

Migration Advisory Committee,

2nd Floor

Fry Building

2 Marsham Street

London SW1P 4DF

29 November 2012

Dear Sir, Madam,

The [Construction Industry Council](http://www.cic.org.uk/home/index.shtml) (CIC) represents the professional bodies, trade

associations and research organisations in the construction industry, an industry which provides direct employment for 2.8 million people in addition to thousands more in the building products industry. CIC provides a single voice for professionals in all sectors of the built environment through its collective membership of 350,000 individual professionals and 25,000 firms of construction consultants.

As an industry with a global reach, construction skills in the form of design expertise as well as quality management and innovation are a major element in the ability of UK construction firms to earn valuable overseas work. There is a need for a flexible system which allows our industry to access available skills. As construction tends to follow a pattern of boom and bust historically the pattern has been that cutbacks in training and skills development in lean periods have been followed by a emerging “skills gap” as the economy rebounds. Selective hiring from overseas within specialist professions crucial to the construction industry (e.g geotechnical engineers) can serve to alleviate these fluctuations.

As many of the specialist occupations in construction are within the Science, Technology, Engineering and Mathematics (STEM) sector, a widespread concern in relation to current practice is the difficulty in categorising STEM occupations as many of them do not have occupational titles. The current shortage list is not sensitive to this.

In relation to the consultation itself, a central issue is the proposed sunset clause for occupations on the list. Occupations that stay on the list for more than two years will automatically be removed. This does not take into account the time that it takes to train people to an appropriate level for those occupations where there is deemed to be a shortage. In highly specialised areas (such as some engineering disciplines or advanced computer aided design) that may require a first degree, then a masters degree together with relevant experience, it is impossible to train staff within this time frame. Companies need to be able to recruit the missing specialist knowledge and experience wherever they can find it and just as importantly, when they can find it. Having to wait for months for a visa while there is a resident market labour test (when companies know that there is no-one available) reduces their ability to undertake contracts, creates uncertainty and results in a lessening the ability of a company to compete confidently in a global market. It can be argued that if a two year limit is brought in, it will negate the whole point of the Shortage Occupation List.

In response to other aspects of Call for Evidence: Review of the shortage occupation lists for the UK and Scotland and Creative Occupations, David Cracknell of the Construction Skills division of the the Construction Industry Council makes the following observations:

Skills (para 8.49)

We have had concerns on the means of identifying skills needs in relation to Labour Market Information (and by definition inward migration) for some time. Essentially the use of Standards Occupational Codes for identifying and recording skills needs is less helpful/meaningful at the high levels. This is because:

* the SOC (and alternative SIC) categories used are too broad and do not account for the degree of specialist variation required in the sector
* job titles are increasingly becoming more individualised with particular functions carried out across former traditional occupational boundaries
* the SOC codes are I believe only generally reviewed every 10 years in which case they tend to be out of date anyway
* higher level education and training programmes are, again often delivered across discipline boundaries, which means it is very difficult to gauge any degree of correlation in manpower planning between ‘demand’ and ‘supply’ of particular skills

For these reasons we have advocated that an alternative approach is required that provides a common language between skills requirements and education/training/provision. The use of National Occupational Standards (which are broadly available across all sectors) could provide the answer to the problem. These specify particular functions/skills needs for a sector on an updated basis and can therefore be equally related to both the identification of need, and the provision of numbers and education/training at a more useful level of detail for planning purposes. This would however, require a major shift in the thinking of economists and researchers and the co-operation of the key stakeholders affected.

Information on the various types of information required in the consultation are likely to be available from a variety of published sources around the sector (including from our larger PI members), but unlikely to be in one place. The closest source we have to bring this type of information together in relation to LMI is likely to be the Construction Skills Network research team at CITB-ConstructionSkills.

Shortages (para 8.50)

Again the type of information required in the consultation is likely to be identified as above. The latest information on recruitment requirements across the sector can be found in the CSN 2012-16 (national and regional) reports - <http://www.cskills.org/sectorskills/csn/csnoutputs/outputsuk.aspx> Note however, that this is still limited in its specificity by the SOC codes.

The other factor that perhaps needs to be taken into account in this context is outward migration – the ‘brain-drain’ of professional s and other workers to other countries on a temporary or permanent basis.

Sensible (para 8.51)

Here again the issue of timescales for training/upskilling are limited by available information of the right type – particularly since much of the upskilling is either informal, or in the form of CPD that may or may not be recorded. The reference again to job titles is unhelpful. The use of functions would improve the specificity of training/upskilling or the requirements to meet particular needs.

Min. Pay Thresholds (para 8.52)

Probably available from particular industry publications and PIs. Perhaps better related to broad functional areas and levels within them rather than particular job titles.

The Sunset clause (para 8.53)

This has to be a political and economic decision – no comment.

Creative occupations

Not applicable

If you wish further information, please do not hesitate to contact me.

Yours sincerely,

Ciaran Molloy

Policy Officer

Construction Industry Council