

## Businesses 'hampered by inflexible immigration system', Commerce director warns

LNB News 16/02/2018 61

**Director general of the British Chambers of Commerce (BCC) Adam Marshall has called for the government to provide a clear statement of intent on immigration policy so that businesses can make decisions for the future, in an article for the Guardian. Marshall warns that the 'looming crisis' for businesses, industrial estates, construction projects and British farms requires an open and responsive immigration policy. Associate at Carter Thomas Solicitors Nicholas Gore says businesses are being 'hampered by the inflexible immigration system' when they need overseas workers the most. Lawyers from Eversheds Sutherland, Mishcon de Reya LLP, Charles Russell Speechlys LLP, Bates Well Braithwaite and Lewis Silkin say that, if businesses do not know the government's plans, 'productivity will be reduced and they may move operations elsewhere'.**

Marshall's comments follow a recent Home Affairs Committee report that found there is little evidence the UK will be able to introduce a new immigration system by Brexit day, after 'unacceptable' delays in producing a white paper on immigration. The report has led to calls for greater detail on how post-Brexit immigration will be handled. As Marshall warns, 'many businesses can't afford to wait much longer for a clear UK immigration policy to emerge'. Partner at Lewis Silkin Andrew Osborne says that publication of the paper at the end of this year 'gives employers no time to adapt their recruitment or staffing, causing huge uncertainty for business'.

### **'Brexit difficulties'**

Associate at Charles Russell Speechlys, Katherine Dennis, says that businesses are already facing several difficulties due to Brexit related difficulties:

'The 2016 referendum result, and developments since then, have weakened the UK's reputation as an attractive destination for migrant workers and UK businesses are suffering as a result, particularly in sectors such as hospitality and care.

'The lack of certainty makes it very difficult for businesses of all sizes in most sectors to plan and budget effectively. This is further exacerbated by the continued delay in the publication of the government's long-awaited white paper setting out its envisaged immigration policy post-Brexit.'

### **Recruitment crisis: current system 'expensive and onerous' for employers**

Marshall says businesses are 'struggling to fill vacancies and to find the people they need in order to grow'. Lawyer at Lewis Silkin, Samar Shams, notes that 'many UK industries will struggle to survive if EU nationals are subjected to the current immigration system that applies to non-EU nationals'.

Nicholas Gore from Carter Thomas Solicitors argues that the recruitment crisis comes at the same time that the 'restricted certificate of sponsorship' allocation limit has been reached, meaning 'businesses cannot sponsor often well-paid and urgently needed overseas workers.' He continues:

'At a time when businesses need overseas workers most, they are being hampered by the inflexible immigration system which has been unresponsive to business needs.'

Partner at Eversheds Sutherland Audrey Elliot adds: 'The introduction of an immigration skills charge, a requirement to pay higher salaries to sponsored workers than previously and ever-increasing application fees, have added to the cost of recruitment.

'The fact that allocations of restricted certificates of sponsorship are currently limited and, in January, sponsored workers required salaries more than £50,000 per year mean the outcome of long-planned recruitment can remain uncertain for several months.'

Dennis believes the current work visa route for none European Economic Area (EEA) migrants is 'both expensive and onerous' for employers:

'The costs involved and the extensive compliance obligations that sponsoring employers have mean that it is simply not an option for many, especially small and medium-sized businesses with limited resources.'

## Need for a 'robust and fair system'

Gore says that the lack of post-Brexit immigration policy leaves UK businesses 'potentially vulnerable in future recruitment crises'. He argues that a future immigration policy must be 'clear, flexible and comprehensive' so that skilled workers can be employed easily:

'A draconian work permit system would only damage business, and the government need to set out plans for a robust and fair system.'

'The government's delay in publishing the immigration White Paper, and the recent criticism the Home Affairs Committee has delivered regarding how the Home Office is handling Brexit, hardly inspire confidence.'

Charles Russell Speechlys' Katherine Dennis agrees that a 'dynamic, flexible and affordable' system is needed if businesses are able to recruit effectively:

'The need for this, and for a clear policy from the government, is only going to increase as we get closer to the date of actually leaving the EU.'

Partner at Bates Well Braithwaite, Phillip Trott, suggests that two common-sense solutions include: 'Grandfathering those in current employment and dovetailing them into the current Points Based System for limited or lengthy periods, or resurrecting the Agricultural Workers Scheme.'

Immigration associate at Mishcon de Reya LLP, Natalie Loader, suggests that a 'lighter touch' approach may be preferable for the UK:

'Whether by way of a shortage occupation list for industries with a high reliance on EU workers such as agriculture, hospitality, banking and finance, or by way of industry-specific visas governed outside of the current onerous Tier 2 regime for non-EU workers, any future immigration regime should recognise the UK as a desirable place to work.'

Loader concludes: 'Post-Brexit, the regime for EU nationals who wish to come to the UK for work needs to be clearly defined and to support the UK as a destination of choice for all types of worker. This is integral to ensure UK businesses can continue to thrive.'

Source: Article: Businesses are floundering while Whitehall dithers on immigration

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