



Migration is not the way to staff the care sector. The answer is to improve pay and conditions.



Summary

1. Migrants account for only about 18.4% of the care sector work force but their availability has a depressing effect on wages and conditions in the sector. A recent report shows that, if the sector remains unattractive, there will be a large shortage of workers even in the highest migration scenario. It also shows that, by contrast, if the sector becomes more attractive, any need for immigration drops off sharply.

Detail

2. Independent Age and the International Centre for Longevity (IA/ILC-UK) have published a new paper claiming it is vital that any new approach to immigration recognises the urgent need for more social care workers in the UK, and calling for the government to provide a clear path for migrants - particularly from the EU - to fill UK social care vacancies.¹

3. This paper follows on from a previous publication of theirs which looked more generally at the long-term staffing issues facing a sector which, despite greatly increasing demand, is still characterised by poor pay and conditions.² For example, this earlier paper noted that the effective rate of pay for as many as 1 in 10 staff was actually below the National Minimum Wage and that, over the sector as a whole, average pay was below the Living Wage levels even for outside London. It also noted that Care Workers do not appear on the Migration Advisory Committee's Shortage Occupation list. The latest paper provides a fairly clear explanation for the latter by showing that, in recent years, migrants from within the EEA have become the main group coming to the UK to work in social care and now make up over 80% of all new entrants from abroad but only about 6% of the overall work force.

4. However, IA/ILC-UK forecast that growing numbers of elderly people will significantly increase demand for workers in the sector. They say that to maintain the present ratio of care workers to

1 IA/ILC-UK, 'Brexit and the future of the social care workforce', September 2016, URL: http://www.ilcuk.org.uk/images/uploads/publication-pdfs/Brexit_and_the_future_of_migrants_in_the_social_care_workforce.pdf

2 IA/ILC-UK, 'The impact of migration on the adult social care workforce', November 2015, URL: http://www.ilcuk.org.uk/images/uploads/publication-pdfs/IA_Moved_to_care_report_12_11_15.pdf

the population of people over 65 years old (a Care Dependency ratio of around 1:7) would require employing around 6% of the working-age population in the care sector by 2037. They then model various combinations of net migration and relative attractiveness of working in the care sector to forecast significant shortfalls in staffing against this level. However, the ostensibly alarming scenario of a 'million plus shortfall in care workers by 2037' only occurs in their models if the care sector remains unattractive through low pay and poor conditions. If it does then the million plus shortfall occurs even in the highest migration scenario. If the sector becomes more attractive, then the difference in shortfall between high and low migration scenarios is barely 100,000 even in 2037 and the Care Dependency ratio is little different between the two (see Table 4 of the IA/ILC-UK paper).

5. This shows clearly that the solution lies in making work in the sector more attractive rather than encouraging further immigration into low-paid work. Former Labour MP Chris Mullin has noted the importance of enforcing the minimum wage and of making lower-skilled jobs more attractive to British citizens (see BBC Daily Politics 21 Sept 2016). The Resolution Foundation recently conducted a [study](#) which found evidence of the 'bunching' of pay in the provision of the National Living Wage in the social care sector.³ It adds that this 'raises concerns about opportunities to progress within the sector, and increases the risk of non-compliance when time not covered by contracted pay rates but legally covered by minimum wages is accounted for'. Further, IA/ILC-UK report very high rates of turnover, with as many as a quarter of workers in the sector leaving their job within a year.

6. Importantly, the IA/ILC-UK paper overlooks the extent to which immigration might itself be a factor in the unattractiveness of the sector to potential employees. In [recent research](#) published by the Bank of England on the impact of immigration on occupational wages, it was found that immigration had a clear negative effect on wages in 'Caring personal service occupations' and that this was greater than in any other sector (see the paper's Table A4 Impact of Immigrant on Wages: 25 Occupations - Dynamic Model).⁴ It is very hard to see how encouraging even more migrant workers into such roles can be desirable for the sector, let alone be given any kind of priority.

7. Furthermore, the present Care Dependency ratio is based on people over 65 years old yet by 2037 the State Pension Age for both men and women will be 67. The implicit assumption behind raising the pension age is that people will be healthier for longer. It is therefore unconvincing to assume instead that in 20 years time the care requirements for older people will be no different from today age for age.

8. Clearly, steps must be taken to ensure appropriate provision of care for the elderly in years to come, but the key is increasing the attractiveness of working in the sector. The evidence is that increasing the share of migrant workers in the sector bears down on wages making it not more but less attractive, thus making the problems worse. It seems likely too that as we see in other sectors, a ready supply of cheap migrant labour means employers need not offer the flexibility needed to provide decent opportunities for the existing population.

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3 Resolution Foundation, 'Early evidence on the introduction of the National Living Wage in the social care sector', August 2016, URL: <http://www.resolutionfoundation.org/wp-content/uploads/2016/08/Rising-to-the-challenge.pdf>

4 Bank of England, 'The impact of immigration on occupational wages: Evidence from Britain', December 2015, URL: <http://www.bankofengland.co.uk/research/Documents/workingpapers/2015/swp574.pdf>

