

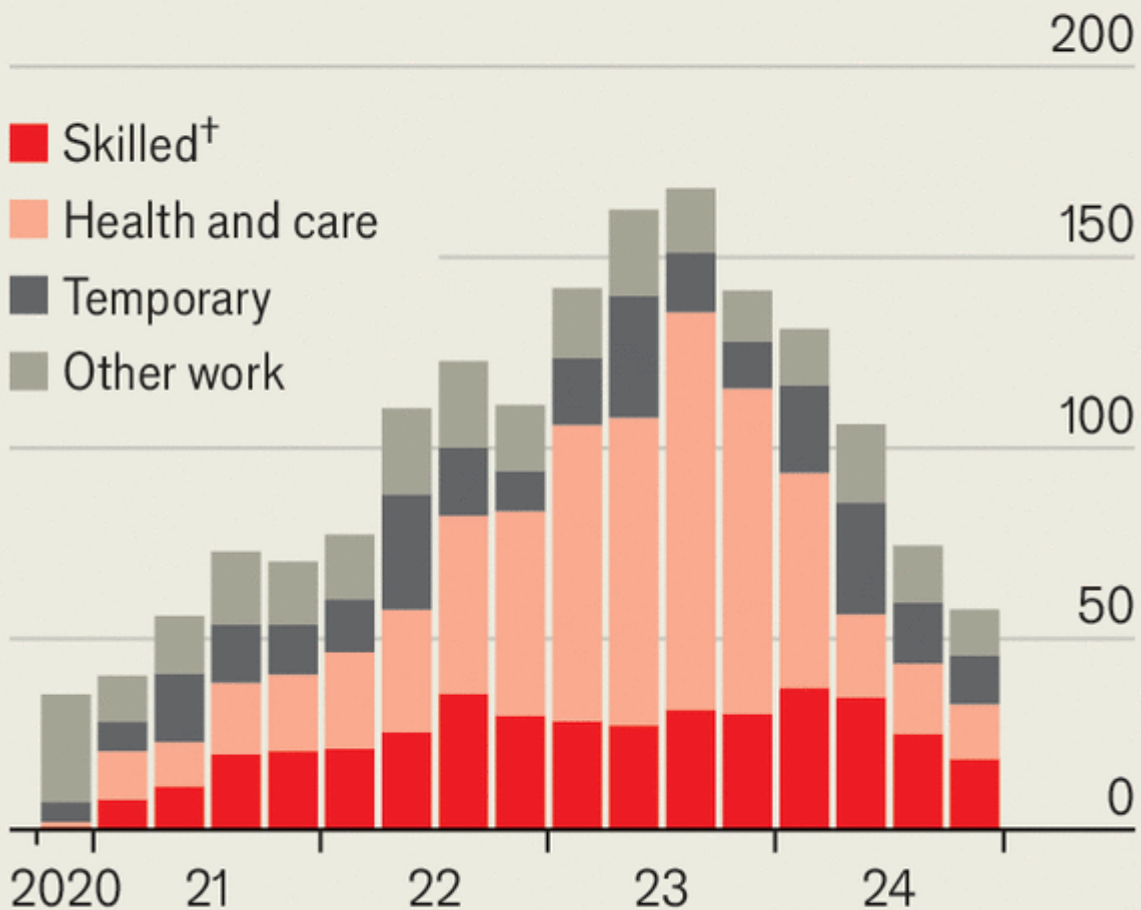
Does Britain need migrant workers?

Since 2020 Britain's non-EU foreign workforce has grown to 3.2m—more than double its pre-pandemic size. That has fuelled anti-immigrant sentiment. The upside is a more productive and richer economy. More than one in five working-age Britons are neither employed nor seeking work; foreigners have filled the gaps. In 2022 the average migrant on a skilled-worker visa contributed a net £16,300 (\$20,150) to the public purse, compared with £800 for the average Brit. The Centre for Economics and Business Research, a consultancy, reckons zero net migration that year would have resulted in a 0.94% drop in GDP in 2025.

More than half of all skilled-worker visas issued since 2021 have gone to medical professionals, nurses and care staff. It follows the introduction by the Conservative government in 2020 of a fast-track visa for health and social-care workers. Around 9% of visas went to those in scientific and technical jobs; financial services and IT professionals accounted for 6% each; for hospitality workers it was 4%.

Less help on the way

Britain, work visas issued to immigrants*, '000



Source: Home Office *Incl. dependants †Excl. health and care

Now the experiment is over. The government is, in the words of Sir Keir Starmer, “shutting down the lab”. The prime minister has announced plans to tighten access to work visas; care workers will no longer be eligible. The duration of graduate visas will be reduced from two years to 18 months. Rather than “importing cheap labour”, employers will be required to prioritise training home-grown workers. With a few exceptions migrants will face a longer wait—ten years instead of five—for permanent settlement and citizenship.

Employers are sounding the alarm. Scientific groups such as the Institute of Physics, the Royal Society and Cancer Research UK (CRUK) fear the changes will undermine Britain’s global competitiveness. The sector has relied heavily on international talent.

Just under two-thirds of the scientific staff at the Francis Crick Institute, one of Europe's biggest biomedical labs, are from overseas.

Tech firms are apprehensive, too. Some occupations that were previously eligible for a skilled-worker visa—particularly those in data centres—will now fall below the threshold. One large tech firm plans to close its graduate scheme to international applicants as a result of proposals to shorten graduate visas, according to Nimmi Patel of techUK, a trade body. The firm says recruits will struggle to meet higher salary thresholds within the reduced time frame.

Businesses also face higher visa fees. The charge employers pay to sponsor skilled workers will rise by a third to £1,320 for the largest employers. Britain's immigration system was already one of the priciest globally. CRUK says its institutes spent nearly £690,000 on recruiting international researchers last year, over two-thirds of what it spent on cervical-cancer research.

Skills gaps won't be plugged overnight. The Construction Industry Training Board estimates it will need more than 250,000 new workers by 2028 to build homes, fix the grid or construct roads and bridges. "We simply do not have enough UK workers to achieve that," says Richard Beresford, chief executive of the National Federation of Builders.

The effects of tighter immigration rules are already evident in hospitality, where more than half of all visas go to chefs. Higher salary thresholds for skilled-worker visas introduced by the previous government in April 2024 have put pressure on employers. Overseas workers now make up less than 15% of the hospitality workforce, down from 25% before covid. But vacancies have soared to 84,000. In manufacturing, where companies were already struggling to fill more than 50,000 vacancies for welders, toolmakers and other trades, higher thresholds will make it "practically impossible" to recruit overseas, says Jamie Cater of Make UK, a trade body.

Rather than training workers, many firms are turning to automation. From robot-run warehouses to AI store monitors, retailers such as Next and Primark have been investing in automation in anticipation of rising labour costs. But in the state-funded health and social-care sectors, where foreigners make up around a third of doctors and care workers in England, robots will have limited use. Unison, Britain's largest union,

is calling for higher wages to attract domestic workers, a cost that would be passed on to taxpayers. Taking back control may bring nasty shocks.