

**SOUTH EAST ENGLAND COUNCILS
ALL-MEMBER MEETING**

Date: 8 November 2011

Subject: **Migrant worker skills in the South East economy**

Report of: Roy Millard, South East Strategic Partnership
for Migration (SESPM)



Recommendation:

That members note the report and the presentation by Marc Bayliss from Worcester Research.

1. Background

- 1.1 Earlier this year the South East Strategic Partnership for Migration produced a report into the reliance on non-EU migrant labour in the South East (SEEC Executive 7 June 2011, agenda item 9). This was driven by the Government's policy aim of reducing non-EU net migration from hundreds of thousands to tens of thousands in the lifetime of this parliament. The work also highlights opportunities to train local workers to fill gaps in the economy. The SEEC Executive asked that this report be extended to cover EU migration.
- 1.2 The South East Strategic Partnership for Migration commissioned Worcester Research to undertake this analysis. To be consistent with the non-EU research, analysis covered the seven LEP areas with a footprint in the South East plus Buckinghamshire.
- 1.3 Like the non-EU research, analysis of EU migrant workers set out to:
- a) Understand the scale of A8 EU migrants securing employment in the area
 - b) Identify the industries and occupations currently drawing on A8 EU migrant workers within the area
 - c) Assess the degree of reliance on A8 EU migrant labour by industries within the area
 - d) Analyse the adequacy of existing local learning provision to support indigenous workers to fill vacancies currently relying on migrant labour.
- 1.4 The research used Workers' Registration Scheme data covering the eight Accession States (A8) that joined the EU in 2004 i.e. Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia & Slovenia. It was not possible to include wider EU workers as open labour markets make this extremely difficult to track accurately.
- 1.5 The A8 workers' data provides a robust indication of the numbers, sectors and occupations filled and chimes with the perception of Eastern European migrants working in the UK.

2. Key findings

Headline findings from the analysis include:

- i) Each report is locally specific and there is a degree of variation across the South East

- ii) A8 nationals represent around 0.4% of the total economically active population
- iii) In terms of occupations, A8 migrants are largely in low skilled occupations
- iv) A8 migrant occupations vary across the region with the top being:
 - o Process Operatives ('other factory')
 - o Warehouse Operatives
 - o Packer
 - o Farm Workers/Hand
 - o Cleaner/Domestic Staff
 - o Kitchen and Catering Assistants
 - o Maid/Room Attendants
 - o Waiter/Waitress
 - o Sales & Retail Assistant
 - o Crop Harvester
 - o Care Home Assistants.
- v) There is some indication that EU migrants progress up the career ladder
- vi) DWP data on resident labour seeking work suggests an overall shortage of Farm Workers/Hands, Crop Harvesters and Process Operatives but an over capacity of indigenous workers for the other jobs in the top 10
- vii) Analysis of hard to fill vacancies sees employers reporting 'lack of interest/skills and poor attitude' as the reasons why resident labour is often not used
- viii) Many of the roles require flexible labour often filled through agencies. These provide insecure working arrangements seen by many local workers as unattractive.
- ix) Although many of the jobs provide on-the-job training, links with FE colleges are important in attracting resident workers as they are seen as providing incentives around vocational qualifications and career progression.

3. Next Steps

- 3.1 This research provides a tool for a range of bodies which is reflected in the dissemination plan for the detailed reports, specifically targeting:
 - o LEP leads
 - o Local Authority Leaders
 - o Local Authority Chief Executives
 - o Higher Education Establishments (through Higher Education South East)
 - o Further Education Establishments
 - o The Home Office, including Damian Green Immigration Minister
 - o Department for Business Innovation & Skills, including John Hayes Minister for Further Education, Skills & Life Long Learning.
- 3.2 In addition, this research will be publicly available on the SEEC website alongside the research into the reliance on non-EU migrant labour.