



farewell to  
*free movement*  
2019 update





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## a note from our founder

**robin grainger**

co-founder  
*GK Strategy & onefourzero*



Since the 2016 referendum result, **GK Strategy** & **onefourzero** have published yearly updates on the state of migration to the UK, a key issue during and since the Brexit vote. While last year's report found a significant decrease in EU migrant interest in coming to work in the UK, this year's report focuses on a levelling off of this demand and also highlights growing interest in careers in our public services, particularly the NHS, from non-EU migrants.

In our previous analysis, we chose to focus on a selection of countries. This year, as Brexit is almost upon us, our analysis focuses on the EU block as a whole, comparing and contrasting to a number of key non-EU countries – India, Canada, Nigeria and Australia. We chose to look at these four non-EU countries as we had also used them in previous reports, to make comparisons easier. Interestingly across all these countries, except India, search demand for jobs in the UK fell throughout 2018, as it had been doing in previous years also.

The report also analyses the recently published Migration White Paper, and considers its long-term effects, as well as looking at the immediate reaction to its suggestions. Perhaps unsurprisingly, the white paper did not receive an overly positive reception – characteristic of a more divided Britain than ever, where very little can be agreed on by anyone, particularly on matters as polarising as immigration.

We also look at three key sectors perceived to be hardest hit by Brexit – Housing and Construction, Agriculture, and Health and Social Care. The picture is not all bleak however, as we also explore solutions to the challenges that pragmatic policymakers are facing in this space. GK have been helping a number of clients to prepare such plans, and would be delighted to discuss how we can help you too.







## executive summary and methodology

GK Strategy and onefourzero are sister agencies providing strategic communications advisory and digital analytics to clients around the world.

In this report we have combined GK's political expertise with data collected by onefourzero's suite of cutting-edge digital technologies to examine how public and political attitudes towards immigration are evolving.

This is an annual report and will be the third time we have looked at immigration as a subject, and we draw on our previous research in 2018 & 2017 to offer insights on how attitudes have developed since the vote to leave the EU.

We look at online demand data as well as analysis of posts on social media, review websites and forums and juxtapose that with expert opinions of leading industry figures and our team of GK experts to provide a comprehensive picture of attitudes.

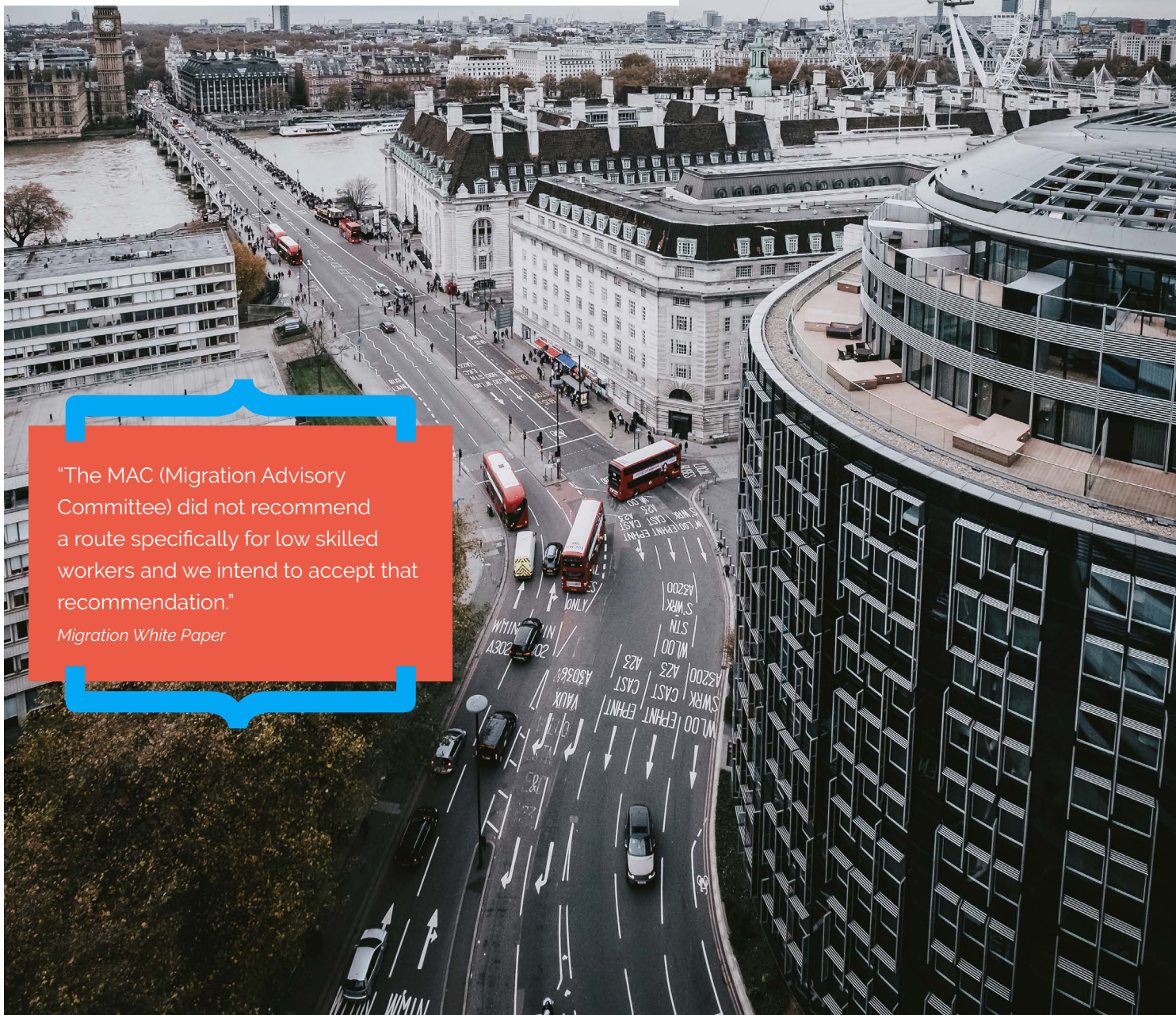


### key findings

- Immigration sentiment has become more neutral in 2018 (a 15% reduction in negative sentiment from 2017) but still remains at 40% negative, highlighting how entrenched this is as an issue amongst the population.
- Sentiment is dependent on profession. While generally positive online sentiment towards immigrants is at 5%, sentiment towards nurses is 45% positive.
- International demand for jobs in the UK continues decline overall. Whilst there is a slight increase in demand from India, other countries have shown less interest in the UK as a destination.
- Online reaction to the Government's Migration White Paper detailing post-Brexit immigration policy was overall negative, with only 1% of online sentiment towards the white paper being positive on the day it was released.



# brexit and immigration policy 2018



"The MAC (Migration Advisory Committee) did not recommend a route specifically for low skilled workers and we intend to accept that recommendation."

*Migration White Paper*

The issue of free and open migration from the EU to the UK has long been one of the most divisive issues in British politics. These divisions came to a height in the 2016 Brexit referendum, during which tensions and negative sentiment towards immigrants increased.

As we approach the UK's withdrawal date from the European Union, a 168-page white paper titled 'The UK's future skills-based immigration system'<sup>1</sup> was published on December 19th, 2018, laying out what Britain's future migration policy will be post-Brexit. Some key points in the document included that the Government will try to make the migration process for skilled workers quicker and easier, with ideas such as a new digital checking service for employers, landlords and public service providers to confirm somebody's immigration status with ease, along with no cap on skilled workers, which will include those with the equivalent of A-Level qualifications, not just graduates.

Similarly, the Government will not put a limit on the number of international students. However it is important

to note that student numbers are still part of net migration, which has a target of 100,000, and therefore de facto makes an impact. It is also important to note that the Government has not changed its position here. To continue on the student topic, the Government will offer six months' post-study leave to all master's students and bachelors students – giving them more time to find permanent skilled work and to work temporarily during that period. The Government also stated that it will engage businesses and employers as to what minimum salary threshold should be set, and they have asked the Migration Advisory Committee to review the Shortage Occupation List.<sup>2</sup> However, Sajid Javid has suggested this is likely that the threshold will be around £30,000 per annum to be classified as a skilled worker, which has caused outrage among certain groups. Many vital jobs in the UK's NHS and schools, for example, are salaried at less than this rate.

Another key piece of information that was missing from the white paper was what policy there will be on low-skilled workers, many of which are currently EU

migrants. This is due to the fact that high skilled has less political negativity, so easier to discuss.

The white paper simply stated on this subject that "The MAC (Migration Advisory Committee) did not recommend a route specifically for low skilled workers and we intend to accept that recommendation."

The government's aim here is to reduce demand for low skilled migrant labour rather than facilitate it, and instead put efforts into encouraging Brits to take up low skilled jobs. Furthermore, the white paper stated that "In accordance with the MAC's advice, we do not intend to open sectoral labour schemes, except potentially for seasonal agricultural work. We will be running a small-scale pilot scheme for agricultural workers in 2019." However, the white paper did note that the system will be flexible as we strike deals with the EU and other countries. This is positive – the Government have taken a pragmatic response to growing issue in agriculture sector, and this could be indicative of policy makers taking a similar view in other areas too.

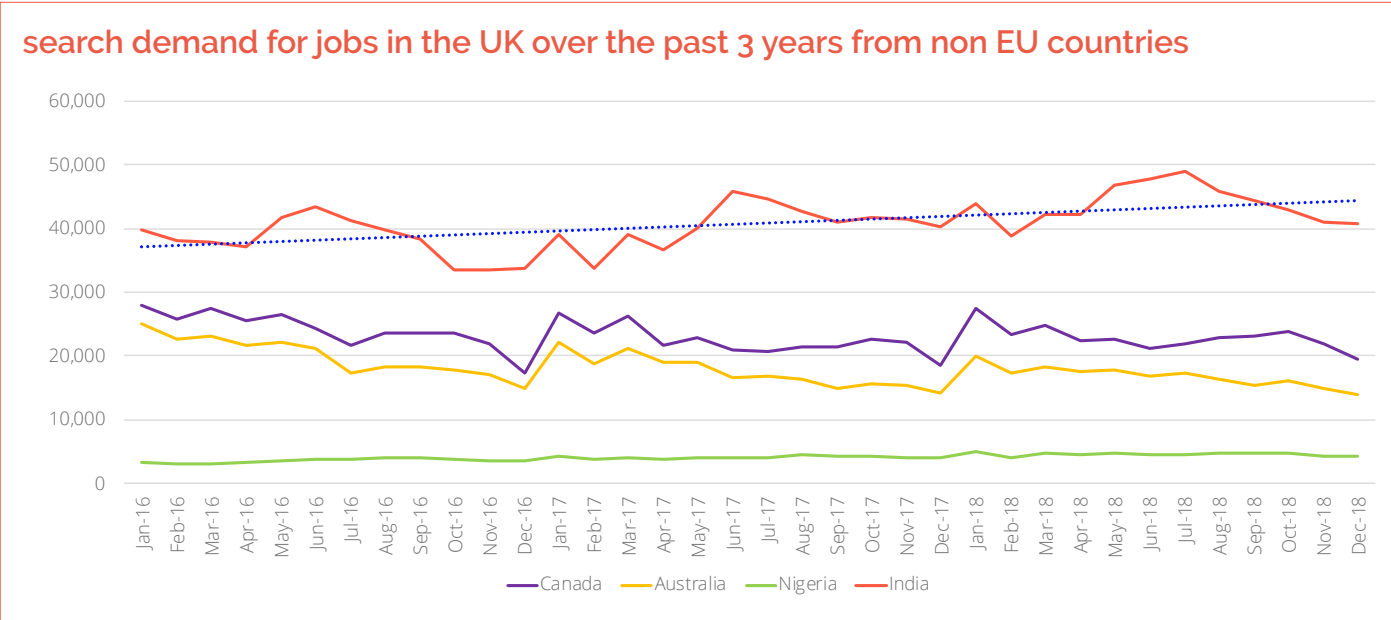
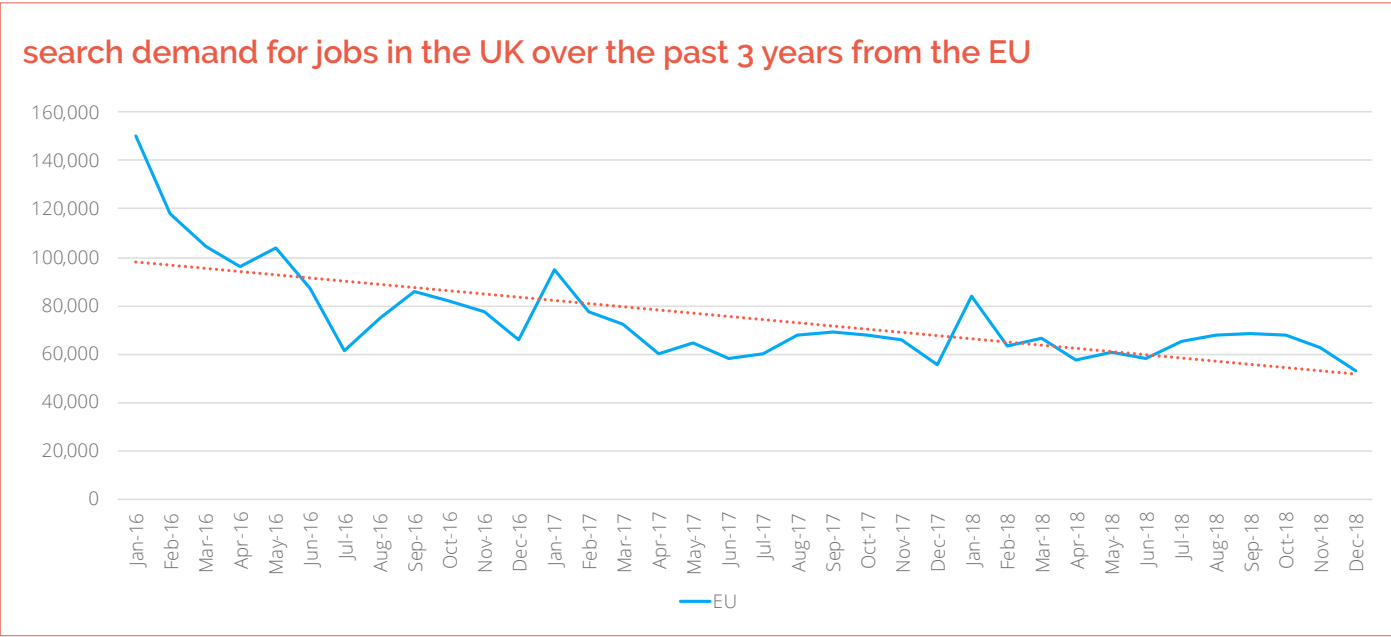
So – how did people react? On its date of release, online sentiment towards the white paper was only 1% positive – suggesting that overall people are unimpressed with the government's proposals. Furthermore, negative online sentiment towards migration saw an increase of 9% on the release date of the white paper compared with the same time the week before.

1. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/766465/The-UKs-future-skills-based-immigration-system-print-ready.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/766465/The-UKs-future-skills-based-immigration-system-print-ready.pdf)
2. The shortage occupation list is an official list of occupations for which there are not enough resident workers to fill vacancies. The Migration Advisory Committee (MAC) regularly reviews the list and calls for evidence of which occupations should be included or removed.



# EU demand vs non EU demand

To analyse the demand from EU citizens to migrate to the UK, alongside official figures, we used online search demand for jobs in the UK, as searching for a job here from abroad suggests the person is permanently looking to migrate over the past three years.



As our data shows, EU interest in working in the UK fell dramatically following the Brexit referendum, and it has continued to decrease more steadily since, despite a few peaks during this period. For example, there were increases towards the end of each summer, perhaps as new graduates begin to look for jobs. on the other hand, demand from our sample non-EU countries has remained relatively flat, with a slight increase in demand for UK jobs from India, and a slight decrease in demand from Canada and Australia.

Those wishing to decrease the UK's net immigration numbers might worry that Brexit alone will not be deterrent enough to lower EU immigration numbers should the government not establish a strong enough policy. Some sectors however will surely be relieved, as they struggle to fill jobs in an economy approaching full employment.

The government white paper however predicts that their new policies will reduce the UK workforce by between 200,000 and 400,000 EEA nationals in the long term. Worryingly, it also suggests this may have a consequence of a reduced GDP by between 0.4 and 0.9 percent by 2025. This could result in cumulative financial cost to the treasury of between £2 billion and £4 billion from 2021 to 2025. However, the Government does have plans on how to fill any shortages and gaps in the UK workforce, as it lays out in the Migration White Paper, such as through short-term visas.

It is also interesting to consider which EU nationals still are attracted to the idea of living and working in Britain. Italy and Spain have overtaken Eastern European countries such as Bulgaria and Poland in terms of interest in working in the UK, a significant shift compared to previous years.

## Top 5 EU countries searching for UK jobs in 12 months ending December 2018

italy	107,170 searches
spain	96,810 searches
bulgaria	94,160 searches
poland	92,540 searches
france	60,580 searches

Moreover, conversations about jobs in the UK originating in Europe fell by 13% over 2018 but were of mainly neutral sentiment (64% neutral, 11% positive and 26% negative). On the other hand, online conversations across India, Canada, Australia and Nigeria rose by 8%, but again being of a mainly neutral nature (72% neutral, 13% positive, 15% negative).

In the next section of this report we will look at a number of these traditionally migrant dependent sectors to analyse how they are coping in such a politically uncertain time.



## housing and construction

Across the UK, there are 2.2 million people employed either directly or indirectly by the construction industry. Around 10% of this workforce is made up of migrants - 7% from the EU and 3% are non-EU<sup>3</sup>.

Construction is one sector that is often cited as at risk of losing a segment of its workforce due to lowered migration. A report<sup>4</sup> published in September 2018 found that there was already a lack of workers in the sector – indeed 44% of survey respondents said that one of the “main constraints” on building more homes was a “shortage of skilled workers”.

### search demand for construction jobs in the UK over the past 3 years



Demand for UK based jobs in the construction sector from around the world looks rather bumpy, to say the least. However, over the course of 2018, search demand for jobs in the UK's construction sector from the EU increased significantly. However, this is nowhere near previous pre-Brexit-referendum levels. Demand also rose from Nigeria over 2018. On the other hand, interest in working in the UK's construction sector fell further in 2018 in Canada and Australia.

3. <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/articles/migrantlabourforcewithintheconstructionindustry/2018-06-19>

4. [https://www.fmb.org.uk/media/41090/18-09-05-house-builders-27-survey-2018-final.pdf?utm\\_source=Report&utm\\_medium=pdf&utm\\_campaign=Housebuilderssurvey](https://www.fmb.org.uk/media/41090/18-09-05-house-builders-27-survey-2018-final.pdf?utm_source=Report&utm_medium=pdf&utm_campaign=Housebuilderssurvey)

## agriculture

The UK Government and Office for National Statistics admits that it is “very difficult to estimate how many seasonal workers of which nationality are working in the agricultural sector in the UK”. However their research believes there is a total of around 346,000 workers in the industry each year. Of this figure, it is suggested that around 75,000 are non-UK nationals – 21.7% of the workers. The National Farmers Union (NFU) Seasonal Supply of Labour survey, which only looks at seasonal agricultural workers recruited by labour providers, estimates that 99% of seasonal labour is provided by EU workers.<sup>5</sup>

Under the UK's new immigration policy, agriculture may be the only sector to receive an exemption, but only for seasonal work. A trial of this scheme on a small scale will run in 2019, and it will be welcome news for farmers if it proves successful, although the Government is maintaining tight control on the scope and duration of the trial. Similar schemes have previously been run for agricultural workers, and they are generally recognised as a good way to meet large seasonal demands even outside of the Brexit context.

The government made clear in the white paper it is allowing this trial to “to test the feasibility of such a scheme and in recognition of the specific challenges facing that industry”, which the MAC has highlighted. The Government believes that the “scheme should not be an easy option for the agricultural sector and that there needs to be proper monitoring of conditions of employment to avoid exploitation of workers.” In order to ensure this, and increase productivity, employers will be required to pay a higher minimum/living wage should the scheme be approved and rolled out nationally in the future. The Government also emphasised that while the scheme will be open to a wide range of nationalities to start with, it will only be a temporary scheme.

It would seem the long-term goal of the Government is for these jobs to be filled by British workers, though they may face barriers to convincing jobseekers.

**“In 2018, just 1% of seasonal agriculture workers were British”**

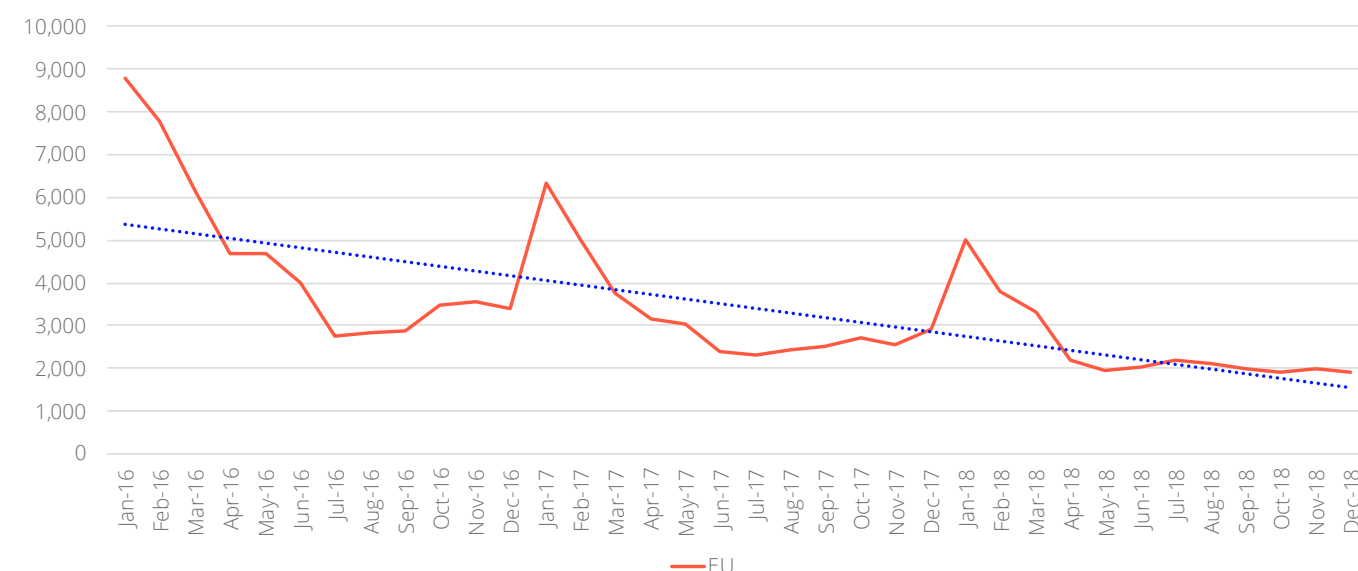
In 2018, just 1% of seasonal agriculture workers were British, with the majority coming from Eastern Europe, in particular Bulgaria and Romania. To highlight the scale of the problem, the CEO of Concordia, a recruitment company that supplies workers to about 200 British farms, said that out of 10,000 applications the company received only 2 were from Brits. She lists factors such as early hours, long days, physical toll, seasonality, and lack of affordable transport as why it is not appealing to British people.<sup>6</sup>

Also, it is not just Brits who the agricultural sector isn't overly appealing to – according to our research a large proportion of demand from around the world for jobs in the UK's agriculture sector is falling and it is already suffering a labour shortage of around 30-40%.

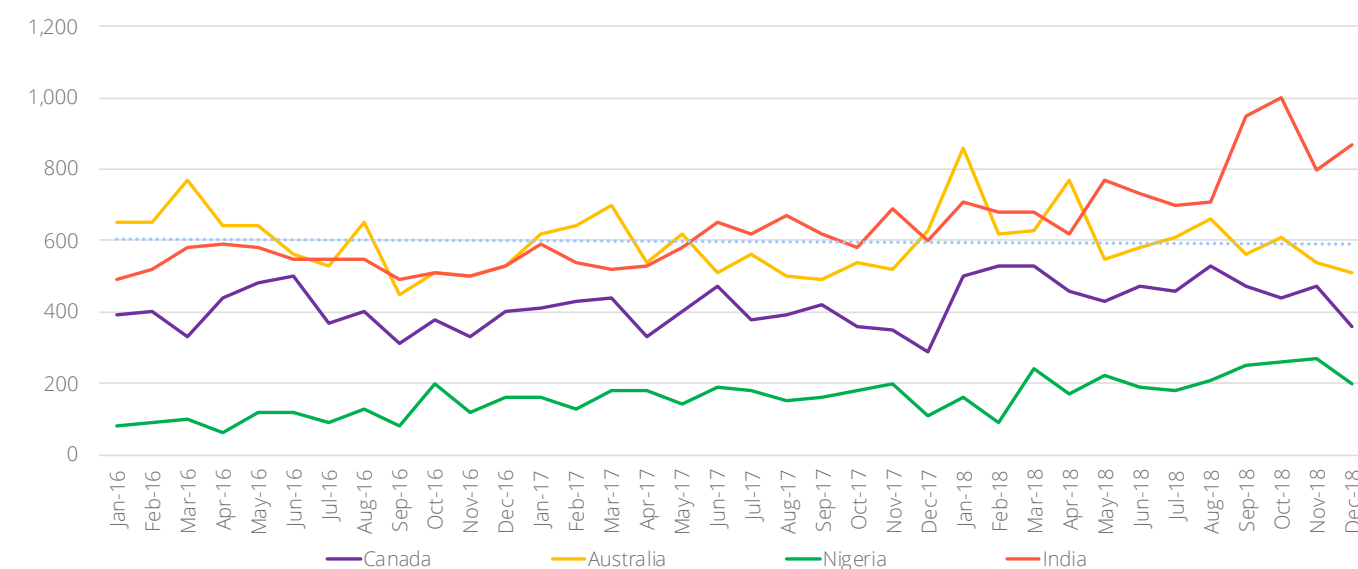
5. <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/articles/labourintheagricultureindustry/2018-02-06>

6. <https://www.independent.co.uk/news/uk/politics/brexit-eu-agriculture-farms-fruit-picking-migrant-workers-labour-shortage-a8469806.html>

## search demand for agriculture jobs in the UK over the past 3 years from the EU



## search demand for agriculture jobs in the UK over the past 3 years from non EU countries



Of our sample, only Nigeria and India showed an increase in demand over the past 12 months, but these numbers were already very small – in the low 100s – so will fall short of meeting the needs of the industry.

Therefore, a lot is hinging on the success of the government's seasonal worker trial and a lot of farmers will be concerned about the impact on their businesses if it doesn't work – such as wage inflation to attract British workers.

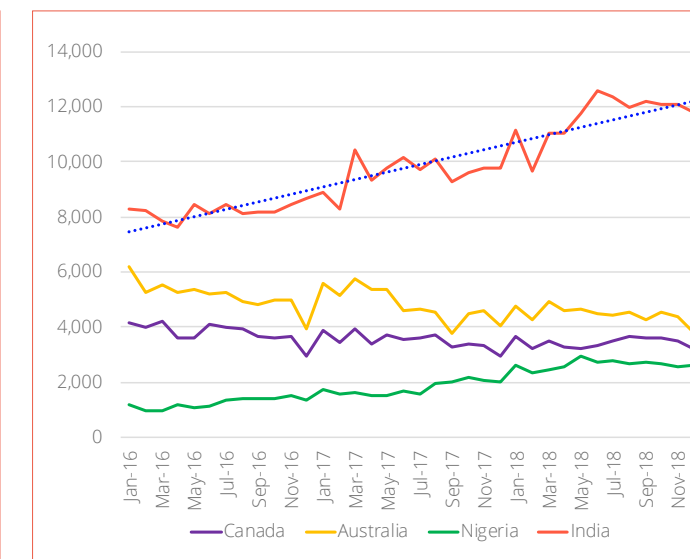
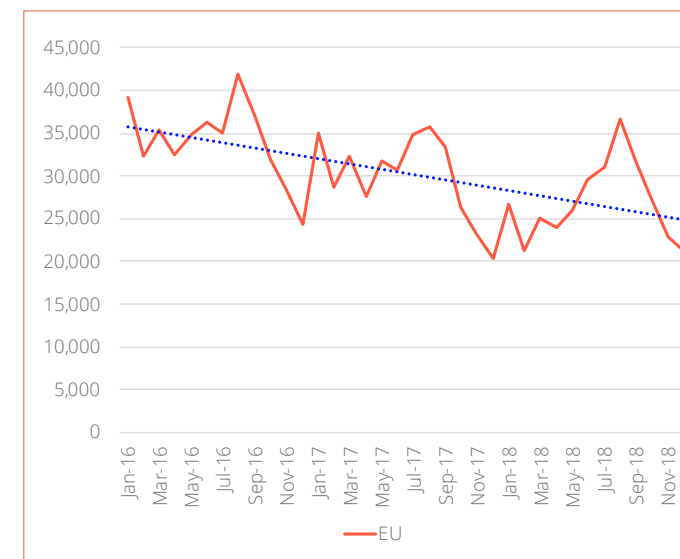
3 million people are employed in the UK's health and social care market.<sup>7</sup> Many of these are migrants – for example in the NHS 12.7% of staff are non-UK nationals. 10% of doctors and 7% of nurses are from the EU.<sup>8</sup>

## health and social care

In the Migration White Paper, most mentions of health and social care were in relation to the fact that it would be harder for migrants to access free healthcare and other benefits. However, at one point it did acknowledge the contribution that migrants currently have working in public health and social care services, describing their work in this sector as a "positive impact".

Our 2018 migration report showed that demand from the EU for jobs in the UK's health and social care sector fell by around 20% over the course of 2017. Interest from the EU has continued to fall throughout 2018, despite a peak around September. However, interest from our non-EU sample has been increasing, notably from India.

## search demand for health and social care jobs in the UK over the past 3 years



"Latest figures from NHS improvement show there were 97,000 vacancies in NHS trusts in England between October-December 2017. Think tanks warn this number could triple within a decade. Analysis by the King's Fund, the Health Foundation and the Nuffield Trust suggests the health service could be short of more than 350,000 staff if it continues to lose staff and cannot attract enough from abroad."<sup>9</sup>

7. <https://www.kingsfund.org.uk/projects/time-think-differently/trends-workforce-overview>

8. <https://researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-7783>

9. <https://www.nuffieldtrust.org.uk/research/the-health-care-workforce-in-england-make-or-break>



# public perception of immigration

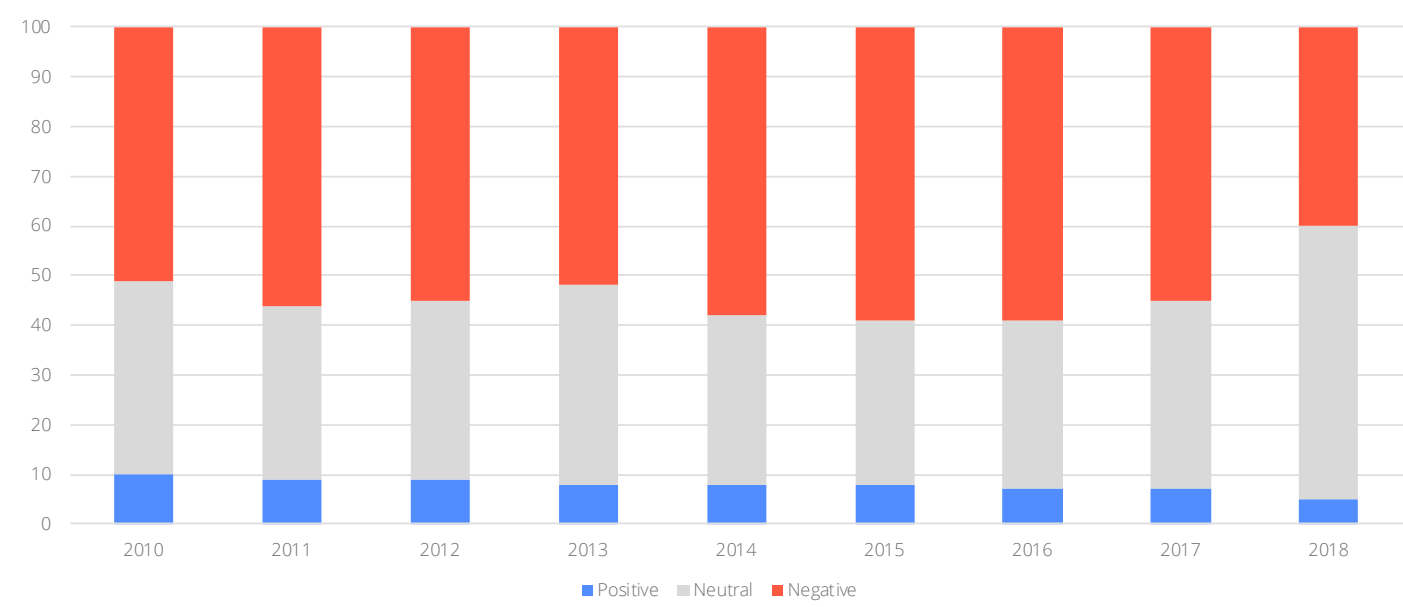
Interestingly, our research has found that the public perception of immigration became noticeably less negative over 2018, despite the at times fractious national debate around the subject.

Our previous report on migration found that 55% of posts online about immigration were negative in 2017, and 59% were negative in 2016. However, in 2018 only 40% of posts about immigration were negative, a significant decrease.

That being said, the proportion of posts about migration that were positive also decreased by 2% to 5%, suggesting that more people feel neutral or have no passionate opinion on immigration (or at least not a strong enough opinion to voice it online).



online sentiment towards immigration



Our research in 2017 found that Brits held more positive sentiment towards some immigrants depending on their profession, for example doctors and nurses migrating to the UK enjoyed much better perception than 'general jobseekers'. This continues into 2018, with only 18% of online sentiment towards doctors coming to work in the UK was negative, and [45% of online sentiment towards nurses coming to work in the UK was positive](#).

These large diversions from the average show that while Brits may not feel overly positive towards migrants generally, they are much more accepting of immigrants coming to work in certain professions, such as in the health and social care sector who are considered high skilled and therefore have less political negativity.

This is a view is reflected in the Migration White Paper which puts more value on 'high skilled workers' such as doctors and nurses than 'low skilled workers'. These 'low skilled workers' include professions ranging from taxi drivers to construction labourers, which are often filled by non-UK nationals. Despite often being jobs essential to our day-to-day lives, British online sentiment towards 'low skilled migrants' is incredibly negative, with words such as "poor" and "undesirables" being amongst the most commonly used words in posts on the topic. Perhaps it is time for a new term to be found for this category of hard workers, especially as under new proposals by the Home Secretary anyone earning under £30,000 a year would be classified as "low-skilled".





jamie cater

GK head of policy

After long delays, the publication of the Government's white paper on post-Brexit migration policy just before Christmas 2018 means that we have some clarity ahead of legislation being put before the House of Commons in the coming months. Though the UK Government is far from alone in the world in wrestling with the question of immigration, the complex politics of Brexit means that policy-makers are having to navigate a uniquely sensitive set of circumstances as they consider a sustainable way forward for both the public and British employers.

Many employers will have been encouraged by the commitment in the white paper to removing the cap on the visa route for skilled workers and lowering the skills threshold, but the inclusion of a £30,000 salary cap for skilled workers is highly contentious and will be one of the focal points of political opposition to the legislation as it passes through Parliament. If Labour and the opposition parties are unsuccessful in passing amendments to the Bill, this could hasten some of the declining demand to move to the UK.

**Outside of the white paper proposals, what is the Government's long-term solution to potentially lower demand to move to the UK?**

For skilled workers, a partial answer to this question lies in the Government's education and skills policy, where recent reforms to apprenticeship training and proposed introduction of T-levels seek to create a better-skilled domestic workforce that could theoretically reduce reliance in some areas on migrant labour. The Government's target of 3 million new apprentices by 2020 predates

## challenges for policymakers

the EU referendum; despite some negative media headlines on the effectiveness of the apprenticeship levy and the suggestion that Ministers are no longer wedded to a hard numerical target, the likely pressures in some areas of the labour market increases the urgency of the Government improving the skills of the current and future workforce.

For lower-skilled workers, the idea floated in the white paper of providing 12-month temporary visas for workers from 'low-risk' countries is another eye-catching proposal for which it could prove difficult to garner sufficient support. The Government will inevitably face questions over whether it is sustainable for employers to have access to low-skilled labour restricted in this way. Culturally, there may be a sticking point, too. While it may appeal to some as a visible way of ensuring that there is no substantial increase in net migration, and any additional demand for stretched public services and welfare benefits is minimised, it also arguably prevents migrant workers from becoming 'integrated' in their communities, which tends to be the preference of the British public rather than these workers simply returning to their country of origin after a short period in the UK. The Government faces a careful balancing act on this, and again Parliament is likely to attempt to amend this proposal in the legislation.

As with other Brexit-related items, the Immigration Bill's progress through Parliament is unlikely to be smooth.

With a number of controversial measures, a high level of uncertainty remaining over the future relationship with the EU and a commitment to reviewing measures from the white paper by 2025, employers of all sizes who depend on recruiting workers at all levels from overseas should be engaging proactively with decision-makers before, during and after the legislative process to shape and influence the trajectory of policy.



fleur hicks

managing director,  
onefourzero

## conclusion

The dichotomy of the Brexit situation is that immigration is both a concern for both Leave and Remain voters, some key arguments for Brexit resting on the question of whether there are too many workers coming in to our country, and some key counter arguments that this will leave us with a skills shortage.

We sought to interrogate whether there was any merit in these worries where it matters most: in our healthcare sector, in agriculture and in the provision of homes for UK residents. With EU workers potentially leaving the country or their entry numbers being limited, will we be left short of service personnel in these sectors and is there enough global demand to replace this gap?

Our data, gathered through interrogating online search demand and online conversations originating from around the globe, showed very clearly that Brexit has indeed had a negative impact on the desire to migrate to our island, evident in the volumes of people searching for UK jobs from these regions, the volumes of people asking for information about jobs in the UK, and the opinion of the UK as a host country currently.

Somewhat ironically however, the negative impact is seen from countries outside the EU as well as within the EU, with sentiment towards working in the UK being at 27% negative globally. And whilst some will be relieved to note that the desire to enter the UK for work seems to be declining from EU countries, others can be comforted that the EU looks to remain as a key provider of service personnel in Construction and the Healthcare sector, in particular the NHS.

**Should we be concerned about a skills shortage in the near term?**

So far, we are not seeing evidence of this by way of desire and intent, but indicators suggest that agriculture faces acute challenges, but these are being responded to well by decision makers, and if the negative decline continues in the Health sector then we need to do more to make the UK an attractive destination for incoming workers from other countries.

As we rapidly move towards the peak in demand for seasonal work in 2019, we should get a clearer picture of how the employment market is shaping up and whether the government's current policies are working.

Policy-makers and businesses will be watching closely.



## about gk strategy



**GK Strategy** is a leading independent strategic research and communications agency. We provide insight, strategy and impact to help businesses make better decisions.

As channels proliferate and audiences become savvier, making an impact is getting harder. Activist consumers, investors, regulators and policymakers demand more from organisations nowadays; the risks of failure are substantial and increasing.

We help our clients stay relevant, stand out and build profile with their key stakeholders.

We are an integrated full-service agency and build our client teams with the right skills to deliver results for each client's specific situation.

We were born out of a desire to do things differently, and as we head into our tenth year that ambition burns as bright today as it did on day one.

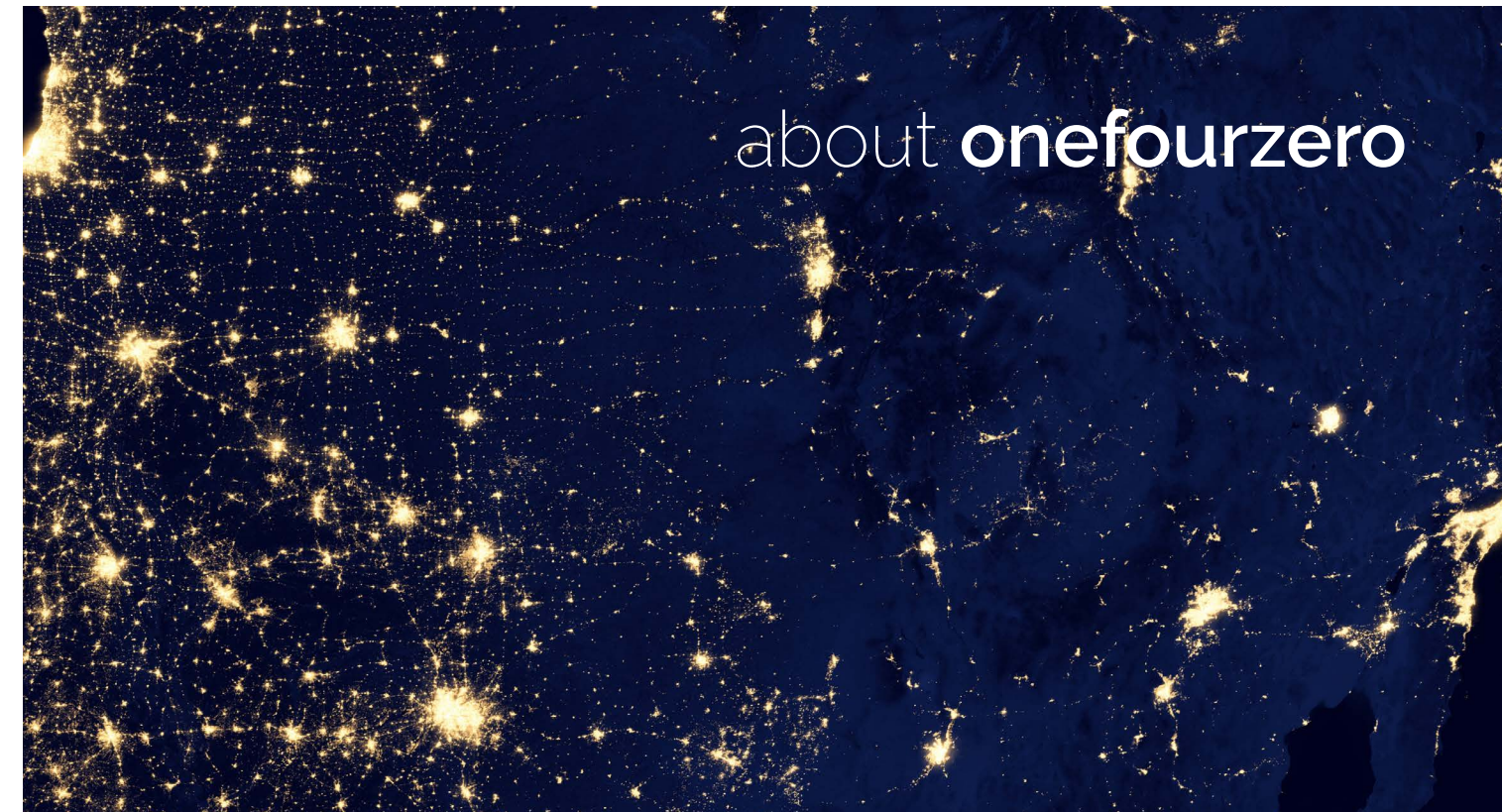
With a senior team that draws on a vast range of political experience including former Cabinet Ministers, as well as consultants with backgrounds in Government and Parliament, GK offers unique expertise and insight into the key policy and regulatory issues faced by clients.

**To discuss this report or for more information on how **GK Strategy** can help you, please contact:**

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## about onefourzero



**onefourzero** deliver data-driven reports for investors and brands to help make decisions that affect commercial growth, marketing investment, digital strategy, operations and international expansion. Our services combine our team of analysts with advanced technology, creating a unique combination that brings you commercial intelligence, market research and analysis into the digital age.

Everybody knows that large amounts of data can be daunting – therefore, at onefourzero, we produce concise, straightforward reports that are derived from high volumes of complex data.

We support mid and large cap investments, global corporates and major industry bodies in identifying opportunity and risk. Since launching in 2015, we have worked with and advised on over 70 private equity deals and strategies. Always at the forefront of technology and data, we understand that we need to innovate and educate constantly.

The digital world does not stand still, and nor do we.

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