



Minister raises prospect of extending visa charge to EU workers

Annie Makoff 12 Jan 2017  0 comments

Critics say plans would ‘neither meet the needs of our economy nor be appropriate’

UK businesses could be charged £1,000 for every EU worker they recruit following Brexit, it has been suggested this week.

Immigration minister Robert Goodwill, speaking at the Lords EU home affairs sub-committee on Wednesday (11 January), told peers that the Brexit vote indicated that voters felt companies were relying too much on migrant workers to fill vacancies. The charge would ["be helpful" to British workers](#) who would otherwise be “overlooked”, he said.

But the proposal has been met by much industry criticism, with one business group telling the BBC that the idea had ["raised eyebrows"](#).

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Audrey Elliott, employment partner at Eversheds, described the proposal as “a blunt approach” to controlling migration while serving as a deterrent to employers hiring EU citizens.

“There are around two million citizens of EEA [European Economic Area] countries who live and work in the UK, so the potential for [a] £1,000 charge will be far greater. While it may reduce work-based emigration to the UK, it involves no assessment of the skills and experience the British economy needs,” she said.

Gerwyn Davies, labour market adviser at the CIPD, said: “The introduction of a skills levy could be one of the more unhelpful policy interventions from an employer’s perspective. Organisations are already having to contend with rising labour costs through schemes such as the apprenticeship levy, while responding to a fall in the supply of EU migrants that is partly the result of a weaker pound.”

Josh Hardie, CBI deputy director-general, commented: “Extending the system that currently applies to workers from outside the EU, including the immigration skills charge, would neither meet the needs of our economy nor be appropriate.”

Downing Street has since dismissed Goodwill’s proposal, insisting the minister’s comments had been “misinterpreted”. However, a similar [levy for skilled non-EU workers will be introduced this April](#), leading to fears that it could be extended to include skilled EU workers following Brexit.

Under the existing scheme, otherwise known as the immigration skills levy, larger organisations that recruit workers from outside the EU will need to pay £1,000 per recruit while smaller businesses and charities will pay a reduced rate of £364.

Annabel Mace, head of business immigration at Squire Patton Boggs, said that extending the immigration skills levy to include skilled EU workers post-Brexit would be “extremely damaging” for UK organisations. “Employers shouldn’t be penalised further for trying to fill roles with the skilled workers they need,” she said.

Yvonne Gallagher, employer lawyer at Harbottle & Lewis, added: “For many businesses, there are insufficient candidates in the resident labour market. While it is intended to encourage greater emphasis on training UK nationals, that is not something that will be achieved overnight and businesses will not welcome this change if it takes effect.”

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The immigration minister also proposed a seasonal agricultural workers scheme that would allow EU migrants to work in Britain for six months or less, while assuring peers that the government remained committed to reducing net migration to below 100,000 post-Brexit.

In December, the Independent reported that despite “unchanged” net migration figures in the year preceding Brexit, unemployment was at its [lowest levels for a decade](#).

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