



Subject:	CBI analysis of NI migration and the Migration Advisory Committee report on EEA migration
Date:	11 <sup>th</sup> October 2018
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<b>Restricted Reports</b>	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

<b>Call-in</b>	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report or Summary of main Issues</b>
	The purpose of this report is to bring to the attention of Members the analysis that CBI NI has undertaken of NI migration and the publication of UK Migration Advisory Committee (MAC) report on EEA migration in advance of the CBI presenting to the Brexit Committee. A representative from the CBI is in attendance and will address the Committee on this issue, if they so wish.
<b>2.0</b>	<b>Recommendations</b>
	Members are asked to note the report.
<b>3.0</b>	<b>Main report</b>

## Key Issues

The CBI (Confederation of British Industry) Northern Ireland have been carrying out research and analysis to understand the potential impact of migration as a result of the UK's decision to leave the EU. They recently launched a new report '*All Together Better: Accessible Labour – a Necessity for Regional Economic Prosperity*' which provides an analysis on how restricting migration would impact population growth and subsequent real GDP in Northern Ireland. It highlights the acute need for local private and public-sector employers to have continued access to the people and skills they need to succeed post-Brexit.

The CBI also provided an analysis of the UK's Migration Advisory Committee's report on European Economic Area (EEA) migration which was published on 18 September. (the MAC report is available: <https://www.gov.uk/government/publications/migration-advisory-committee-mac-report-eea-migration> and the CBI analysis and summary of key findings is available at: <http://www.cbi.org.uk/cbi-prod/assets/File/pdf/cbi-mac-analysis.pdf>)

The CBI has been engaging with multiple UK Government departments, across all levels, to influence the upcoming White Paper on migration (due in the Autumn). Key messages which the CBI has been making include:

- *Any new system must be easily accessible to all firms*– The current Tier 2 non-EU immigration system is highly bureaucratic and hard for firms to navigate, but particularly difficult for small and medium sized business, which constitute most of Northern Irish industry. Radically reforming the existing process of 'employer sponsorship' is required to have a global system which is accessible.
- *Firms require access to all levels of skill, not only 'the brightest and best'*– The £30,000 salary threshold is a major barrier preventing firms from accessing both mid and lower-skilled roles. The MAC's own analysis shows 60% of mid-skilled jobs wouldn't qualify; this is a figure that would be exacerbated in Northern Ireland. Furthermore, lower-skilled migrant labour supplies industries in Northern Ireland that have a relatively high multiplier effect, such as agriculture and agri-food. Firms must be able to recruit workers from overseas below this salary level under any new system.
- *Migration should be part of trade negotiations, starting with the EU* – Despite media coverage focussing on an end to preferential treatment for EU nationals, the MAC made clear it was not making a decision on including migration as part of future

trader deals. If Government chooses to implement a single global system, having this flexibility to take a more open approach to migration where we have close trade and economic relations is key.

- *Any new system must work from 'Day 1'*– If the Government decides to establish a single global system, it will take time to make the radical changes required for it to meet business needs. Government must commit to ensuring the system delivers for the economy from its first day of operation, rather than the promise of future reforms – even if this means an extension of the current immigration arrangements beyond December 2020.

The CBI is seeking feedback on the MAC's recommendations and is keen to engage with the council about the issues raised.

Financial & Resource Implications

There no financial implications relating to this report.

Equality or Good Relations Implications/Rural Needs Assessment

There are no implications relating to this report.

<b>4.0</b>	<b>Appendices</b>
	None