



The impact of Brexit on the UK workforce

Vanessa Ganguin

9th September 2021

[LinkedIn](#)
[Twitter](#)
[Email](#)
[Print](#)

Co-Authored By [Vanessa Ganguin](#) in [European American Chambers of Commerce](#)

The global mobility of the COVID-19 virus drastically curtailed the global mobility of people, all of which coincided with an end to decades of free movement between the UK and Europe – a key tenet of the uncompromising Brexit divorce agreement the UK government negotiated with the EU.

Last December, as the UK and many other countries grappled with lockdown measures, free flow of labor between the UK and the 31 countries of the European Economic Area and Switzerland came to an abrupt end. The consequences have not stopped making headlines in Britain.

Brexit may have had limited impact on EU immigrants' willingness to stay in the UK

Even when there was very little known about what Brexit may look like, multiple studies tried to quantify the impact of the EU leave on UK migration patterns. What they all agreed on was that net EU migration to the UK would drop significantly, slowing down population



growth. Similarly, there were concerns that many EU citizens would leave the UK and new EU migrants would avoid moving in because of the new regime.

The proportion of foreign-born nationals in the UK population increased from <2% in 1901, to about 9% in 2001 and >14% in 2020. However, available data suggest that the latest estimates are very similar to those in the US and the EU. Net UK migration[1] peaked in 2015 to early 2016 and then levelled until the global pandemic started in 2020. As many had expected, net EU migration eased post the Brexit vote, while non-EU migration increased. Some have argued that EU immigration into the UK would have slowed down regardless of the Brexit vote. There were also fears that EU nationals would leave the UK due to the referendum outcome.

Soon after the vote took place, however, many EU citizens signalled their willingness to stay in the UK. Preliminary data suggest that over 5.5 million individuals[2] (approximately 8% of the UK population), including EU, other EEA and Swiss citizens and their family members, have applied to the EU Settlement Scheme (EUSS) – the route to residence created to make up for Europeans’ loss of free movement – by its final deadline of June 30th, 2020[3]. In terms of age, almost 83% of applicants were in working age (18-65) and almost 15% were under 18 years old, in line with previous research suggesting many immigrants leave the UK before retirement age. Almost 60% of all applications were made in three regions – London accounting for 35%, South East for 12% and East of England for 9%. Although the statistics do not seem particularly surprising, such detailed data on EU nationals in the UK was unavailable previously and the government, among others, had significantly underestimated the presence of EU-born nationals in the country.

What new UK immigration routes should employers be aware of?

Un-sponsored routes are among new immigration reforms, but mainly at the other end of the employment market. Prime Minister Boris Johnson insists Britain’s “new post-Brexit points-based immigration system” makes it easier for firms to employ the “brightest and best from around the world.” Though the UK already had a points-based immigration system for work-related visas from places not enjoying free movement, a raft of measures, some already in place, others recently announced, do facilitate immigration for highly skilled workers as well as entrepreneurs and innovators.

The Skilled Worker route rebranded the most popular work visa route in January, removing the Resident Labour Market Test, reducing the salary and skill thresholds and suspending the annual cap on sponsored worker migration. The list of shortage occupations with lower thresholds expanded too. The UK government promises to make the whole sponsoring process easier.

In addition, the recent immigration policy changes allowing many Hong Kong nationals to hold jobs of any skill level in the UK may help bridge some labor supply gaps.

To read the full article click [here](#).