

EU Immigration: two-fifths of businesses will not reallocate low-skilled roles to new British workers after new immigration regime in place

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The new system will be put in place after the post-Brexit transition period ends to allow employers to sponsor overseas workers coming to the U.K. For prior coverage see the following updates:

- [Immigration: further details published](#)
- [Q & A: UK's new immigration system: how will it impact EU Nationals and their employers?](#)

A [survey](#) has found that, despite potential losses of EU employees following the UK's departure from the EU and the new immigration system, 41% of business will not replace low skilled EU workers with new British hires. This is despite nine out of ten UK businesses believing that the recruitment of EU nationals plays an important role in their UK operations.

Instead, businesses will opt for other alternatives including relocation overseas, scaling down production, doing less business in the UK or increasing automation. 39% of employers intend to follow the same course of action for high-skilled roles that may be lost. The survey contacted 502 UK employers.

The survey also showed that 70% of employers are concerned about the prospect of new immigration policies and only 20% fully understand how the new policies will impact on their recruitment.

Why this matters

The introduction of the new points-based system will mean employers who wish to bring overseas workers (both EU and non-EU nationals) to the U.K. after 31 December 2020, will need to sponsor them under the new system. Employers will need to hold a valid sponsor licence to sponsor overseas workers and are encouraged to obtain a licence if they do not already hold one.

EU citizens and their families who enter the U.K. before 1 January 2021, can continue to benefit from freedom of movement but they will have to apply under the EU Settlement Scheme by 30 June 2021, to maintain their status. An overview can be found [here](#).

Employers seeking to employ all overseas nationals need to be aware of these changes and make the appropriate arrangements.

Despite government efforts to promote the scheme, it is clear a large number of employers are not prepared. Businesses will need to plan ahead consider how they run their operations and staff and costs.

Furthermore, the current COVID-19 climate has added to the pressure and need for businesses to consider these changes immediately, as at present there is also the impact of travel restrictions travelling abroad and non-residents travelling into the UK. As the pandemic evolves the travel corridors lists are subject to change with relatively short notice, making it difficult for individuals and businesses to reliably plan for the future.

Please feel free to reach out to us should you wish to discuss the upcoming challenges and how it may affect your business further.

Contact



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