



Submission to the Migration Advisory Committee Call for Evidence on the Shortage Occupation List

26 May 2023

I work with Participation and the Practice of Rights (PPR), a human rights NGO founded in 2006. Since 2016 PPR have been supporting people seeking asylum to campaign for the opportunity to lead dignified and secure lives. They have used surveys, a skills audit, videos, blogs and events to highlight the importance of work to them - and importantly, they have given NI business owners a [platform](#) to talk about their own views of the harm caused to their businesses by the work ban, particularly in the hospitality industry. As you will know, in the wake of the pandemic the hospitality sector in Northern Ireland has faced serious staff shortages, in some cases forcing businesses -- including, in recent weeks, Belfast's well-known [Barking Dog](#) -- to close for lack of staff. Expanding the Shortage Occupation List to encompass hospitality positions would address both areas of need.

Jobs facing staff shortages in NI's hospitality sector include:

- 9233 [chambermaids](#)
- 9272 [kitchen assistants](#)
- 9273: [waiters and waitresses](#)
- 9274: [bar staff](#)
- 9279: [hotel assistants](#)

In May 2021, Hospitality Ulster publicly [highlighted](#) the challenge of staff shortages in the wake of the pandemic. In June 2022 it, with UKHospitality, [launched a workforce strategy](#) at Stormont in a bid to tackle these shortages.

More recently, House of Commons research [published](#) in January 2023 cited ONS findings that "the industries with the highest percentage of businesses experiencing worker shortages in November 2022 were **Accommodation and food services** (35.5%) and Construction (20.7%)" (1.1).

1. Data on PAY

For all five of the above hospitality occupations facing labour shortages, the UK-wide data in the MAC dashboard for 2021 indicates a fall in real pay against the previous year, as compared to a rise (of 0.4%) in the UK average.

The experience of Northern Ireland, as reflected in 2022 figures, is however very different.

1a. The Northern Ireland Statistical and Research Agency's Annual Survey of Hours and Earnings for 2022 [dataset](#) (on the "Employee Earnings in NI" page, 'Data for charts in publication' link, figure 8 'Real decreases recorded in 12 out of 17 industries') that the Accommodation and Food Service sector is **one of only five NI industries** that saw weekly earnings for full-time employees **rise** between April 2021 and April 2022. Real median gross weekly earnings for full-time employees **rose** from £370.20 in 2021 to £427.90 in 2022, an **increase of 15.6%**.

Figure 8: Real decreases recorded in 12 out of 17 industries
 Real median gross weekly earnings for full-time employees by industry in NI, April 2021 and April 2022

Industry	2021	2022
Agriculture, Forestry and Fishing	390.5	427.5
Accommodation & food service	370.2	427.9
Other service activities	487.3	460.5
Arts, entertainment & recreation	446.3	490.6
Wholesale & retail trade	501.6	499.1
Administrative & support services	449.5	500.0
Manufacturing	569.0	562.2
Transportation & storage	611.8	574.9
Real estate activities	591.3	576.5
Water supply, sewerage & waste	640.3	585.8
Professional, scientific & tech	651.7	593.6
Human health & social work	650.1	604.3
Construction	617.0	609.9
Financial & insurance activities	547.4	619.3
Public administration & defence	712.1	661.3
Information & communication	759.2	706.5
Education	774.9	759.5

1b. The corresponding occupation-specific data from NISRA for 2022 (available [here](#), at the ASHE 2022 (provisional) by occupation (4-digit SOC2020) link, Table 15.1a All) indicates that this **rise in earnings is substantial**, for instance for kitchen assistants (+19.7%), waiters and waitresses (+28.9%) and bar staff (+36.9%) -- an indicator of strong demand for workers.

The table below shows, from the NISRA data, annual percentage changes in gross weekly pay for the occupations in question:

	SOC2020 code	Annual percentage change: median	Annual percentage change: mean
Cleaner	9223	-1.1	+2.9
Kitchen/catering assistants	9263	+17.8	+19.7
Waiters / waitresses	9264	--	+28.9
Bar staff	9265	--	+36.9
Other elementary services occupations	9269	--	--

2. Data on HOURS WORKED

The MAC dashboard data and analysis showed that total hours worked in the five occupations fell from 2020 levels, at a greater rate than the UK average. It did not mention

significant contributing factors like the pandemic's impact on the hospitality sector and that of the subsequent economic downturn on people's leisure expenditure.

Northern Ireland does not have a lack of demand for staff. Indeed, here as [reported](#) elsewhere in the UK, hospitality businesses have had to reduce opening hours and days due to labour shortage. Some hospitality venues, as mentioned above, have had to close altogether. In such circumstances, an 'hours worked' figure that is lower than previous years' totals in no way indicates lack of labour demand, but instead a lack of people to fill the hours businesses would need them to work.

NISRA's Labour Force Survey [data](#) (October - December 2021) indicated that 17.2% of NI's over-16 workforce was employed in 'distribution, hotels and restaurants'. The same [data](#) for six months later (July - September 2022) indicated that the percentage had **risen** to 17.9%; and by January - March 2023, the [data](#) again showed a **rise**, this time to 18.7% of NI workers. This **steady increase** in the proportion of NI workers employed in the industry over an 18 month period indicates the demand for labour in the sector referred to above.

3. Data on EMPLOYMENT

The MAC dashboard data on chart C -- annual proportion of workers who had worked in that occupation in the previous 12 months who are no longer working, compared to the UK workforce generally - is presented as the potential labour pool with relevant skills to recruit from. For all five occupations the dashboard data showed a higher-than-average figure, suggesting that there are UK residents available to work in this sector if needed. NISRA [data](#) (table 5.10) indicates that employment in hospitality has been steadily rising back to - and in some cases above - pre-pandemic levels. And we see from business closures and reductions in operating hours, in part due to labour shortages, that demand for labour is not currently being met.

NI Employee Jobs - Tourism & Leisure (NISRA employment survey historical [tables](#))

	Q1 2019	Q1 2021	Q1 2022	Q4 2022
<i>Accommodation FT</i>	5060	4860		5540
<i>" PT</i>	5240	4200		5600
<i>" FT+PT</i>	10300	9060		11040
<i>Food & beverage service activities FT</i>	12870	12180		14130
<i>" PT</i>	24100	21280		23130
<i>" FT+PT</i>	36970	33460		37260

4. Data on VACANCIES

The MAC dashboard data uses online job adverts to indicate demand for the occupation and gaps in the labour market; for the occupations in question it found lower-than-the-UK-average vacancies per 100 employees, which it interpreted as a lack of demand. The MAC charts use 2021 data compared, in some cases, against 2020 figures; due to the pandemic,

both years were atypical. The situation has evolved markedly since the time reflected in those statistics.

In May 2021, Hospitality Ulster [pointed out](#) the recruitment challenges facing the sector as it emerged from the pandemic.

Research from UKHospitality into ONS statistics published in early 2022 [found](#) that at that time, hospitality vacancies were more than double those in the corresponding pre-Covid period. In June 2022 Hospitality Ulster, with UKHospitality, [launched a workforce strategy](#) at Stormont in a bid to tackle labour shortages. The problems however persist.

More recently, House of Commons research [published](#) in January 2023 cited ONS findings that "the industries with the highest percentage of businesses experiencing worker shortages in November 2022 were **Accommodation and food services** (35.5%) and Construction (20.7%)" (1.1). It reported further that "accommodation and food services had the most vacancies per 100 employee jobs, with 6.7 vacancies for every 100 jobs" (1.2) -- a finding that rings true with experiences reported in the sector here, but one that is not reflected in the MAC dashboard data. The ONS survey findings continue to be widely [reported](#).

5. Conclusion

We note your interim [Construction and Hospitality Shortage Review](#) of March 2023, which acknowledges (p. 6) that vacancies have risen strongly in the hospitality sector across the UK but says the Migration Advisory Committee "has not received substantial evidence which proves that shortage cannot be filled with domestic recruitment" (p. 15). The report further notes that lower-skilled (RQF1-2) jobs like the five described here "require, as requested by the Government, an exceptional argument that immigration should be used to alleviate shortage" (p. 16).

As the evidence above demonstrates, Northern Ireland is a small labour market which would benefit greatly from NI-specific hospitality sector additions to the Shortage Occupation List - simply because as things stand it is clearly not able to provide the workers local businesses need. Businesses are having to reduce their hours or, like the well-loved [Barking Dog](#), close altogether -- despite the close proximity of people willing and eager to work in the sector, if only they were allowed. Your March report indicated that your interim findings would again be reviewed in light of submissions to this Call for Evidence -- we look forward to your taking **MAC Call for Evidence on the Shortage Occupation List** a second look at the possibility of NI-specific hospitality sector additions to the SOL.