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This letter is sent jointly from the Scottish Government's Minister for Culture, Europe and International Development, the Welsh Government's Minister for Social Justice. and the Northern Ireland Executive's Minister for the Economy.

Shared position on migration matters

Migration is a cross-cutting policy area affecting many aspects of devolved competency including the economy, housing, healthcare and the delivery of local services. As such, it is crucial that any intergovernmental decisions work on the basis of agreement by consensus, not least in areas of mutual interest. In particular, where devolved and reserved areas intersect, we must seek to work together to ensure that we drive inclusive growth in our respective communities. Sadly in spite of our efforts, the UK Government has consistently failed to consult, collaborate, or work constructively with the Devolved Governments on any changes pertaining to the immigration system. This is despite the severe labour and skills shortages faced across all Four Nations which can largely be attributed to the excessively restrictive UK immigration system.

The current skilled worker route is inflexible, costly and bureaucratic, and serves to exclude many of the key workers that we need, many of whom have been crucial during the COVID-19 pandemic. This poses significant challenges for the individual and employers. According to the UK Recruitment and Employment Federation¹, 88% of recruiters said that labour shortages were their biggest concern and 56% attributed the current UK immigration system as a key factor affecting their ability to place suitable candidates. Similarly in a report highlighting the views of over 2,000 businesses, the Chartered Institute of Personnel and Development² reflected that a factor in the quality of candidates (compared to before the pandemic) is the decline in labour supply from the EU. As highlighted in the report, this is

² Addressing skills and labour shortages post-Brexit research report (cipd.co.uk) Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot







¹ Labour and skills shortages :: The REC

consistent with data that there are 38,000 fewer EU-born citizens working in the UK in the third quarter of 2021 than in 2020. It is woefully clear that the impact of the current immigration system paired with that of the pandemic is being felt across the whole of the UK.

Whilst Ministers in the Devolved Governments and businesses across all Four Nations warned the UK Government about the damage that further restricting migration would have on the UK as a whole, we recognise the need to engage in a rational, evidence-based way on immigration policy.

Changes to the Immigration System

As Devolved Governments we take our responsibilities and our obligations to our stakeholders and communities very seriously and appreciate that migration is not the sole solution to this widespread problem. However, it is a key lever in addressing the issues quickly and effectively until longer term interventions can be implemented. We are doing everything within our respective powers to ensure that the needs of businesses are met, but the action we take must be supplemented by immediate changes to the immigration system in order to quickly access the labour and skills our nations need to survive the current crisis. This sentiment was echoed in previous correspondence to the UK Government from the Scottish Government's Cabinet Secretary for the Constitution, External Affairs and Culture, and the Welsh Government's Minister for Social Justice which set out key proposals.

However, the UK Government pushed ahead with plans without any consultation with the Devolved Governments and our respective needs, including through the introduction of narrowly targeted, short-term temporary visas. On 14 December 2021 your evidence to the Environment, Food and Rural Affairs Committee confirmed³ that "a couple of thousand" of 5,500 poultry worker visas, "a couple of hundred" of 5000 HGV visas and "in the dozens" of 800 butchery visas had been issued. This would strongly indicate that the eligibility criteria and conditions of the short-term visa are not conducive to attracting the skills and labour we desperately need for our economies and communities. We urge you to work with us to develop evidence-based solutions, including through engaging with Devolved Governments in the bi-annual amendments to the immigration rules.

Improving engagement between the UK Government and Devolved Governments

To date there has been an absence of constructive engagement on migration issues and so the Devolved Governments have now committed to meeting regularly on a trilateral basis to discuss migration issues impacting devolved competencies.

A key example of this is the labour shortage in the social care sector which while also being a devolved competency, has direct impacts on many vulnerable people and impact on the health system and availability of hospital beds. After months of fruitless efforts by Devolved Governments to seek constructive engagement on the impact of the immigration system on social care across our nations, the UK government unilaterally announced the temporary addition of social care workers, care assistants and home care workers to the SOL on December 24th. Whilst the Devolved Governments recognise this step, we are clear that it does not go far enough and we hope that given the overwhelming evidence, the UK Government make these changes permanent. Care professionals from all over the world have played a vital role in caring for our communities during the COVID-19 crisis. We must

https://committees.parliament.uk/oralevidence/3206/pdf/ Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot







ensure we are attracting and retaining the right people, developing them and raising the status of the sector as a valued workforce as we continue to work through the pandemic and beyond. Our immigration system must mirror this and provide a sustainable solution that addresses its underlying structural issues, without resorting to quick, reactive measures that have been proven not to work. As the Devolved Governments were not engaged with, nor informed about the announcement beforehand, we have again been left with a sub-optimal solution to the issues facing a key sector in our respective nations.

We urge the Home Office to immediately reintroduce regular guadrilateral ministerial meetings with migration counterparts, engaging in a meaningful and rational way to address all of our concerns and distinct needs in relation to migration policy. We are aware of the proposed Home Office Inter-Ministerial Group (IMG) that would seek to discuss issues across the entirety of the Home Secretary's portfolio. It is our joint view that a regular quadrilateral sub-group to discuss migration issues in detail would be beneficial given the broad scope of the proposed IMG. The UK Government has said it wants the immigration system to work for all parts of the UK. Without a commitment to regular and meaningful engagement with the Devolved Governments, this is simply not possible.

Immigration System, Licencing and Fees

The substantive contribution of EU and non-EU citizens to the UK has been starkly highlighted by recent events. A migration system should be easy to access and understand, and focused on what a prospective migrant can offer, not on their ability to pay. The Migration Advisory Committee's (MAC) 2021 report demonstrates that the UK has one of the most expensive visa systems in the world – both for individuals and businesses. At present, it costs the main applicant and dependents £610 to apply for a visa, where a certificate of sponsorship has been issued for three years or less, and £1,220 for longer. This is notwithstanding NHS surcharge fees of £624 per person, any employer-met costs (up to £1,476 in licence fees), and evidence of savings to bring and support family members. The UK Government also excessively charges those on short-term visas who would have been meeting 'desperate' UK labour shortages £244 for their application. It is difficult to see how such a system is internationally competitive or consistent with the UK Government's aim of "attracting the brightest and best".

The Devolved Governments are in agreement that cost should not present a barrier to entry for those who wish to work in the UK and contribute to our economy and society. We are clear that the UK Government must immediately review the immigration skills and health surcharges and reduce additional fees which are often an insurmountable barrier for both workers and employers. As it stands the UK has one of the most costly immigration systems and this cannot continue if it is to be an attractive destination for global talent moving forward.

In addition, the Home Office's licencing system for Skilled Worker visa sponsorship, including compliance requirements, is overly bureaucratic and ineffective. Onerous requirements for the short-term sectoral visas has presented significant burdens on employers and individuals and has led to low interest and take-up, evidenced by the fact that of the 300 available visas for the HGV fuel tanker scheme, only 3% of applications were received. This is not unlike other routes where sponsor licenses and visa applications are already subject to long processing times (up to an average of 55.78 days at the end of

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September 2021⁴). This is despite the removal of the cap and premium processing arrangements for some businesses. We are calling for the UK Government to review and simplify these processes, removing the administrative burdens on both applicants and sponsors.

Temporary visa routes

We are clear in our position that the current immigration system is unresponsive to labour market requirements. Shortages have illustrated that the level of available skills and labour domestically is wholly insufficient to compensate for the loss of free movement.

As such, the Devolved Governments are in agreement that the UK Government must immediately revisit their previously proposed 12 month temporary worker route. As previously designed, the route should continue to be unsponsored and thus open to all sectors. If this were combined with the ability to easily transfer onto other eligible visa routes while a migrant is in the UK, this could represent a useful option for workers to come to the UK and help mitigate current shortages.

Immigration systems should be flexible and responsive, and emergency reactive measures that the UK Government have imposed have been indicative of dysfunctional policy that requires broader reform. However, given the fact that the UK Government was able to urgently introduce the currently inadequate short-term sectoral visas, there should be nothing to prevent further changes that provide an appropriate and more attractive offering for individuals and businesses.

Shortage Occupation List

The Shortage Occupation List (SOL) should create an easier pathway through the immigration system for roles that are in shortage in the UK. We believe that the SOL in its current form cannot effectively deliver for our economy, public service and communities. The system of identifying and incentivising recruitment for occupations in shortage should align with the essential labour needs of all Four Nations, recognising fundamental differences in the demographics and skill base of each nation and the way that devolved services are organised. Devolved Governments continue to provide packages of measures within our control to support the reduced available workforce pressure points. However, any action must be accompanied by an immigration system that supports the delivery of fundamental services. We ask that the UK Government adopt the full September 2020 recommendations.

The List is not suitably responsive to shifting market requirements and skills shortages added to the list can easily get out of step with real labour market need. We need a system that is responsive to real life skills shortages that does not arbitrarily equate skill level with salary. Therefore the SOL should include a wide range of skill levels with a more streamlined and responsive process for adding and removing roles from the list.

With the removal of the Resident Labour Market Test (RLMT) and the cap on the Skilled Worker route, the SOL in its current form provides little benefit to both migrant workers and employers. We note that the SOL will be reviewed this year and ask that there is maximum involvement of the Devolved Governments in that process. However, to begin addressing the

⁴ Sponsorship transparency data: Q3 2021 - GOV.UK (www.gov.uk) Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot







long-standing structural issues with the UK immigration system, the role of the SOL must be reviewed so there is clarity as to its purpose and benefits of including roles on the list.

We in the Devolved Governments are clear, and reiterate, our ask for a formal role in determining what occupations are in shortage in our respective nations. We are best placed to decide how to accommodate our distinct labour markets and communities. We welcome meaningful engagement and consultation in the any upcoming or further review of the SOL.

Call to action

We call upon the UK Government to act urgently. It is essential for all Four Nations to have the opportunity to regularly and meaningfully contribute to discussions regarding the immigration system and wider migration matters. This includes prior notice on any announcements.

On 15 December, the MAC published its Annual Report. The MAC was in agreement with the Devolved Governments' position that short-term temporary visas were unattractive to migrants themselves, were unlikely to generate the flows of workers required, and reduce employers' ability to plan. In addition, the report strengthened the Devolved Government's proposal to establish a longer-term temporary route, stating that if the UK Government were to offer concessions, it would 'likely make more sense to establish a migration route with clear conditions attached and a transparent method to decide when specific industries or occupations would be eligible to use this'. The argument for change is absolute, and it is time for the UK Government to act. A constructive, collaborative and quadrilateral approach is the only way to ensure that the immigration system will meet all of our respective needs, whilst simultaneously providing a fair, high quality service for individuals and businesses.

The UK Government must seriously consider the proposals we have outlined above. We ask that a Four Nations meeting with respective migration ministerial counterparts, is urgently scheduled, to discuss the concerns outlined in this letter. We look forward to an early response.

Yours sincerely,

NEIL GRAY MSP

MINISTER FOR CULTURE, EUROPE AND INTERNATIONAL DEVELOPMENT

JANE HUTT MS MINISTER FOR SOCIAL JUSTICE

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