

Immigration White Paper – Policy Briefing and Analysis

About Make UK

1. Make UK, is the voice of manufacturing in the UK, representing all aspects of the manufacturing sector. Representing some 20,000 members employing almost one million workers, Make UK members operate in the UK, Europe and throughout the world in a dynamic and highly competitive environment.

At a glance look at the White Paper and Make UK analysis

What is being proposed? What is Make UK's view?

| Proposal | Detail | Make UK's high level view | RAG |
|--|--|---|-----|
| Mobility and tourist and business visitors | Willing to expand, on a reciprocal basis, current range of "GATS Mode 4" commitments. Visitors coming to the UK for short-term business reasons will continue to be able to undertake certain activities, such as permitted paid engagements. | No provision for manufacturing services such as installation, commissioning and repair | |
| Costs to employers for recruiting EEA and non-EEA workers | Sponsor licence (circa £1,500), visa cost (circa 1,200), Immigration Skills Charge (£1,000 per year), Health Surcharge (£400 per year). | All these costs (in addition to national insurance, pension and government levy) plus minimum salary of £30,000 and external advice circa £3,000 could add up to total of | |

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| | | £37,100 or more for one employee for one year (excluding dependents and national insurance/pension contributions). | |
| Minimum salary threshold proposed at £30,000 | Proposed minimum salary threshold of £30,000 but will consult with business on whether this is the right rate. | Proposed minimum salary would significantly restrict ability to employ anyone other than a UK worker and will have a considerable regional and sectoral impact across the UK. Consultation welcome but only if genuinely taken on board. | |
| Implementation period from January 2021 | A phased implementation period for the new system starting from 1 January 2021. | Employers will need a phased approach, after they know what the new immigration system will look like, however the timeline should be based on evidence, not a date set by government. | |
| Abolishing the Resident Labour Market Test (RLMT) | Proposing to remove RLMT (requiring employers to advertise domestically for 28 days, extensive record keeping duties). However, only proposing for higher skilled (graduate level) currently. | Welcomed move to remove RLMT, has offered no value to employers and is a cost in both time and resource. However, need to state that will also apply to those job roles at RQF 3-5 also. There are proportionately more of these roles than higher skills roles and so a RLMT test will impose more burden than they currently face. | |
| Temporary route for low skilled workers | A temporary route for low skilled workers allowing job seekers to work in UK for up to 12 months. No switching. No access to benefits etc. No right to settlement. 12 month cooling off period. | Inability to switch to skilled route, or extend and a cooling off period means employers who have a good worker cannot keep them for over 12 months and may be dis-incentivised to train them. Many workers themselves are unlikely to want to accept these conditions. Could be their education | |

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| | | attainment is a lot higher and therefore able to take on other roles in business. | |
| International students and post study work | Undergrads and postgrads have 6 months to seek employment. PhD 12 months built in post study work period. Can apply 3 months before completing studies in UK or up to 2 years post-studies outside UK. | A step in the right direction but still far from what was on offer previously i.e. 24 months under the post-study work route. Also behind our international competitors on what the UK offers to international students and likely to make the UK less attractive. | |
| Extending the definition of “skilled” to RGF3+ for a single skilled route | Current skill level requirement for non-EEA is RQF6+ (graduate level) will be lowered to RQF3+ (A level) for the proposed “skilled” route. | A fully welcomed move, allowing manufacturers to recruit engineering technicians, welders and other roles in short supply. However won't have impact if tied to minimum salary threshold. | |
| Removal of annual cap | Since 2011, there has been a cap on the number of non-EEA nationals coming to work in the UK under Tier 2 General set out 20,700. This has been removed. | Fully support abolition of what was an arbitrary cap, but with the caveat that it appears the White Paper appears to re-impose another cap based on the £30,000 salary threshold. When cap was met, visas for engineering job roles rejected as led to an “auctioning off” of visas. | |

Background to Immigration White Paper

2. The Immigration White Paper was published by the Home Secretary in December 2018. It sets out the future migration system, post-Brexit and importantly a transition system. The Immigration White Paper was long awaited and followed the publication of an extensive report by the Migration Advisory Committee (MAC) looking at the impact of EEA nationals on the UK economy. Many of the recommendations that the MAC put forward have been incorporated in the White Paper. The White Paper is not the final model, it is subject to consultation, in particular the proposals around salary threshold.
3. The EU and the governments of some member states have made it clear that the UK's future immigration system will form the basis of its reciprocal arrangements with the UK. We should therefore assume that UK workers entering the EU will face the same restrictions that EU workers entering the UK will.

4. The White Paper ignores the point made by the MAC in their recent report. The MACs recommendations could not take account of the UK's future agreement with the EU – the future economic partnership. The White Paper seems to assume that the UK will negotiate a Future Economic Partnership (FEP) with the EU which allows it to implement a future immigration policy unhindered by whatever it agrees with the EU. This is extremely unlikely with the EU seeking an economic agreement with the UK which reflects the extent to which the UK is willing to allow EU citizens' entry to the UK to work on both a short and long terms basis.
5. Finally the White Paper glosses over the issue of the Common Travel Area between the UK and the Republic of Ireland and its commitment that under no circumstances will there be a UK/Ireland border. This then allows EU nationals ready access to part of the UK and ease of travel between the EU and the UK via the island of Ireland. The White Paper does not suggest how the UK will prevent movement between the Republic of Ireland and Northern Ireland and between the Republic of Ireland, Northern Ireland the UK.

Make UK's overall view on the White Paper

6. In response to the publication of the immigration White Paper, Make UK, (formerly EEF) issued the following comment:

“British manufacturers need a future migration system that allows them to recruit critical mid-skilled roles such as engineering technicians; the UK has a significant skills gap. Today, the Government has listened and responded to EEF's arguments. We are pleased that graduates from the EU and the rest of the world will be able now to work in the UK post Brexit and the skills route has been expanded to enable employers to recruit from the EU at technician levels too. These are significant changes.

“Removing the time-consuming resident labour market test, abolishing the arbitrary annual cap and giving international students more time to stay in the UK after their studies to find work are additional EEF asks which have also been delivered and which will help our economy.

“However, many other proposals still cause great concern. Employers will now need to pay thousands of pounds to cover the costs of visas, the immigration skills charge and the health surcharge for new EU workers as well as work through a complex bureaucracy to do so; many companies simply can't afford this.

“Further the proposed £30,000 minimum salary threshold would undo the benefits to business of expanding the skilled route. We will be making these points loudly and firmly to Government in the upcoming consultation.”

Mobility

Overview of Government's proposal:

7. The Government has agreed in the Future Framework declaration with the EU that it will discuss with the EU provisions relating to mobility. It has already been confirmed that:
 - The UK and EU should aim not to impose a visa requirement for short-term visits
 - That citizens should not face routine intentions testing at the border
 - That the Government will negotiate commitments in respect of the provision of services through temporary entry and stay of natural persons
 - That it will explore the arrangements applying to research, study, training and youth exchanges.
 - That it will look at the coordination of social security arrangements
 - Will explore how to facilitate the crossing of borders for legitimate travel purposes, consistent with national laws.

8. In addition, the White Paper states it will look to expand the youth mobility arrangements with certain countries. It also states that the Government is willing to expand, on a reciprocal basis, the current range of “GATS Mode 4” commitments which it has taken as part of EU trade deals. These are likely to cover independent professionals, contractual service supplies, intra- company transfers (ICTs) and business visitors.

GATS Mode provides no pathways for roles most needed by manufacturers

9. Whilst this provides some basis for a future negotiation, it fails to recognise what UK businesses are losing as the UK leaves the EU and fails to provide any ambition for a similar future partnership with the EU.
10. As a member of the EU, UK based businesses have a comprehensive basis to send and receive workers from the EU and recruit EU workers in the UK with a minimum of formality. This is of benefit to UK consumers and society in general and is wrongly seen as a benefit that accrues wholly to businesses. The UK workforce benefits from EU workers who train them in the UK and from opportunities to acquire new skills in the EU – which we stand to lose in the future. **The GATS model provides no pathways for the roles most often needed by manufacturers – servicing, repair and maintenance of equipment and without comprehensive social security coordination, any system for short-term movement into the EU will be unworkable.**

Visitors

11. The White Paper sets out the UK Government’s intention not to require visitors who are citizens of current EU member states to obtain a visit visa in advance of travel and intends to allow them to continue to use e-gates for quick and easy entry. Whilst this then provides a simple system to facilitate entry, this needs to be reciprocated by the EU. Any delays at the border for UK nationals entering the EU for short-term business trips will increase costs and lengthen the time UK nationals need to spend in the EU, potentially leading to the end of fly-in, fly-out access to the EU for UK nationals due to delays at the border. In addition, it raises the question of how the UK will determine for how long EU citizens have been in the UK for; any attempt at outsourcing the enforcement of this issue to employers will be resisted as employers are in no position to monitor the entry and exit dates of EU citizens and will look to government to provide evidence of this.
12. Tourists will continue to be able to spend up to six months in the UK. Visitors coming to the UK for short-term business reasons will continue to be able to undertake certain activities, such as permitted paid engagements. The Home Office has committed to working with stakeholders on whether these could be improved further for business need.
13. **We believe that it is very likely that the model will need considerable improvement. Many EU nationals are needed to support elements of the UK’s national infrastructure and health sector and the UK will need a comprehensive set of evidence before assessing what access EU nationals working in these roles will need.**
14. **Any migration system needs to dovetail into any future trade agreement. Currently UK nationals travelling to the EU, and EU nationals to the UK, need to access to key components and parts – any delays for these items will frustrate the point of any migration system.**

The implementation period

15. The system proposed in the Immigration White Paper will be introduced with a phased approach with a “view to implementation from 2021.” In the event that there will be some form of Brexit deal, similar to the draft already agreed between the UK government and the EU, free movement will essentially end on 31

December 2020. However, the White Paper does not suggest that from 1 January 2021 a new system will be in place. The White Paper is a 12 month consultation and Government tends to give employers at least a further 12 months before new rules are put in place. However, new EU arrivals in the UK in January 2021 will be looking to apply in Q3/Q4 of 2020, and therefore the UK's new Immigration rules and its new application process will need to be in place in the first half of 2020, leaving very little time for the UK and EU to agree a future economic partnership and for the UK to consult, legislate and prepare for its independent immigration system.

16. We expect that various aspects of the system will be introduced on this phased approach, and only after the UK's new infrastructure has been thoroughly tested with employers. Manufacturers will not want to experience any form of cliff edge and therefore a transitional phase is welcomed. However, some of the changes are significant, for example, the temporary route for low-skilled workers. It will not be the case that manufacturers can simply fill roles typically filled by EU nationals to then be filled by UK nationals. Make UK and its manufacturers are training the UK workforce. Our *Reinventing the Manufacturing Workforce* report found almost three-quarters (72%) of manufacturers are continuing to run apprenticeships and over a third (36%) graduate programmes to boost talent into the workforce. They are also revising their recruitment strategies with almost half (48%) recruiting workers from other industries and sectors with transferable skills.¹
17. However, they face a long list of barriers in achieving all these ambitions. Government needs now to step up its efforts and provide greater support and resources for the whole of the UK's training and education system.
18. **As a result, we recommend that an evidence-based approach is taken to implementation instead of choosing a set date for implementation. Evidence should be taken as to when industry is capable to transitioning to the new system; this should act as the "phased approach" that the White Paper proposes. Government need to state clearly how it intends to upskill and retrain UK workers, in what parts of the UK, and by when, before considering how it will implement a new immigration system.**

Definition of "skilled"

19. One of manufacturers' biggest concern ahead of the publication of the Immigration White Paper was Government proposing a post-Brexit immigration system that mirrored that of the non-EU system in particular only allowing employers to recruit non-UK nationals with a skill level requirement of graduate level (RQF6+). We have continued to argue the case that this does not reflect "skilled" labour and rules out occupations such as engineering and scientist technicians, which are both "skilled" and in short supply. The future system will extend the definition to include all those job roles at RQF3+ which is A-level equivalent. This will be for the job role offered, as opposed to the educational attainment of the non-UK national being employed.
20. We fully support those move. In our submission to the Migration Advisory Committee we made it clear the impact that keeping the skill threshold at RQF6+ would have on manufacturers' ability to recruit EU nationals. For example a third of manufacturers say none of their EU employees were skilled to RQF6+.²
21. **However, this extension will add little value if it is to sit alongside the proposed criteria for a minimum salary threshold, which we explore in greater detail below. Should such a skills threshold be set, then it should apply to both public and private sector employers alike and not in any arbitrary way.**

¹ EEF, *Reinventing the Manufacturing Workforce* (2018)

² EEF, *Making Migration Work for Manufacturers* (2017)

Removal of 20,700 annual cap

22. In 2011 the then Government introduced a cap on the number of non-EEA nationals that can come to the UK to work through the Tier 2 (General) route. The cap was then split into monthly allocations. At the time many business groups including Make UK (formerly as EEF) raised concerns that as the economy picked up and recruitment increased, the cap would be met. This was the case with the cap being met on a few occasions in recent years. This then led to essentially an auctioning off of certificates of sponsorships (RCoS) with jobs with the highest salaries gaining more points and therefore more likely to secure one of the limited number of RCoS. While engineers are paid good rates of pay, manufacturers seeking to recruit engineers cannot always compete with other job roles in other sectors on pay. This is particularly the case for SMEs.
23. The White Paper proposal will remove the cap in the future, therefore there will be no limit on the number of EEA or non-EEA nationals coming to the UK, subject to other criteria. This is a hugely positive step and will go some way to ensuring that manufacturers can recruit an unlimited number of skilled workers without fear that their visas will be rejected due to higher volumes of applications from across the economy. The cap itself was never based on any genuine assessment of the needs of the UK labour market in any event.
24. **Manufacturers fully support the move to abolishing the arbitrary 20,700 annual cap. At no point in the future should a capped system be put in place.**

Abolition of the resident labour market test

25. Currently, under the non-EEA migration system an employer must undertake the Resident Labour Market Test (RLMT) unless the job that the employer is offering is on the shortage occupation list. Over half of the job occupations on the current shortage occupation are in manufacturing and engineering however it is fairly prescriptive in that the occupations deemed in “shortage” are only in certain sub-sectors of engineering. We have continued to argue that this should not be the case and instead any job role determined as in shortage should be included and not then only in certain sectors.
26. For job roles not on the shortage occupation list, an employer must advertise in the UK for at least 28 days and the employer must place at least two adverts. Employers must be able to demonstrate they have not found a suitable candidate before recruiting a non-EEA national.
27. The White Paper abolishes the RLMT for skilled migrants which will be welcome news to manufacturers. Manufacturers’ experience of using the RLMT has never been positive. Manufacturers have continuously given examples of applications to posts that have no relevance to the position advertised. The RLMT did nothing but slow down the recruitment process adding both time and monetary costs to recruitment.
28. However, the White Paper proposes to abolish the RLMT only for those with the previous definition of “skilled” i.e. RQF6+ with the Home office confirming that they are considering whether to abolish it for RQF 3-5.
29. **We recommend completely abolishing the RLMT. The MAC has found no evidence that it led to increased recruitment of UK nationals. We have heard no evidence from manufacturers that it is a worthwhile process. There is no reason that it will therefore work for job roles at RQF 3-5.**

Temporary route for low-skilled workers

30. For a transitional period (the length of which is entirely unknown) there will be a route for low-skilled workers which will allow non-UK job seekers to come and seek work in the UK for a period of 12 months. This will be seen as the alternative for those who fall under the salary and skill thresholds proposed in the White Paper.

31. There will be no salary and skill threshold requirement but the route will only be for 12 months. In addition there will be a 12 month cooling off period, this means that the individual will then not be able to come back to seek work in the UK until after a year. The cooling off period and the duration (12 months) is an area the Government will continue to be engaging on with business and stakeholders as part of the year-long review. It is not known yet how this will be enforced.
32. A non-UK national coming to the UK under this route will not be able to switch to another route e.g. the skilled route. This is concerning as it is often the case that non-UK nationals have higher qualifications than the initial job role on offer. We hear from many manufacturers that EU nationals are recruited in lower skilled roles but then soon progress to mid and high skilled roles based on their education attainment, abilities and work ethic. This route would not allow for this transition and therefore is a missed opportunity to recruit potential talent.
33. In addition, those coming to the UK under this route will have no access to public funds, bring family and/or dependents or have a route to permanent settlement. Not having these rights will likely to deter a large number of job seekers to look work in the UK. This will have severe implications for manufacturers, with 64% saying EU nationals fill lower skilled roles such as process, plant and machine operatives.³
34. The route will only be open to nationals of specified countries or example, low risk countries with which the UK negotiates migration commitments and mobility proposals. Applicants would pay a fee which the White Paper suggest may increase over time to reflect the transitory nature of the scheme.
35. The route will be reviewed in 2025 to see if it will continue, offering little future certainty for employers on their ability to recruit outside of the UK for lower skilled roles.
36. **Manufacturers will be concerned that this route is short-term, has strict criteria and assumes that the domestic workforce will fill jobs that have not to date been willing or able to fill.**
37. **We recommend that those coming to the UK under the temporary route for low-skilled workers should be able to switch to the skilled route if they meet the set criteria i.e. the skill and possible minimum salary threshold.**
38. The White Paper also states the Government's intention to reduce employers' reliance on EU nationals to fill lower skilled roles. However, this has been many employers' intentions for many years. The key reason that manufacturers recruit EU nationals in roles such as process, plant and machine operatives is firstly a lack of applicants from UK nationals. The temporary route will do little to overcome this problem.

Costs to the employer to recruit non-UK nationals

39. One of our concerns around a future migration system was the potential additional costs to business. Whilst just 9% of manufacturers were recruiting from outside the EU, some 75% recruit EU nationals.⁴ Having to navigate a new system will be challenging for a large number of businesses, in particular SMEs, who are less likely to have dealt with the non-EU system.
40. We support the Government's ambitions in the White Paper to reduce the burden on employers of the sponsorship process including reducing reporting requirements, streamlining the process and reducing the time scales for processing visas in the future, but this needs to be a significant step change from the current system and employers will have heard all of this before. Whilst the White Paper sets out the intentions to reduce the time it takes to process visas to two weeks, this is only a part of a longer process for an employer.

³ EEF, Making Migration Work for Manufacturers (2017)

⁴ EEF, Navigating Brexit: The Migration Minefield (2018)

41. We remain concerned that businesses, in particular SMEs, will find it extremely difficult to navigate a new system. Moreover there will be significant costs that employers face under the new system:

Sponsorship – Many employers will find themselves involved in sponsorship for the first time, having to navigate an entirely new system, from the process of applying to become a sponsor to then acquiring certificates of sponsorships (although no longer capped). Many manufacturers who engage with the non-EU system will use external support for this process, often citing costs of circa £3,000 per employee recruited. Added to the cost is then the fee for a visa, which again can be up around £1,500.

42. **Health Surcharge** - The Immigration White Paper also proposes that the Health Surcharge will apply to all employees recruited outside of the UK post December 2020, this is currently £400 a year for each family member, however, with a manifesto commitment per year to increase this to £600 a year. Manufacturers understand the rationale behind a Health Surcharge and therefore had initially accepted this cost however £600 a year for a five year visa would be a significant cost.

43. **The health surcharge should therefore should be retained at the current rate of £400 per year as an absolute maximum**

44. **Immigration Skills Charge (ISC)** - What manufacturers will not accept however is the proposal to apply the Immigration Skills Charge to all employees recruited outside of the UK post December 2020. We have long argued that the need for the ISC was made redundant on the day that the Government announced the Apprenticeship Levy and we retain this position. It is still unclear how the revenue raised by the ISC has been spent to date, which the apparent link to “skills” being lost and the charge being seen by many businesses as a tax. Expanding it to EU nationals too would raise a significant amount, and employers will want to understand where it was being spent. Moreover, the amount of the ISC has not yet been finalised with the Home Office still in discussions with the Department for Education (DfE). There is a risk that the charge could be increased further.

45. **We recommend that the Immigration Skills Charge is scrapped entirely. In addition, the Department for Education should immediately make clear how the monies raised to date have been spent so far.**

What's the total minimum cost to an employer of recruiting one non-UK national under the new system for one year only?*

One off: Sponsor licence: £1,500

One off: Circa £3,000 in external support

One off: £1,200 in visa costs

Per year: £30,000 minimum salary

Per year: Health surcharge £400 (manifesto pledge to increase to £600)

Per year: Immigration Skills Charge £1,000 (Home Office and DfE in discussions on possible future rate)

Total £37,100

**above example excludes dependents, assumes employer not a sponsor and fees under current non-EEA system*

International students and post-study work

46. When looking at the student make-up in undergraduate engineering degrees at university, currently only 7% of students studying in the UK are EEA students, but 15% are non-EEA and the remaining are UK domiciled students. Collectively both EEA and non-EEA students make a significant financial contribution to the funding of engineering degrees through higher tuition fees, many of which are then cross-subsidised to support domestic students learning higher cost subjects such as engineering. This contribution is magnified at post-graduate level, where 75% of students are non-UK. Therefore the proposals put forward on international students are important to manufacturers who rely on this talent pool to recruit engineering graduates.
47. Under the proposals in the White Paper EEA students will be subject to the same checks as non-EEA students coming to the UK to study. In practice, this means all students in the future system will have to be sponsored by an institution, demonstrate their academic ability, English ability, and financial support for course fees and living costs.
48. The White Paper also proposes to change the period during which students can stay after completion of their studies as follows:

| Degree level | Old | New |
|---------------|-------------------------------|--|
| Undergraduate | 4 months | 6 months |
| Masters | 4 months | 6 months |
| PhD | Apply for 12 months extension | 12 months built-in post-study leave period |

49. Both EEA and non-EEA students will be able to apply for a highly-skilled work visa up to three months before completing their studies – which is taken forward the recommendation from the Migration Advisory Committee. Furthermore, students will also be able to apply for the same visa up to two years after completing their studies from outside of the UK.
50. The proposals only extend the period by two months for non-EEA students, moving from four months now to six months. This remains far off the previous post-study work route allowing non-EEA students to seek employment for up to 24 months.
51. For EEA students, these restrictions are being applied for the first time, therefore going from having an indefinite time to seek employment to just six months. This is a significant difference and step change in policy. It gives employers and indeed graduates little time to make the necessary arrangements (including the sponsorship process) to ensure that employers can recruit international students.
52. **We recommend that the Government look again and these proposals and seek a minimum ground of allowing all international students (EEA and non-EEA) a minimum of 12 months to seek employment after graduation.**

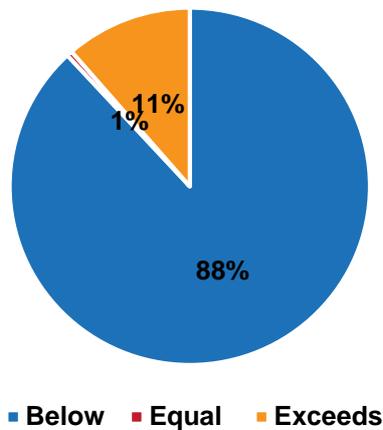
Minimum salary threshold

53. The biggest concern for manufacturers is around the minimum salary threshold. We are pleased to see that the Government has not immediately accepted the MAC's recommendation to set the threshold at

£30,000 but instead consult on what the threshold should be. The positive measures outlined above such as the extension of the definition of 'skilled' will have little or no impact if a salary threshold is set too high, including at £30,000.

- 54. We undertake extensive pay benchmarking of both professional and workforce occupations. It covers all job roles in manufacturing from admin to senior chemical engineer, it is then broken down into sub-sectors of engineering and regions. This has given us a deep insight into the impact the salary threshold would have on manufacturing job roles.
- 55. We have analysed the average basic pay for employees in job roles across manufacturing, looking at workforce jobs – those below graduate level. We found that across all employees (over 25,000 employees) in workforce job roles, **88% of employees would fall below the proposed £30,000 threshold**. This is not dis-similar to the work undertaken by the MAC.

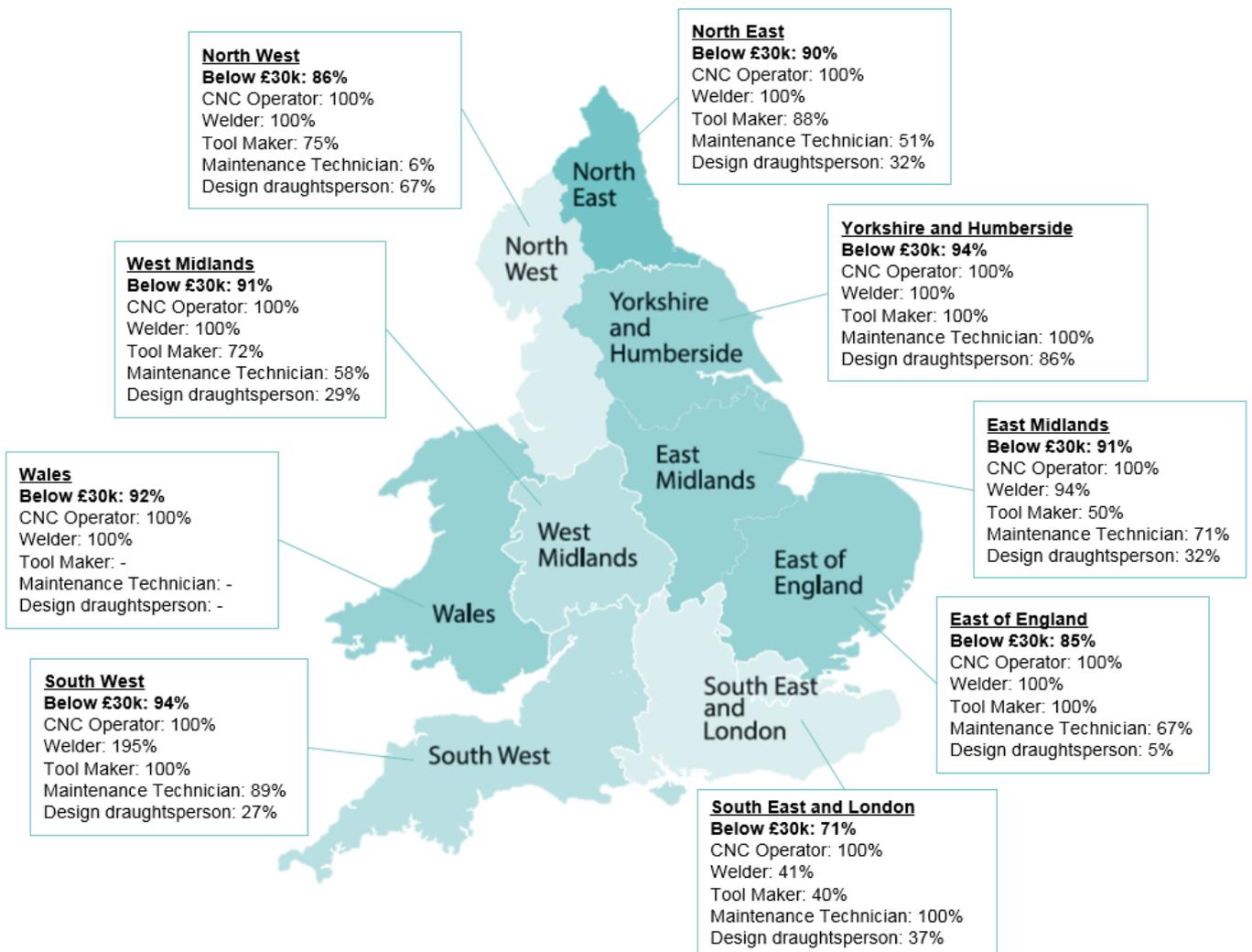
Chart 1: Proportion of manufacturing employees in workforce jobs that would not meet the salary threshold



Source: Make UK Workforce Pay Benchmark (2018-19)

- 56. Furthermore, there is a significant regional impact. Below we look at the proportion of employees in workforce roles in manufacturing whose salary would fall below the £30,000 threshold, looking at each region. It is clear that while this policy may work for Westminster (in some cases) it fails the rest of the country.

Graph 1: The proportion of employees in job roles in regions across England and Wales whose pay falls below £30,000



Source: Make UK Workforce Pay Benchmark (2019)

57. If we take a Design Draughtsperson for example, this is a job role that fits within the definition of “skilled” tasked with designing and modifying components, undertaking technical calculations, and drafting technical specifications using CAD/CAM systems. In London, 37% of employees in these roles wouldn’t hit the £30,000 mark, this increases to 67% in the North West and 86% in Yorkshire and Humber. And we can see from above similar trends for other occupations such as Maintenance Fitters and Electrical Technicians.
58. There are some job roles that would be completely at risk, job roles that are widespread across manufacturing such as CNC operators and Welders, for these employees, pretty much across the board they won’t make the cut when it comes to hitting that high salary benchmark.
59. The Government, and therefore White Paper argument for imposing a salary threshold is that it wants to ensure that employers are essentially prioritising domestic workers. But, we know the main reason that manufacturers currently employ EU nationals is because they don’t get sufficient applications from UK

nationals.⁵ A salary threshold won't fix this, it will simply restrict employers' ability to recruit the people they need.

60. **We strong oppose the salary threshold and urge the Government to look again at what could be a significant damaging policy for industries such as manufacturing. Ideally, there should be no set salary threshold, however it one is imposed it must take into account evidence, such as ours, and lower the rate, whether this is a lower flat rate or setting it at a lower percentile of average pay. In addition, any approach must be phased in.**

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⁵ EEF, Navigating Brexit: The Migration Minefield (2018)