

This annex includes details of the qualitative and quantitative information to support the Minister for the Economy's response to the Migration Advisory Committee's call for evidence on Skills Shortages.

Overview of Skills Shortages

While the data presented in this annex were gathered before the outbreak of the COVID-19 pandemic, it is recognised that skills and access to skills will be a critical facilitator of economic recovery. The aim therefore is to harness the existing evidence to show the areas where skill shortages have been present and have curtailed economic growth and, if not addressed, will continue to do so. It also sets out areas of future skill need.

Current evidence points to skills shortages in the local economy. The Northern Ireland Employer Skills Survey (ESS)¹ reported that 16% of Northern Ireland businesses recorded a vacancy in 2017. The sectors with the highest vacancy rates (vacancies as a proportion of employment) were hospitality (4.5%), construction (4.2%) and financial services (4.1%). Of those businesses that reported having vacancies, 21% stated that the vacancies were difficult to fill because of skill shortages. The occupations with the highest rate of skill-shortage vacancies were skilled trades (39% of all vacancies in that occupational area), machine operatives (30%) and professionals (26%). The survey also shows that while many employers are taking actions to address these shortage vacancies, they do have a profound impact on productivity including, for example, on delays in the development of new products and services.

The Department for Communities (DfC), has advised that in the second quarter (July to September) of the 2019/20 financial year there were 20,061 employment vacancies, an increase of 1,209 (6%) from the previous quarter. 25% of vacancies were for personal service occupation positions e.g. care assistants, hairdressers, etc. Of the 20,061 vacancies, 66% were full-time and 25% were part-time vacancies².

Independent Research from Oxford Economics

The independent analysis of the immigration proposals indicates that Northern Ireland is particularly vulnerable given its sectoral structure and lower than average wages. Comparing the results to research completed in the rest of the UK, the report determines that Northern Ireland will be disproportionately affected by the proposed policy changes.

EU26 migrants are particularly important to specific sectors in Northern Ireland. Data from the Department for Agriculture, Environment and Rural Affairs (DAERA) and the Labour Force Survey (LFS) show that in Northern Ireland, EU26 migrants

¹ [Employer Skills Survey 2017](#)

² <https://www.communities-ni.gov.uk/system/files/publications/communities/dfc-employment-vacancies-factsheet-oct19.pdf>

account for 40% of employees in food manufacturing, 16% in manufacturing overall and 8% in distribution, hotels and restaurants.

These sectors are major employers in Northern Ireland but average wages in these sectors are below the Northern Ireland economy average. The analysis finds that the median pay for EU26 workers in Northern Ireland is £18,000 – considerably below the new threshold of £25,600.

Based on a salary threshold of £25,000 the report finds that, at a sectoral level, the largest adverse GVA impact in Northern Ireland would be felt by the manufacturing sector given the concentration of EU workers.

Oxford Economics forecasts indicate that, for manufacturing, Northern Ireland GVA would be £285m less than it would have been in 2030, with £200m in the manufacturing of food products, beverages and tobacco sub-sector alone.

The report finds the main impact is that employers will be unable to replace migrant workers leaving Northern Ireland to work elsewhere. The research paper estimates the proposed salary threshold will have an adverse impact on the Northern Ireland economy, reducing employment levels by nearly 17,100 by 2030 (a 1.9% loss) relative to the baseline forecast.

ASHE Skills Levels Salaries in Northern Ireland

The table below provides details of salary levels according to ASHE 2019 for all Northern Ireland employees and also those that are full-time only across skill levels as defined by SOC2010³. Please note that these skill level do not correspond with RQF levels, instead classifying jobs into groups according to the concept of ‘skill level’ and ‘skill specialisation’. This takes account of several competences including general education, work-related training or work experience, technical and professional qualifications or equivalent technical or professional experience.

Table 1 Annual pay - Gross (£) - For all employee jobs: Northern Ireland, 2019

Description	Number of jobs (thousand)	Median	Mean	10	25	40	60	75	90
All	731	22,491	26,232	8,060	14,566	19,289	26,280	33,162	44,916
Skill Level 1	69	12,436	13,428	4,105	6,904	10,001	15,007	18,641	x
Skill Level 2	282	17,484	17,913	6,793	11,498	15,299	19,495	23,081	28,834
Skill Level 3	165	27,433	29,607	13,934	19,703	24,333	31,105	37,280	x
Skill Level 4	214	34,332	38,706	15,460	24,852	30,653	38,643	44,472	x
Full-time	515	27,434	32,083	16,600	20,504	24,677	31,221	38,202	49,992
Skill Level 1	30	19,266	20,417	14,187	16,307	17,815	20,550	23,504	x
Skill Level 2	170	21,290	22,474	14,946	17,785	19,840	23,063	26,485	31,262
Skill Level 3	143	29,734	32,131	17,912	22,452	26,653	32,771	39,075	x
Skill Level 4	171	37,896	43,635	23,927	29,537	35,052	40,977	48,079	x

X = estimates are considered unreliable for statistical purposes.

Full details of NI salaries across the SOC skill level are in the attached spreadsheet entitled ASHE-2019-Skills.

³ <https://www.nisra.gov.uk/sites/nisra.gov.uk/files/publications/ASHE-Skill-Levels.pdf>

This table demonstrates that any occupation falling with SOC skill levels 1-3 will not satisfy the general salary threshold of £25,600 at the 25th percentile. Skill level 2 including such occupations as process, plant and machine operatives; sales; and caring personal service occupations will not achieve the salary threshold until the 75th percentile.

Further information on salaries at occupation level from ASHE is provided later in this Annex.

Hard to Fill Vacancies in Northern Ireland

- The Employer Skills Survey 2017⁴ provides information on the number of Hard to Fill (HTF) vacancies and Skills Shortage vacancies (SSV's) for NI only. There are 145 occupations (61%) that are regarded as HTF or have a SSV.
- The table below shows occupations with the highest number of hard to fill (HTF) vacancies i.e. 100+ for all skills levels in Northern Ireland.
- The top three occupations with the highest number of HTF vacancies were nurses (628 HTF), chefs (224 HTF) and vehicle technicians, mechanics and electricians (216 HTF).
- 7 out of 10 occupations had a skill level RQF 3 / Lower-skilled - RQF4. Salaries, where data are available, ranged from approximately £21,000 for chefs to £31,000 for plumbers and heating and ventilating engineers.

Table 2: Hard to Fill Vacancies

Occupation	Skill level	No of vacancies	HTF as % of vacancies	NI Salary Data
Higher education teaching professionals	PhD	149	100%	£45,846
Nurses	RQF 6	808	78%	£30,706
Social workers	RQF 6	140	86%	£32,840
Welfare and housing associate professionals n.e.c	RQF 3	301	37%	£27,088
Vehicle technicians, mechanics and electricians	RQF 3	613	35%	-
Plumbers and heating and ventilating engineers	RQF 3	202	80%	£30,760
Construction and building trades n.e.c	RQF 3	150	93%	-
Welding trades	RQF3 / Lower - skilled	185	81%	£25,262
Metal working production and maintenance fitters	RQF3 / Lower - skilled	224	68%	£27,039
Chefs	RQF3 / Lower - skilled	352	64%	£20,859

⁴ <https://www.gov.uk/government/publications/employer-skills-survey-2017-northern-ireland-toolkit>

- There were 33 occupations whereby over 70% of their vacancies were HTF representing almost 1,900 HTF vacancies. 21 of these occupations had a skill level RQF 3 / lower skilled - RQF4.
- There were 26 occupations whereby all their vacancies were HTF. Note that 17 of these occupations had a skill level RQF 3 / lower skilled - RQF4. Refer to Annex A for a list of the occupations.

Skills Shortage Vacancies in Northern Ireland

- The following provides some analysis of skills shortage vacancies (SSV's) by 4 digit SOC as taken from the results of the Employer Skills Survey 2017.
- The table below shows occupations with the highest number of SSV's i.e. 100+ for all skills levels in Northern Ireland.
- The highest number of SSV's were in vehicle technicians, mechanics and electricians (184 SSV's), welding trades (150 SSV's) and higher education teaching professionals (149 SSV's).

Table 3: Skills Shortage Vacancies

Occupation	Skill level	No. of SSV	SSV as % of vacancies
Welding trades	RQF3/ Lower - skilled	150	81%
Chefs	RQF3/ Lower - skilled	125	36%
Metal working production and maintenance fitters	RQF3/ Lower - skilled	106	47%
Vehicle technicians, mechanics and electricians	RQF 3	184	30%
Plumbers and heating and ventilating engineers	RQF 3	100	50%
Nurses	RQF 6	128	16%
Social workers	RQF 6	120	86%
Higher education teaching professionals	PhD	149	100%

- There were 25 occupations whereby over 70% of their vacancies were SSVs, representing almost 900 SSVs that year. 17 of these occupations had a skill level RQF3/Lower skilled – RQF 4 (see attached Shortage Occupation List spreadsheet NI HTF and SSV Analysis tab)
- There were 21 occupations whereby all their vacancies were SSVs. One of these was in higher education teaching professionals which also features top 3 in terms of the quantum of numbers. Note that 15 of these occupations had a skill level RQF3 / Lower skilled – RQF 4. (see attached Shortage Occupation List spreadsheet NI HTF and SSV Analysis tab).

Table 4 Hard to Fill Vacancies

Occupation	Skill level	No. of Vacancies	No of HTF Vacancies	HTF as % of Vacancies
Higher education teaching professionals	PhD	149	149	100%
Finance and investment analysts and advisers	RQF 6	34	34	100%
Legal professionals n.e.c	RQF 6	32	32	100%
Psychologists	RQF 6	30	30	100%
Financial institution managers and directors	RQF 6	16	16	100%
Veterinarians	RQF 6	14	14	100%
Chartered architectural technologists	RQF 6	13	13	100%
Pharmacists	RQF 6	6	6	100%
Medical practitioners	RQF 6	5	5	100%
Architectural and town planning technicians	RQF 4	13	13	100%
Customer service managers and supervisors	RQF 4	11	11	100%
Property, housing and estate managers	RQF 4	9	9	100%
Estate agents and auctioneers	RQF 3	33	33	100%
Housing officers	RQF 3	33	33	100%
Quality assurance technicians	RQF 3	22	22	100%
Building and civil engineering technicians	RQF 3	13	13	100%
Vehicle body builders and repairers	RQF 3	11	11	100%
Upholsterers	RQF 3	11	11	100%
Other skilled trades n.e.c	RQF 3	10	10	100%
Draughtspersons	RQF 3	7	7	100%
Electrical and electronics technicians	RQF 3	7	7	100%
Veterinary nurses	RQF 3	6	6	100%
Sheet metal workers	RQF 3	5	5	100%
Gardeners and landscape gardeners	RQF3/ Lower - skilled	56	56	100%
Bricklayers and masons	RQF3/ Lower - skilled	41	41	100%
Animal care services occupations n.e.c.	RQF3/ Lower - skilled	15	15	100%

Table 5 Skills Shortage Vacancies

Occupation	Skill level	No. of SSV	SSV as % of vacancies
Higher education teaching professionals	PhD	149	100%
Finance and investment analysts and advisers	RQF 6	34	100%
Legal professionals n.e.c	RQF 6	32	100%
Financial institution managers and directors	RQF 6	16	100%
Veterinarians	RQF 6	14	100%
Pharmacists	RQF 6	6	100%
Architectural and town planning technicians	RQF 4	13	100%
Housing officers	RQF 3	33	100%
Estate agents and auctioneers	RQF 3	33	100%
Quality assurance technicians	RQF 3	22	100%
Building and civil engineering technicians	RQF 3	13	100%
Vehicle body builders and repairers	RQF 3	11	100%
Upholsterers	RQF 3	11	100%
Other skilled trades n.e.c	RQF 3	10	100%
Electrical and electronics technicians	RQF 3	7	100%
Draughtspersons	RQF 3	7	100%
Veterinary nurses	RQF 3	6	100%
Sheet metal workers	RQF 3	5	100%
Gardeners and landscape gardeners	RQF3/ Lower - skilled	56	100%
Bricklayers and masons	RQF3/ Lower - skilled	41	100%
Animal care services occupations n.e.c.	RQF3/ Lower - skilled	15	100%

Please see attached spreadsheet entitled Shortage Occupation List for the full data breakdown.

Northern Ireland's Future Demand for Occupations compared to the UK-Wide Shortage Occupation List

Key Points from Northern Ireland Skills Barometer 2019 Report

- Over the 2018-28 period, it is estimated that 26,300 people per annum will be required to join Northern Ireland's labour market from education or migration to meet future demand.
- Over two-thirds (18,100 per annum, 69%) is associated to replacing existing workers (as a result of retirement, sickness etc.) and one-third (8,200 per annum, 31%) due to business growth. While these figures are based on a high growth scenario given the high replacement demand versus business growth the report states that Northern Ireland's "...labour market will continue to create a plentiful supply of job opportunities even during periods of low growth".⁵

Analysis from the Skills Barometer 2019 at a 3 digit SOC level

- The Northern Ireland Skills Barometer covers a total of 90 occupational groups, 16 of which are at least partially represented in the UK-wide SOL. This represents approximately 7,900 workers needed annually in Northern Ireland to cover the UK-wide recommended SOL.
- However, around 18,400 (67%) of Northern Ireland's future annual demand is not included in the UK-wide recommended SOL.

Qualification Level Analysis

- Within the current SOL jobs below RQF Level 6 are not eligible, it is therefore not a surprise that 11 of the 16 SOL occupational groups require 50%+ workers to be qualified at RQF level 6 and above. However, there are other occupations on the SOL that will require proportionally more workers requiring RQF level 5 and below, including: Metal Forming, Welding and Related Trades (98%); Food Preparation and Hospitality Trades (93%); Artistic, Literary and Media Occupations (67%); and Design Occupations (67%).

RQF Level 6 analysis

- Overall, the Northern Ireland Skills Barometer estimates that one-third (33%) of future demand for new workers will be for those with RQF level 6 qualifications or above. This compares to the 2018 workforce whereby just 23% have at least RQF level 6 qualifications.

⁵ <https://www.economy-ni.gov.uk/sites/default/files/publications/economy/Skills-Barometer-2019-Summary-Report.pdf>

- The top five occupations estimated to have the highest demand for RQF level 6 and above qualifications include IT and telecommunication professionals (approx. 1,000 annually); teaching and educational professionals (approx. 900 annually); nursing and midwifery professionals (approx. 600 annually); business, research and administrative professionals⁶ (approx. 600 annually); and health professionals (approx. 500 annually).

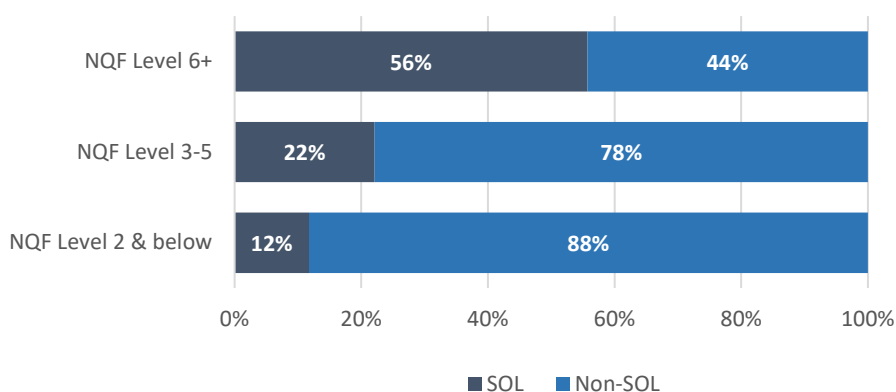
RQF level 3-5 analysis

- Particularly relevant to this call for evidence, the demand for new workers with RQF level 3-5 qualifications will be highest for other elementary services occupations⁷ (approx. 500 per annum), secretarial and related occupations (approx. 400 pa), caring personal services (approx. 400 pa), construction and building trades (approx. 300 pa) and teaching and educational professionals (approx. 300 pa).

RQF level 2 and below

- The demand for new workers with RQF level 2 and below qualifications will be highest for other elementary services occupations (approx. 800 per annum), process operatives (approx. 500 per annum), food preparation and hospitality trades (approx. 500 per annum), road transport drivers (approx. 500 per annum) and elementary process plant occupations (approx. 300 per annum).

Figure 1: NI's annual future demand of qualifications by SOL and non-SOL



Source: UUPEC NI Skills Barometer 2019

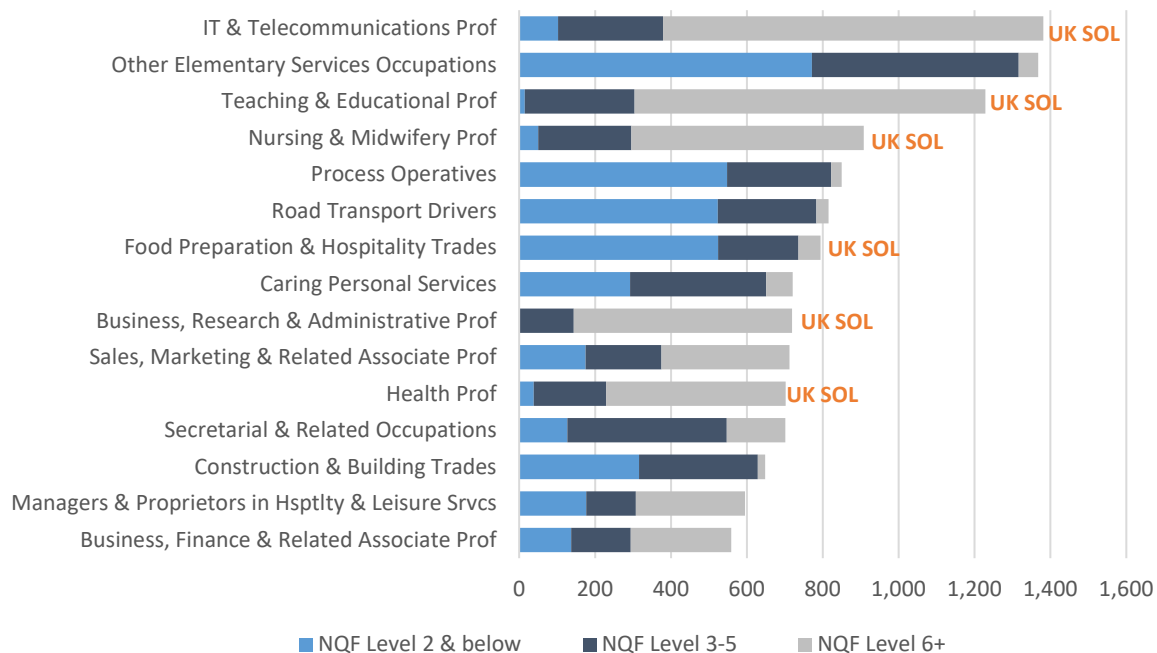
⁶ Includes accountants, management consultants and business analysts, business and financial project management professionals, actuaries, economists and statisticians and other business and research professionals - <https://onsdigital.github.io/dp-classification-tools/standard-occupational-classification/data/SingleClass.html?soc=242>

⁷ Includes hospital porters, kitchen and catering assistants, waiters and waitresses, bar staff, leisure and theme park attendants - <https://onsdigital.github.io/dp-classification-tools/standard-occupational-classification/data/SingleClass.html?soc=927>

Occupational Groups Analysis

- Figure 2 shows the top 15 occupational groups based on annual future demand numbers, only six of which are included in the UK-wide SOL. An extended list has been included in the table 16.

Figure 2: NI's Top 15 Occupational Groups by annual future demand and qualification (SOL and non-SOL)



Source: UUPEC NI Skills Barometer 2019

- The largest absolute future demand for those groups in the UK-wide SOL is estimated to be for IT and Telecommunications Professionals (around 1,400 new workers required annually), Other Elementary Services Occupations (around 1,400 new workers required annually) and Teaching and Educational Professionals (around 1,200 new workers required annually).
- Analysis has also been carried out to examine the highest relative future demand by occupation. On average, Northern Ireland future demand is expected to rise by 3% but the average across the SOL occupations is 5%. The highest proportions of those in UK-wide SOL are reported for IT and Telecommunication Professionals (11%) and Quality and Regulatory Professionals (9%). Those that have high demand relative to existing demand but not on the SOL include Managers and Proprietors in Hospitality and Leisure Services (7%); Legal Associate Professionals (7%); and Conservation and Environmental associate professionals (7%).

Table 6: NI's Top 30 Occupational Groups by annual future demand and qualification (SOL and non-SOL) - model of annual demand from the Skills Barometer produced by Ulster University Economic Policy Centre

Occupational Group (3 digit SOC)	SOL Y/N	RQF Level 2 & below	RQF Level 3-5	RQF Level 6+	Total
213 'IT and Telecommunications Professionals'	Y	7%	20%	73%	1,380
927 'Other Elementary Services Occupations'	N	56%	40%	4%	1,370
231 'Teaching and Educational Professionals'	Y	1%	24%	75%	1,230
223 'Nursing and Midwifery Professionals'	Y	6%	27%	67%	910
811 'Process Operatives'	N	64%	32%	3%	850
821 'Road Transport Drivers'	N	64%	32%	4%	820
543 'Food Preparation and Hospitality Trades'	Y	66%	27%	7%	780
614 'Caring Personal Services'	N	41%	50%	10%	720
242 'Business, Research and Administrative Professionals'	Y	0%	20%	80%	720
354 'Sales, Marketing and Related Associate Professionals'	N	25%	28%	47%	710
221 'Health Professionals'	Y	6%	27%	67%	700
421 'Secretarial and Related Occupations'	N	18%	60%	22%	700
531 'Construction and Building Trades'	N	49%	48%	3%	650
122 'Managers and Proprietors in Hospitality and Leisure Services'	N	30%	22%	48%	600
353 'Business, Finance and Related Associate Professionals'	N	25%	28%	47%	560
913 'Elementary Process Plant Occupations'	N	57%	39%	3%	560
113 'Functional Managers and Directors'	N	24%	40%	37%	550
522 'Metal Machining, Fitting and Instrument Making Trades'	N	46%	52%	2%	530
926 'Elementary Storage Occupations'	N	56%	40%	4%	480
356 'Public Services and Other Associate Professionals'	N	25%	28%	47%	470
119 'Managers and Directors in Retail and Wholesale'	N	24%	40%	37%	440
125 'Managers and Proprietors in Other Services'	N	30%	22%	48%	410
212 'Engineering Professionals'	Y	7%	20%	73%	400
412 'Administrative Occupations: Finance'	N	53%	21%	26%	400
415 'Other Administrative Occupations'	N	53%	21%	26%	390
622 'Hairdressers and Related Services'	N	53%	43%	3%	390
112 'Production Managers and Directors'	N	24%	40%	37%	360
813 'Assemblers and Routine Operatives'	N	64%	32%	3%	350
812 'Plant and Machine Operatives'	N	64%	32%	3%	350
311 'Science, Engineering and Production Technicians'	N	13%	28%	58%	320

Source: UUPEC NI Skills Barometer 2019

Agri-food Sector

The COVID-19 pandemic has highlighted the necessity of a robust agri-food supply chain for Northern Ireland. Migrant workers have an important part to play in this and it is important that our agri-food employers are able to maintain the flexibility needed to fill essential key worker jobs in the future.

The Northern Ireland agri-food sector has a significant reliance on migrant workers, particularly in food and drink processing where just over 40% of all employees are EU migrants. The majority of jobs in this sector however are skilled below RQF Level 3 and will therefore fall outside the eligibility criteria, set out in the new immigration system coming into effect in 2021, which would allow employers to fill these posts with migrant labour. Listing on the SOL is therefore not a relevant consideration for most of these occupations.

Salary thresholds in the new immigration system will be set according to national wage averages. Given that private sector wages in Northern Ireland are significantly lower than the UK average (14.4% for all median full-time private sector employees in 2019), listing of eligibly skilled jobs on the SOL (either the UK wide or a Northern Ireland specific list) could help Northern Ireland agri-food employers attract the essential skilled workers they need. Key occupations, include environmental health professionals, horticultural trades, butchers, fishmongers and poultry dressers, bakers and flour confectioners, and lab technicians.

The Northern Ireland agri-food sector's reliance on migrant labour is principally for roles skilled to RQF Levels 1 – 2. According to the Migrant Labour & Trade Inquiry⁸, around 94% of migrants working in the Northern Ireland Food and Drink Processing sector in 2017 were employed as Process, Plant and Machine Operatives or in Elementary jobs, roles that are predominantly skilled below RQF 3.

The sector does however have some dependence on migrant labour for eligibly skilled roles, primarily for Skilled Trades including Skilled Food Preparatory roles. Migrant workers account for a significant minority (22.0%) of Food and Drink Processing workers employed in Skilled Trade occupations.

Analysis and qualitative evidence supplied by industry stakeholders has identified six SOC-4 occupational groupings of importance to the Northern Ireland agri-food sector that meet the skills, shortage and suitability criteria for SOL listing. These occupations are primarily Skilled Trades occupations (see Table 7)

⁸ Migrant Labour Trade Inquiry (2017), DAERA

Table 7: Agri-Food Occupations; RQF 3+

SOC4 Grouping	SOC 4 - Code	RQF Skill Level	Type
Environmental Health Professionals	2463	6	Professional
Laboratory Technicians	3111	3	Associate Professional/ Technical
Horticultural Trades	5112	3	Skilled Trade
Butchers	5431	3	Skilled Trade
Bakers & Flour Confectioners	5432	3	Skilled Trade
Fishmongers & Poultry Dressers	5433	3	Skilled Trade

Source: Immigration Rules Appendix K, MAC Report; Points Based System (2020)

As the MAC have previously noted, the significant salary differentials between NI and the UK as a whole represent a unique challenge to Northern Ireland employers that could competitively disadvantage them within the new immigration system. In addition to qualitative and statistical evidence in relation to the MAC's shortage indicators, salary differentials between NI and UK averages will also be considered.

Agri-food Professional & Associate Professional Occupations

Employment of Environmental Health Professionals and Laboratory Technicians within the NI agri-food sector are primarily for the purposes of scientific testing and verification of sanitary and phyto-sanitary standards of products for human consumption. These professions are intrinsically linked to the safeguarding of human health and there is an appreciable risk that employer demand for these professions could increase rapidly over the short term as a result of a new regulatory requirements introduced by the Northern Ireland Protocol. As such, restrictions on access to labour for these professions is considered to be highly impactful.

Migrants from EU countries other than the RoI account for a significant minority (8.7%) of those employed in Professional occupations in the NI agri-food sector, while migrants collectively account for 4.1% of all Associate Professionals in the sector. Evidence supplied by industry stakeholders through the DAERA Trade & Agriculture Committee indicates that NI agri-food employers face difficulties in recruiting Laboratory Technicians and other quality testing / verification staff for their operations.

Table 8: Salary Differentials NI / UK; Professional / Associate Professional

SOC4 Grouping	NI/UK Salary Diff. SOC2⁹	NI/UK Salary Diff. SOC3¹⁰
EHPs	-16.8%	-3.7%
Lab Technicians	-10.2%	-15.4%

Source: ASHE (2019)

⁹ SOC; 24: Business, Media & Public Services Professionals & 31: Science, Engineering, Technology and Production Associate Professionals

¹⁰ SOC; 246: Quality & Regulatory Professionals: 311: Science, Engineering & Production Technicians

Table 8 above shows the 2019 median salary differential between Northern Ireland and Great Britain at the relevant SOC2 and SOC3 categories for Environmental Health Professionals and Laboratory Technicians (SOC4 comparisons are not possible due to the lack of Northern Ireland data at this level). Although median salaries between Northern Ireland and Great Britain for the SOC3 category containing EHPs are not dramatically different, the median salary differential in the SOC3 group containing Laboratory Technicians is significant to the point that Northern Ireland employers would find it difficult to address in relation to the requirements of the new immigration system.

According to ASHE, average annual growth (from 2015 to 2019) in median salaries in the SOC3 group containing Laboratory Technicians is 2.4% for the UK as a whole compared to 9.1% in Northern Ireland. This is suggestive of a significantly tighter labour market for these roles in Northern Ireland and that while employers are taking commensurate measures to improve the attractiveness of their roles through significantly improved wage offers, there is the potential for a shortage in the future.

Agri-food Skilled Trade Occupations

The Northern Ireland agri-food sector's primary reliance on migrant labour in the Skilled Trade category is for Skilled Food Preparatory roles mostly within the Food Processing sector. As noted, migrant workers account for over a fifth of workers employed in Skilled Trades in the Northern Ireland Food and Drink Processing sector. Migrant workers further account for over half (51.2%) of employees in the Beef & Sheepmeat sub-sector, two fifths (41.2%) of those in Bakeries and 55.5% and 24.2% in the Poultry and Fish sub-sectors respectively.

While a detailed split of these sub-sectors by occupational category is not possible, evidence supplied from industry suggests that employers in Northern Ireland Food Processing are reliant on migrant workers to fill Skilled Trade vacancies for butchers and other skilled meat (including fish) preparatory trades, bakers and skilled poultry processing roles. The identified reason for this reliance is a lack of available labour with the skills required by employers.

This is supported by statistical evidence which suggests that there is an under-supply of Skilled Trade labour in Northern Ireland more generally. The ESS (2017) indicates that 30% of Northern Ireland businesses with Hard to Fill vacancies report having vacancies for Skilled Trade workers compared to 23% nationally. This proportion is the highest of any UK nation. Common across all UK regions, the principal reason for Hard to Fill Skilled Trades vacancies is a lack of suitably skilled applicants, according to the ESS.

There is a reliance on migrant labour amongst a segment of the Northern Ireland agriculture sector for skilled horticultural growing work. The Migrant Labour in Northern Ireland Agriculture survey indicates that Northern Ireland horticultural farms employ close to four fifths (78.0%) of migrant labour in the Northern Ireland agriculture sector. Evidence from industry suggests a significant proportion of Skilled Trade labour need in Northern Ireland horticulture is associable to specialist growing activities particularly in the Mushroom sub-sector.

Table 9: Salary Differentials NI / UK; Skilled Trades

SOC4 Grouping	NI/UK Salary Diff. SOC2 ¹¹	NI/UK Salary Diff. SOC3 ¹²
Horticultural Trades	-14.0%	-14.0%
Butchers	-18.8%	-17.1%
Bakers & Flour Confectioners	-18.8%	-17.1%
Fishmongers & Poultry Dressers	-18.8%	-17.1%

Source: ASHE (2019)

Table 9 shows the percentage median salary differentials between Northern Ireland and UK at the relevant SOC2 and SOC3 levels for Skilled Agricultural Workers and Skilled Food Preparatory Trades in 2019. The NI-UK median salary differential for Skilled Food Preparatory trades (i.e. Butchers, Bakers, Fishmongers & Poultry dressers) is close to the 20% reduction that a SOL listing for these occupations would confer. Consequently, listing of these occupations would be necessary to place Northern Ireland employers on a level playing field with competitors in GB with respect to access to labour, irrespective of considerations around shortage nationally. Median salary differentials for Horticultural workers are also significant.

The average annual increase (from 2015 to 2019) in median salaries for the Skilled Food Preparatory Trades Occupational grouping is 15.8% nationally compared with 10.5% in Northern Ireland, according to ASHE. Although wage growth for these occupations is lower relative to the UK as a whole, Northern Ireland and UK wage growth in Skilled Food Preparatory roles are significantly higher than average annual wage growth in the SOC2 category that includes Skilled Food Preparatory trades as well annual wage growth economy wide.

Table 10: Average Annual Median Wage Growth (2015-19)

Average Annual Wage Growth (2015-19)	SOC2 – Other Skilled Trades	SOC3 – Skilled Food Preparatory Trades
UK	3.3%	15.8%
NI	3.7%	10.5%

Source: ASHE (2015, 2016, 2017, 2018, 2019)

Comparative analysis between earnings growth at the SOC2 and SOC3 level is useful because it compares similarly skilled occupations. The significantly higher wage growth for Skilled Food Preparatory roles relative to comparable Skilled Trades is suggestive of a general under-supply of workers for these jobs both in Northern Ireland and nationally. Strong wage growth further suggests that employers are attempting to mitigate this under-supply through improved conditions of their offer. Skilled agricultural trades (which includes Horticultural workers) have also registered strong annual average median wage growth in the UK from 2015 (7.8%) suggesting an under-supply of this type of labour in the UK as a whole.

¹¹ SOC: 51: Skilled Agricultural & Related Trades: 54: Textile, Printing & Other Skilled Trades

¹² SOC: 511: Agricultural & Related Trades: 543: Food Preparation & Hospitality Trades

Northern Ireland Food Processing businesses are reliant on Skilled Food Preparatory Trades for the normal operation of their businesses. Production sites for these businesses are typically concentrated in mainly rural areas which are more likely to be economically disadvantaged and suffer from a lack of other employment opportunities. Restrictions on access to skilled labour could have significant negative spill over effects on vulnerable rural communities where jobseekers tend to be less mobile, if it forces processing businesses to scale back or shift operations elsewhere. As such, skills shortages and under-supply of Skilled Food Preparatory Trade labour is considered to be highly impactful.

Health and Social Care

Health and Social Care (HSC) in Northern Ireland is already making good use of the current UK SOL, through International Nursing and Medical Recruitment projects which have been in operation since 2016. Most HSC professional occupations are already coded into the UK SOL.

The HSC sector is one of the biggest employers in Northern Ireland. The public sector covers those directly employed by the 16 HSC bodies. The Department of Health also secures the provision of health and social care services from independent contractors including GPs, dentists, pharmacists and ophthalmic practitioners. Social care and healthcare are integrated in Northern Ireland and a large proportion of social care is delivered by independent and voluntary sector organisations.

Health and social care has been seen to be a critical asset to the nation in the fight against coronavirus. This has reshaped the health and social care provision and will change it significantly for years to come. To simply restore the health and social system to the way it was at the beginning of 2020 would do a disservice to our staff and the people of Northern Ireland. We believe can make it better. That will require patience, careful planning, sustained investment and collective support, including that of the immigration system.

While we have more investment in people, effective workforce engagement and planning are needed. Skills development, career pathways, increased numbers of trainees, the development of new roles, investment in the wellbeing of the workforce and empowering and supporting the workforce were all identified as necessary to make employers within the HSC system the first choice for the best people. However, there will always be a need for international recruitment at all levels within health and social care supported by the UK immigration system.

HSC Roles that will fall within the Tier 2 Visa

There are many roles within HSC in Northern Ireland which will now could fall within the Tier 2 visa system from the point of view of skills and qualifications. These are mainly support and technician roles. However, the vast majority of these roles, apart from senior roles, with in health and social care in Northern Ireland would not reach the minimum salary level for the SOL even with the discount of 20% which would bring the salary level down to £20,480.

So while there are roles that would merit being included in the SOL, nursing support and social care workers in particular both of which have a significant vacancy rates. They are not going to meet all of the Tier 2 criteria. Vital services will be relying on smaller local only applicant pool and without a stable and well-resourced support service, the health and social care system in Northern Ireland would be seriously compromised.

Heritage and Craft Vacancies

DfC has also raised concerns that there are shortages of supply in heritage craft skills in NI; in recent work at National Trust and other sites, they have relied on labour from elsewhere. The Construction Industry Training Board (CITB) NI completed research¹³ for DfC in 2018 which confirmed the shortages. DfC is leading work to address the shortage of heritage craft skills in NI, working with the industry, regional colleges, National Lottery Heritage Fund, National Trust, Historic Houses, Prince's Foundation and others. This will lead to a number of bursary awards. The minimum starting salary for NVQ Level 3 qualified craftsmen is £22,500.

The following occupations (some of which are on the SOL) have been specifically highlighted in the report: Blacksmiths – Smiths and forge workers (SOC 5211); Cabinet makers – Furniture and other craft workers (5442); Drystone wallers – Bricklayers and masons (5312); Thatcher – Roofers, roof tilers and slaters (5313); Carpenter (5315); General Crafts (5442); Glazier (5316); Plasterers both lime and fibrous (5321); Plumbers (5314); and Stone Fixer (5312)

Annual Survey of Hours and Earnings data Occupations and associated jobs that meet RQF3 skills threshold for proposed skilled worker route of future points-based system

Data Description

- The dataset provides information on UK and Northern Ireland gross annual pay for full time employee jobs by 4 digit Standard Occupational Classification (SOC) (2010). Data were sourced from the Annual Survey of Hours and Earnings (ASHE) (2019 provisional data)¹⁴.
- Data are provided for 237 occupations consisting of RQF3 / Lower Skilled; RQF 3; RQF 4; RQF 6 and PhD skills levels. The list of occupations can be found within the [MAC Guide to the Shortage Occupation List](#).

¹³ <https://www.communities-ni.gov.uk/publications/skills-heritage-sector-northern-ireland>).

¹⁴ [UK Data Source](#)
[NI Data Source](#)

- It is important to note that ASHE data at a 4 digit SOC level in Northern Ireland, will have a significant number of data omissions, because the data was either not available or it was disclosive due to small sample sizes in those categories. Therefore caution should be taken when comparing salaries for UK and Northern Ireland occupations.
- Also note that bottom 10 analysis (RQF 3/Lower skilled – RQF 4 skills levels) is based on **data that are available** for the occupations. If the comparison was conducted on a matched basis based on the UK top and bottom 10, there would be occupations with no Northern Ireland data. (Refer to Tables 2 and 4).

Table 11: Summary of Annual Gross pay for FT Employee Jobs

	UK	NI
Total No. of Occupations	237	237
RQF3 / Lower Skilled	35	35
RQF 3	74	74
RQF 4	32	32
RQF 6	89	89
PhD	7	7
Data reporting		
No Median salary provided ¹⁵	21 (9%)	167 (70%)

- The dataset also provides information on the number of Hard to Fill (HTF) vacancies and Skills Shortage vacancies (SSV's) for NI only. There are 145 occupations (61%) that are regarded as HTF or have a SSV.

Bottom Sectors UK and Northern Ireland - (RQF 3/Lower Skilled – RQF 4¹⁶)

- The tables below show the bottom 10 occupations for both the UK and Northern Ireland based on data for RQF 3 / Lower Skilled – RQF 4 skills levels.
- Median annual earnings for the bottom 10 occupations in the UK ranged from approx. £17,000 - £20,000 while earnings within Northern Ireland ranged from £14,000 - £20,000. **None of these salaries achieve the minimum salary threshold of £20,480.**
- Note that the table below shows there are 7 occupations where NI data were not available.

¹⁵ No median salary was provided because estimates were considered unreliable for practical purposes.

¹⁶ Based on the available data.

Table 12: Bottom 10 UK Sectors

Occupation	Skill level	Median Salary UK	Median Salary NI
Waiters and waitresses	RQF3/ Lower - skilled	£16,724	£17,487
Nursery nurses and assistants	RQF3/ Lower - skilled	£16,987	£15,954
Playworkers	RQF3/ Lower - skilled	£17,546	-
Dental nurses	RQF3/ Lower - skilled	£18,307	-
Fishmongers and poultry dressers	RQF3/ Lower - skilled	£18,886	-
Textiles, garments and related trades n.e.c.	RQF3/ Lower - skilled	£19,005	-
Fitness instructors	RQF 3	£19,150	-
Bakers and flour confectioners	RQF 3	£19,373	-
Horticultural trades	RQF3/ Lower - skilled	£19,668	-
Groundsmen and greenkeepers	RQF3/ Lower - skilled	£19,903	£16,175

Table 13: Bottom 10 NI Sectors

Occupation	Skill level	Median Salary
Photographers, audio -visual and broadcasting equipment operators	RQF3/ Lower - skilled	£14,442
Nursery nurses and assistants	RQF3/ Lower - skilled	£15,954
Groundsmen and greenkeepers	RQF3/ Lower - skilled	£16,175
Waiters and waitresses	RQF3/ Lower - skilled	£17,487
Butchers	RQF 3	£18,835
Catering and bar managers	RQF3/ Lower - skilled	£18,867
Gardeners and landscape gardeners	RQF3/ Lower - skilled	£18,887
Counsellors	RQF 3	£19,523
Personal assistants and other secretaries	RQF 3	£19,738
Nursing auxiliaries and assistants	RQF3/ Lower - skilled	£20,142

Northern Ireland vs UK Salaries - (RQF 3/Lower Skilled – RQF 4¹⁷)

- The table below shows those occupations with a percentage difference of approximately 20% or more between UK and Northern Ireland median salaries for RQF 3 / Lower Skilled – RQF 4 skills levels.
- Salaries for photographers, audio-visual and broadcasting equipment operators were over 40% higher for UK workers compared to Northern Ireland workers. This is followed by fire service officers (over 30%) and personal assistants and other secretaries (almost 30%).
- Note that the Northern Ireland median salary was 20% higher than the UK for fishing and other elementary agriculture occupations.

¹⁷ Based on the available data.

Table 14: NI and UK Salaries (RQF 3/Lower Skilled – RQF 4)

Occupation	Skill level	UK Median	NI Median	% Difference
Photographers, audio -visual and broadcasting equipment operators	RQF3/ Lower - skilled	£25,958	£14,442	-44.4%
Electricians and electrical fitters	RQF3/ Lower - skilled	£33,176	£25,583	-22.9%
Fishing and other elementary agriculture occupations n.e.c.	RQF3/ Lower - skilled	£20,186	£24,229	20.0%
Engineering technicians	RQF 3	£33,395	£26,047	-22.0%
Housing officers	RQF 3	£27,875	£21,644	-22.4%
Counsellors	RQF 3	£24,446	£19,523	-20.1%
Fire service officers (watch manager and below)	RQF 3	£36,321	£24,832	-31.6%
Personal assistants and other secretaries	RQF 3	£27,639	£19,738	-28.6%
Health and safety officers	RQF 4	£35,816	£28,191	-21.3%

Please see attached spreadsheet entitled Shortage Occupation List for the full data breakdown.

Sectoral Feedback

The Regional Development Agency for the Department for the Economy, Invest NI, has also canvassed its clients as to the impact of the points-based immigration system will impact on a number of sectors. While part of this feedback is anecdotal it should assist your considerations in the event that some sectors are unable to respond to the call for evidence due to the current circumstances.

Table 15

Sector	Job Role	Further details
Food & Drink Processing	Operatives	<p>The agri-food sector is critical to the NI economy. It depends on access to a supply of labour, a considerable proportion of which comes from the EU. The roles filled by many of these workers are at minimum wage level. The salary thresholds set out in the MAC report are at a level which could not be sustainably met by the NI agri-food sector. The points based system set out by UKG is at a level which is unlikely to allow for a natural flow of labour to these jobs.</p> <p>ASHE 2019 indicates that the median weekly salary for the 25,000 operatives in this sector is £350 (£18,200 per annum)</p>

Sector	Job Role	Further details
Meat processing	Operatives	<p>Difficulty in recruiting operatives, heavy reliance on workers from EU26 countries. Example: several recruitment campaigns for local workers in last 18 months, 1,000s of views but less than 20 applied and less than 10 recruited for 120 positions. Proposed wage level will be higher than is affordable in a low margin, competitive sector.</p> <p>The standard threshold will potentially be higher than is affordable.</p>
Bakery, Snack & Convenience	Operatives	<p>Large proportion of EU26 nationals employed within this sector.</p> <p>Difficulty recruiting and filling vacancies. Companies have reported to Invest NI that during periods of lower production (e.g. seasonality), when there is a reduction in demand for temporary or agency staff, staff typically return to their home countries and, increasingly, are not coming back to NI when production increases.</p> <p>Concern is when migrants return home during quiet / holiday times whether they will return to Northern Ireland.</p>
Fish Processing	High Skilled Staff (e.g. for filleting).	<p>Some processors experiencing difficulty recruiting highly skilled staff for fish filleting which is a specialist skill with no local skills pipeline.</p> <p>Some processors concerned that uncertainty surrounding Brexit, the lower value of sterling, and efforts of European countries to encourage their citizens to return home will impact ability to recruit and retain staff. Also some concerns that existing staff may re-locate from NI to Republic of Ireland.</p> <p>Also a wider challenge to recruitment posed to the seafood industry by the negative perception of the industry held by potential candidates and an already aging workforce. In particular, companies have reported challenges in attracting younger people to work in the industry.</p>
Digital/ICT and wider digital economy	Digital Skills, including: Software Engineer Artificial Intelligence Specialists Data Scientists Cyber & IT Security	<p>Employment in ICT Sector has grown by 50% since 2010. Companies have been reporting difficulties in filling vacancies in the key areas as demand outstrips supply, particularly for experienced hires and technical leads. However, this was the pre-COVID-19 situation and the majority of businesses have halted recruitment in the short to medium term. It is therefore not clear to what extent supply/demand will have changed, and it is not possible, at this stage, to accurately predict the impact that restriction on migration will have on the sector.</p>

Sector	Job Role	Further details
Hospitality Sector		The tourism and hospitality sector is an important one for the NI economy. It relies on access to a supply of labour, a proportion of which comes from the EU. The roles filled by many of these workers are at minimum wage level. The salary thresholds set out in the MAC report are at a level which could not be sustainably met by the NI tourism and hospitality sector. The points based system set out in the MAC report is at a level which is unlikely to allow for a natural flow of labour to these jobs.
Materials Handling /Manufacturing	Data analysts or Data Scientist	Companies need to employ expertise to assess how to maximise their data e.g. assess data to translate it into preventative maintenance service offering, or targeted sales information etc.
Manufacturing – consumer products and materials handling	Automation Engineers – robotics & systems control	Huge skills shortage in robotic programming, layout planning & maintenance – all needed to increase productivity
Domiciliary Care	Care Workers	These jobs are generally low paid and can include migrants albeit most tend to be settled in UK.
Textiles	Stitchers	Lack of skilled staff in NI, therefore reliance on staff from EU with the majority of roles unlikely to satisfy the salary threshold