on a ‘low’ skilled visa are able to transition to a ‘high’ skilled visa while remaining in the UK. This would ease skills gaps and ensure that employers can retain their motivated non-UK born employees who have achieved a level 3 qualification.

Finally, the new visa system should ensure that the construction industry is able to continue to benefit from the skills of self-employed non-UK born workers. CITB is working in partnership with the Construction Leadership Council, key construction Federations, other sectors and the government to develop a new system of ‘Umbrella Sponsorship’ to do this. Under this system, approved organisations would sponsor self-employed non-UK born workers through a ‘clearing house’ model that would ensure continued access to this vital pool of skilled labour.

It’s important that construction has the breathing space to adjust to new changes. CITB looks forward to engaging with Government and industry to ensure the views of employers are heard. We will strive to ensure that a simple, flexible migration system is put in place to support employers’ skills requirements, while industry builds its domestic workforce.”

Steve Radley
CITB Strategy and Policy Director

This report updates CITB's July 2018 *Green Paper Migration in the UK Construction and Built Environment Sector* and our 2017 report *Migration and construction: the view from employers, recruiters and non-UK born workers*. It provides fresh evidence to help inform decision-making by the UK Government, the construction sector and CITB in the run-up to, and following, Brexit.

The report examines potential visa routes based on those proposed in the Government's December 2018 White Paper, The UK's future skills-based immigration system, namely an entry route for 'low skilled' workers to come to the UK for up to 12 months, and a route for 'high skilled' non UK-born workers earning £30,000 per year or more.

Following the publication of the White Paper, the Government has asked the Migration Advisory Committee (MAC) to review the merits of an 'Australian style' points-based system for migrant workers. CITB believes the principles and recommendations outlined in this report remain applicable to such a modified approach.

Definitions

Throughout the report we use the terms 'migrants' and 'non-UK born workers' interchangeably. By these terms we mean those born outside the UK and not holding a UK passport.



"If that was in place ('low-skilled' visa), I would not be interested in employing anyone for one year because the amount of time and effort you put in training somebody up, and they reach the standard you want, the year's nearly up and they're going to leave, I'd rather not go through that stress. So, for us, we wouldn't even entertain that application, we'd rather just stick with the team we have."

GENERAL BUILDERS, UK-WIDE

Key findings

- **Visas are not understood or deemed suitable by UK employers.** In the last two years just 3% of employers had supported a worker from outside of the EU to apply for a visa to enable them to work in the UK.
- **70% of employers of non-UK born workers do not consider the 'low skilled' visa for people with level 2 qualifications proposed in the White Paper suitable for their business.** Some concerns raised by employers are that this visa will make it harder to recruit staff, lead to skills shortages, lead to difficulty retaining staff, and increase administration and red tape.
- **Employers were more divided in their views of the 'high skilled' worker visa proposed by the UK Government for level 3 qualifications and higher.** Half (50%) of employers of non-UK born workers felt that the 'high skilled' visa would be unsuitable for their company's needs, although 43% did consider it quite (24%) or very (19%) suitable.
- **Recruitment agencies believe the new immigration system will lead to a decrease in the number of skilled construction workers coming to the UK (40%),** and that there will be a decrease in the number of 'low skilled' construction workers working in the UK (58%).
- **Non-UK born workers are keen to 'train to remain'** with 61% saying they would be 'very' or 'fairly' likely to complete level 3 training if this would enable them to qualify for the 'high skilled' visa. 'Train to remain' would ease skills gaps and provide employers with greater security on staff retention.

2.25 million people aged 16 to 64 worked in construction in 2018, similar to 2017 (Labour Force Survey (LFS) data). Of these, 311,000 were born outside the UK, a decrease from 2017, which recorded over a third of a million (333,700) non-UK born construction workers.

How many migrants work in UK construction?

The construction workforce is still mainly British. The proportion of non-UK born workers in the construction industry has decreased to 14% (down from 15% in 2017), representing a decline of around 12,000 workers. The fall may indicate that employers are preparing for changes to the future immigration system or that migrant workers are getting harder to attract and retain.

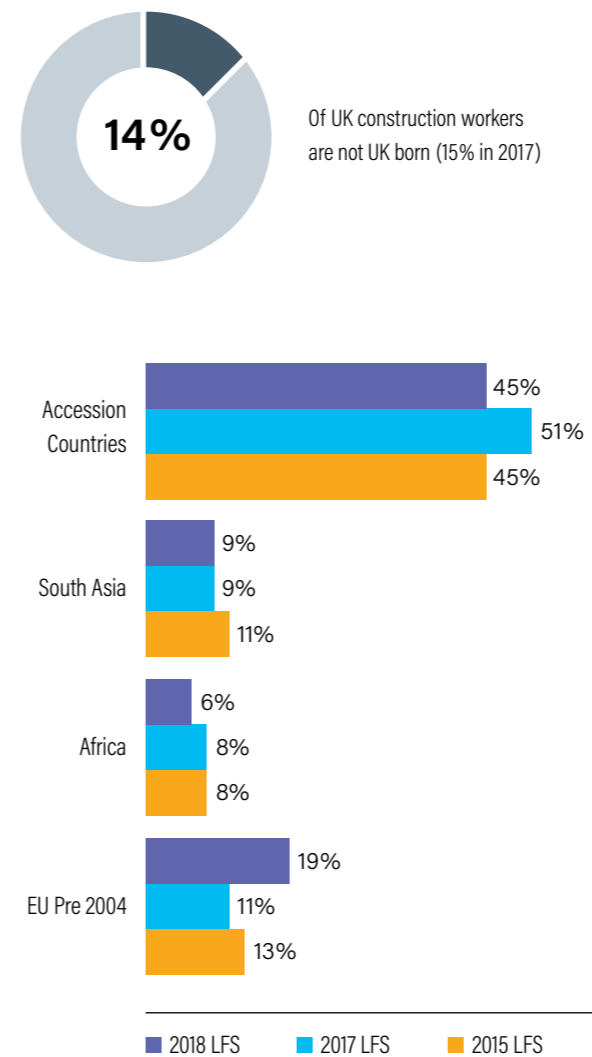
What countries do non UK-born workers come from?

Just under half the non-UK born workers were born in EU Accession countries (45%, down from 51% in 2017). The Accession countries are the ten countries which joined the EU in 2004, Romania and Bulgaria (who joined in 2007) plus Croatia (who joined in 2013).

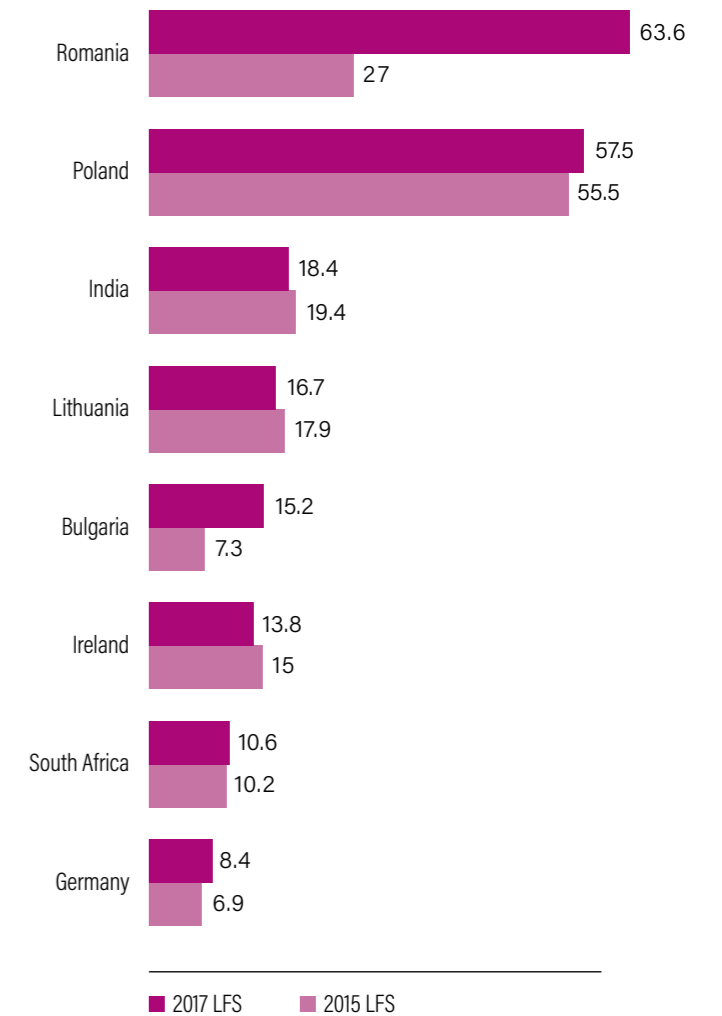
LFS data showed that in 2017 the most common non-UK countries of birth of construction workers were Romania (63.6k), Poland (57.5k), India (18.4k), Lithuania (16.7k) and Bulgaria (15.2k).

Figure 1: The composition of the non-UK born construction workforce by country (LFS data).

Composition of non-UK born construction workforce:



Most common countries of birth of non-UK born construction workers 2017 vs. 2015 ('000s):



How dependent are employers on non-UK born workers?

One-sixth of employers said that they were very or quite dependent on non-UK born workers (16%), in-line with 2018 (13%), and 2015 (15%).

Among those directly employing any migrant workers, this rose to slightly over one-third (37%), similar to 2018 (34%). One in ten of these employers said they were very dependent on these workers (10%). In 2019 employers' main reasons for using non-UK born workers are in-line with those in 2018.

- 47% said a lack of skilled UK applicants was at least a partial motivation.
- 40% were motivated by migrants having a better attitude and work ethic.
- 34% said they were more productive than UK workers in equivalent roles.

As in 2018, the majority of employers said that they were not dependent on non-UK born workers. However, the proportion of employers saying they were not at all dependent has decreased compared to 2018 (64% compared to 71%). Overall, this suggests that there may be a slowly increasing awareness of the level of dependence on non-UK born workers.

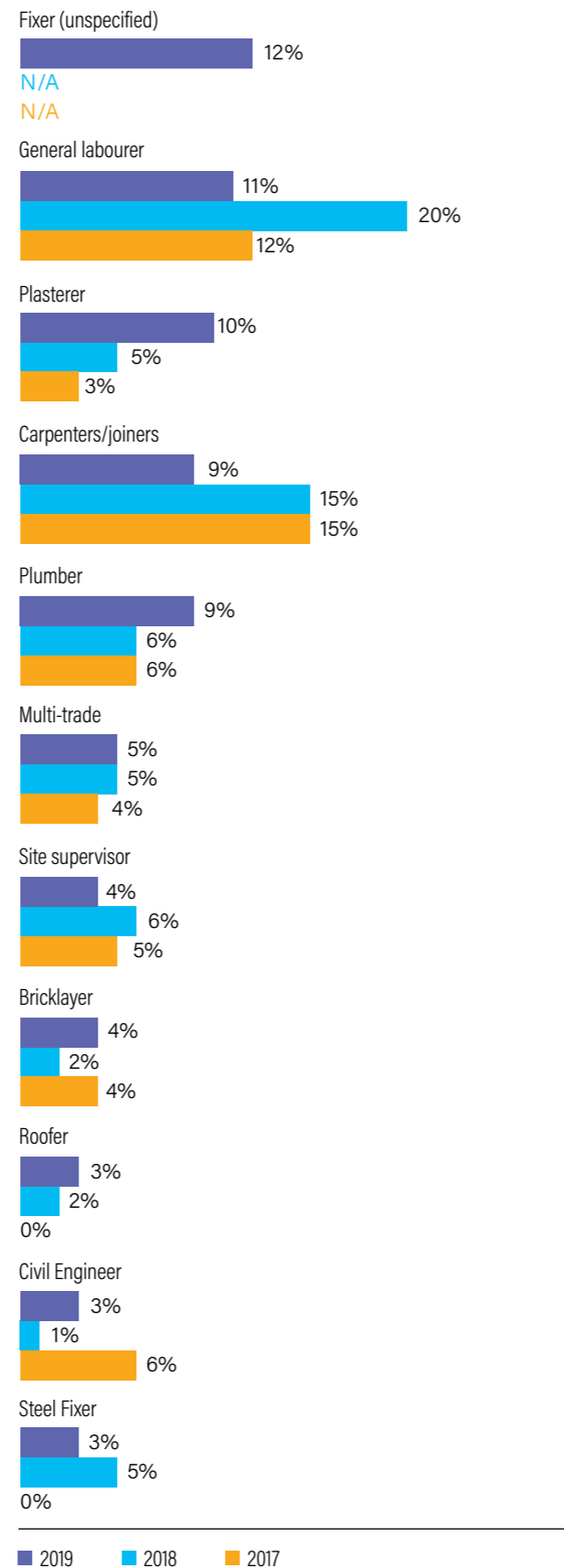
What construction jobs do non UK-born workers do?

The majority of non-UK born workers are employed in skilled occupations, with 89% in roles such as: plasterer, carpenter/joiner, plumber, site-supervisor, bricklayer, and project manager. The 2019 site-based survey found that fewer non-UK born workers claimed to be general labourers than in 2018 (11% down from 20%).

How many non-UK born workers are directly employed?

The survey of employers found one in six (16%) were directly employing at least one non-UK born worker, a decrease of 9% percent from the 25% found in 2018's survey.

Figure 2: Occupations and roles of non-UK born workers, 2019, 2018 & 2017.



How many migrant workers are self-employed?

A large number of non UK-born workers are self-employed, receive training and stay in the UK for a considerable time.

LFS data from 2018 found that 49% of non-UK born workers in construction were self-employed, compared with 39% of the UK born population.

LFS data also shows there has been a move away from self-employment amongst migrant workers, as the 2018 figure of 49% is six percentage points lower than the 2017 figure (55%).

Self-employed workers will need sponsorship to work in the UK. The Government is exploring different models, e.g. the use of umbrella organisations to act as sponsors, where it may be appropriate for specific sectors of the economy (see recommendations).

How much do migrant construction workers earn?

Lower paid workers

According to the CITB's Employer Survey published in 2018 the five occupations most commonly carried out by migrant workers in construction are: general labourers, architects, bricklayers, carpenters and plant operatives.

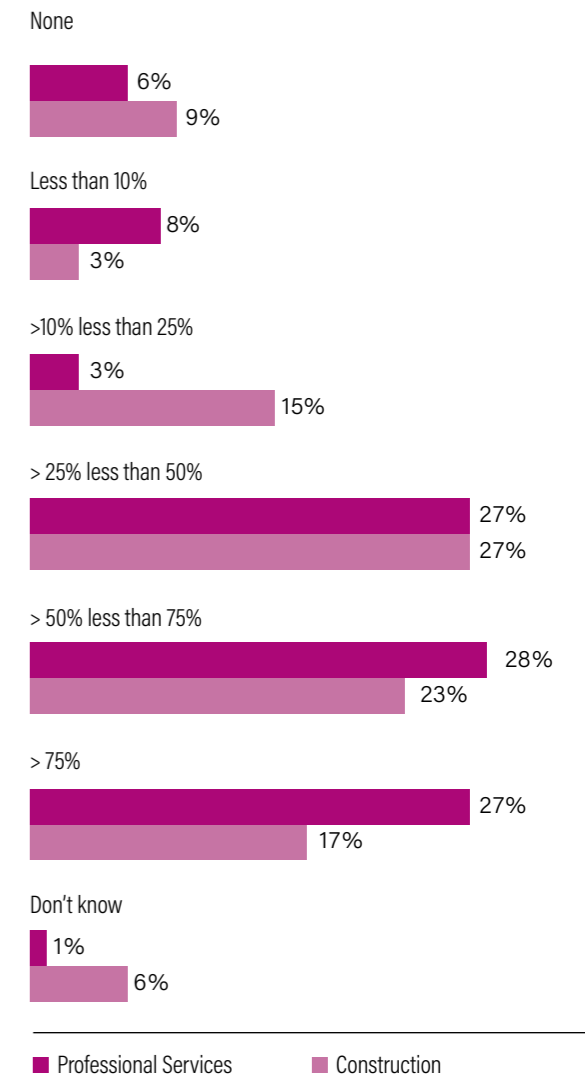
Of these, four have a median salary¹ below the Tier 2 threshold and the minimum threshold recommended by the Immigration White Paper (both £30,000). Only architects are above the £30,000 figure.

Our research found that over half (55%) of professional services employers said that most of their employees earned over £30,000 a year, higher than the proportion among construction employers (40%).

Ultimately, the findings suggest that a 'high-skilled' visa with a minimum salary threshold of £30,000 is more suitable for those working in the professional services than for construction employers as the vast majority of construction qualifications are at level 2. With the majority of employees at level 2, the need for an extension on the 'low-skilled' visa from 12-24 months to help staff retention and address a potential skills shortage is apparent.

¹ Office National Statistics Annual Survey of Hours and Earnings (ASHE) 2018 data

Figure 3: Proportion of workers (UK and non-UK) in your company earning £30,000+, 2019



Professional Services and construction - definition

Professional services includes those who work in occupations such as architecture, planning or surveying; engineering design or technical consultancy; project management and others. Construction refers to those who work in Construction occupations such as building; specialised construction activity; electrical and plumbing; construction residential/roads/utilities; site preparation; demolition; and others.

How long do migrant construction workers stay in the UK?

The majority of employers (73%) said that three-quarters or more of their EU workers had worked with them for more than 12 months.

Non-UK born workers were asked how long they had lived in the UK. Nearly three-fifths had lived in the UK between three and 10 years (56%), and a further 12% had lived in the UK for more than 10 years.

Only 9% of employers employing EU workers said that none of these workers had been with them for more than 12 months.

What age are UK construction migrant workers?

Non-UK born construction workers are younger than their domestic counterparts. The LFS for 2018 shows that while 32% of those working in construction were aged 50 plus, among the non-UK born workforce the comparative figure was just 23%.

What qualifications do non-UK born workers have?

In-line with previous waves of the research, around three-quarters (73%) of non-UK born workers surveyed said that they held a construction-related qualification.

Among construction workers, the majority held qualifications at either level 1 (14%) or level 2 (43%); only 16% held higher qualification levels than this. Overall, those that had lived in the UK for less than 3 years were more likely than average to have level 1 qualifications as their highest (21%) or no qualifications (34%).



“We’ve got at least 50 people who are with us for more than a year, have accounts, qualifications, families, are renting here.”

GENERAL BUILDERS, EMPLOYING 10-49 WORKERS, LONDON

What are employers’ views of overseas qualifications?

75% of employers report that they find it either ‘very difficult’ or ‘somewhat difficult’ to understand how overseas qualifications compare to UK qualifications.

What training do non-UK born workers receive in the UK?

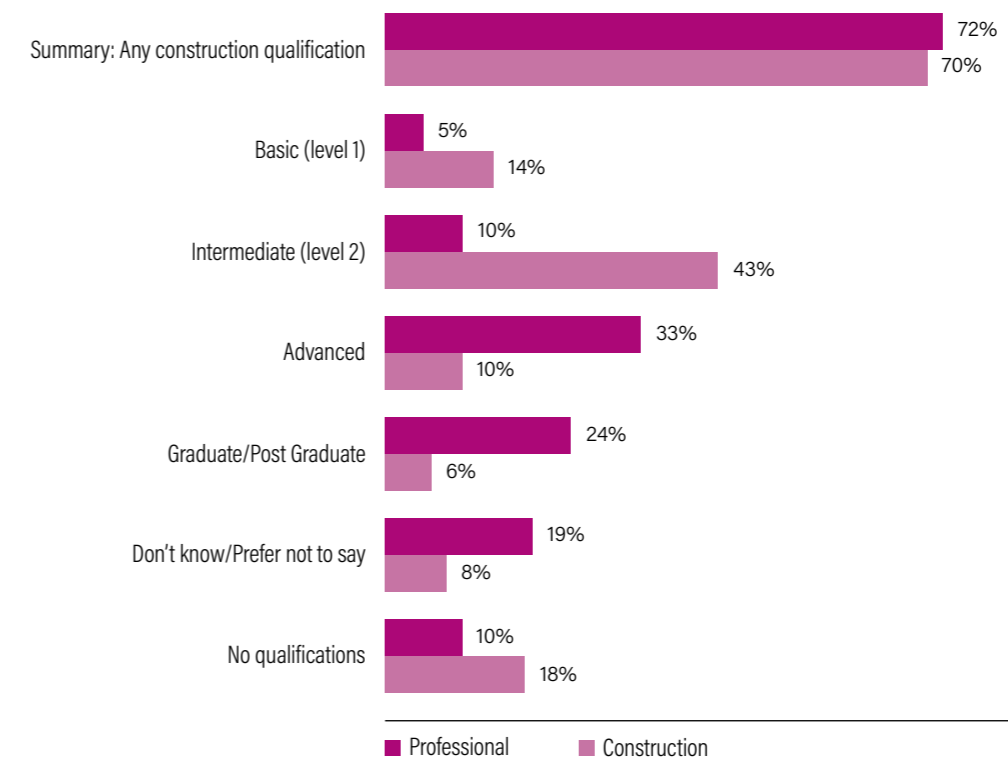
Around two-thirds (65%) of those non-UK born workers with construction-related qualifications had attained their highest construction-specific qualification in the UK.

Non-UK born workers were asked about the training they had received while working in construction in the UK.

- Nine in ten (92%) non-UK born workers said that while working in construction in the UK they had received training in UK regulations for working on construction sites.
- Around three-quarters (73%) said that they had received training at level 2 or below to develop their skills.
- Just under a third (29%) had received training at level 3 or above to develop their skills. This was higher amongst those working in the professional services sector, two-thirds (62%) of whom had received this level of training.
- 61% of non-UK born workers who received construction training while working in the UK decided to stay longer in the UK.
- 58% of employers have provided professional training in the past 12 months, with 33% providing training for qualifications of level 3 and above in the same time period.

Non-UK born workers are keen to ‘train to remain’ with 61% saying they would be ‘very’ or ‘fairly’ likely to complete level 3 training if this would enabled them to qualify for the ‘high skilled’ visa.

Figure 4: Qualification levels held by non-UK workers



Employers, recruitment agencies and migrant workers currently resident in the UK were presented with two potential routes for foreign workers to come to the UK after the UK leaves the EU. The suggested visa routes were based on those proposed in the Government's December 2018 White Paper, The UK's future skills-based immigration system, covering an entry route for low skilled workers to come to the UK for up to 12 months, and a route for higher skilled migrant workers.

The visa scenarios described to employers and non-UK born workers were as follows:


'Low-Skilled' Visa

When the UK leaves the EU, workers with no qualifications, or with qualifications up to and including UK level 2 (for example, GCSEs or overseas equivalents, Green, Red or Blue CSCS Cards) will be able to live and work in the UK for 12 months provided they leave the UK for at least another 12 months once their visa expires.

'High-Skilled' Visa

When the UK leaves the EU, workers with qualifications of at least UK level 3 or higher (e.g. Degrees, NVQ level 3, A levels or Advanced Apprenticeships, or Gold CSCS Cards) will be able to apply to live and work in the UK if they will be directly employed and earning £30,000 per year or more.

- 3% of employers had, in the last two years, supported a worker from outside of the EU to apply for a visa to enable them to work in the UK, rising to (19%) amongst employers with over 100 employees, and to 12% among professional services employers (12% vs 1% of construction firms).
- Of those who had assisted a non-EU born worker with a visa application in the last two years, two-thirds (66%) found the process somewhat (14%) or very difficult (52%).
- 70% of employers of non-UK born workers do not consider the 'low-skilled' visa suitable for their business, as they are concerned that it will make it harder to recruit staff (19%), lead to skills shortages (10%), make it more difficult to retain staff (9%), and increase admin and red tape (6%).
- When asked to consider the impacts this visa may have on the wider sector, a large proportion of employers were concerned about staff shortages (40%) or skills shortages (11%).
- Employers were more divided in their views of the 'high-skilled' worker visa. Half (50%) of employers of non-UK born workers felt that the 'high-skilled' visa would be unsuitable for their company's needs, although 43% did consider it quite (24%) or very (19%) suitable.
- From the qualitative research, specific areas of doubt about the 'high-skilled' worker visa included the suitability of the £30k minimum salary threshold, both in terms of specific jobs and the types of companies able to offer salaries of this level.
- Recruitment agencies believe that the new immigration system will lead to a decrease in the number of skilled construction workers coming to the UK (40%), and believe there will be a decrease in the number of low-skilled construction workers coming to work in the UK (58%).



"If you are classing a level 2 as 'low skilled', that is all our key tradesmen, they are all level 2 and that will be no different across the whole of the construction industry... a level 2 will get what they call a competent card to get access to work on most of the sites... a strong possibility (of skills shortages as a result)... the potential impact is quite worrying to be honest."

GROUNDWORKS, SITE PREPARATION AND
LANDSCAPING COMPANY, EAST OF ENGLAND

Industry Recommendations

The Construction Leadership Council, key industry federations and CITB are working with government to agree how our industry can maintain access to the vital talent of migrant workers. Our industry action plan, Building after Brexit, sets out how the construction industry plans to reduce its future reliance on migrant labour.

What is clear from our latest research is the need for a simple and more flexible future migration system which better supports employers' skills requirements, while industry builds its domestic workforce. To achieve this ambition, we have three key recommendations for government:

- **The length of the 'low skilled' visa is extended:**

The industry would welcome a longer period for the 'low skilled' visa, potentially extending it from 12 to 24 months. This would enable low skilled migrant workers to 'train to remain', easing skills gaps and improving employers long-term staff continuity and certainty.

- **The opportunity for migrant workers to transition from a 'low skilled' to a 'high skilled' visa while remaining in the UK:**

To develop a mechanism that allows migrants to transition smoothly between these visas, if they have received training and met the requirement of achieving a level 3 qualification.

- **A new system of Umbrella Sponsorship is put in place:**

Construction is reliant on migrant workers who are not directly employed (e.g. self-employed, sub contracted). Providing organisations with the power to sponsor these workers through a new 'clearing house' model, in conjunction with the introduction of a lighter-touch regime for trusted employers, would ensure continued access to this vital pool of skilled labour.

CITB is aware that the Government has asked the Migration Advisory Committee (MAC) to review the minimum salary a non-UK born worker must earn in order to work in the UK on a 'high-skilled' visa. CITB will provide evidence to the MAC of the latest salaries paid to construction workers. This will provide insight on a fair level for the Government to set this 'minimum salary threshold'. The MAC review will also consider the value of an Australian style points-based immigration system, and these recommendations would still be applicable to this system.

Finally, construction is made up of mostly smaller firms. CITB will work with government and industry to support the development of a new migration system which is affordable and accessible for employers of all sizes.



"I personally wouldn't want to come to the UK if it was that difficult, unless there was a really good deal [...] I wouldn't come over at my age now for a short period of time without knowing I could stay."

PROFESSIONAL SERVICES WORKER, AGED 20 - 29, ITALY

Methodology

About this report – methodology

The methodology closely replicated that used for previous studies conducted by IFF for CITB in 2017 and 2018. This report makes comparisons with these early studies throughout.

Qualitative interviews

- Employers – A total of 20 interviews were conducted, covering both the construction trades sector (16 interviews) and professional services employers.
- Recruitment Agencies – Interviews were conducted with five recruitment agencies.
- Non-UK born workers – A total of ten non-UK workers were interviewed.

Quantitative interviews

Additionally for the 2019 survey, 251 interviews were undertaken with non-UK born workers across ten sites in London, 400 with employers, and a further 50 interviews were undertaken with recruitment agencies who place workers into the construction industry.

Employer Interviewee Breakdown

	Number of interviews				Number of interviews		
	2017	2018	2019		2017	2018	2019
5-9	58	65	60	Construction	320	352	298
10-24	98	113	102	Professional Services	81	48	102
25-49	72	92	89				
50-99	66	61	65	Regions based in:			
100-249	61	41	45	London/South East/Eastern	179	162	119
250+	45	28	39	Midlands/South West	88	109	85
				North of England	79	87	77
				Scotland	38	109	80
				Wales	17	14	39
Total	401	400	400	Total	401	400	400

About the Construction Industry Training Board (CITB)

CITB is the Industrial Training Board (ITB) for the construction industry in Great Britain (England, Scotland and Wales). CITB ensures employers can access the high quality training their workforce needs and supports industry to attract new recruits into successful careers in construction. Using its evidence base on skills requirements, CITB works with employers to develop standards and qualifications for the skills industry needs now, and in the future. CITB is improving its employer funding to invest in the most needed skills and by making it easier for companies of all sizes to claim grants and support.

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For the full report visit:

[www.citb.co.uk/CITB-Migration-Research-
2019-the-view-from-employers.pdf](http://www.citb.co.uk/CITB-Migration-Research-2019-the-view-from-employers.pdf)