

## Demand for UK engineering contractors to rise due to new immigration rules

UK-based contractors in the engineering sector are likely to find themselves in even greater demand, because under new immigration laws recruitment companies are not able to sponsor engineers for contracts in UK. Whilst this may be good news for contractors, it is less good for the companies wishing to employ them or for the economy as a whole.

That's because the new scheme, which governs the employment of non-European Union engineers in the UK, will make it harder for firms to access the skills and engineering contractors they need, according to the Association of Technology Staffing Companies ([ATSCo](#)).

### Skills shortage

Although the government acknowledges that engineers are in desperately short supply, the new rules could mean it takes several months for an engineer to be cleared for work in the UK. And, because the rules have been based on the employment of full-timers, they can make it close to impossible to recruit engineers needed for shorter-term contracts.

Ann Swain, Chief Executive of ATSCo, explains: "The problem is that about 20% of the engineering workforce is engaged on a contract basis and in some sectors, like oil & gas, 75% of the workforce are contractors. The average contract is just three months, so it is very difficult to bring people into the UK for such a short duration.

Even if overseas contractors do get into the UK under the scheme, further difficulties remain. "It is extremely difficult for engineers to transfer to another employer in the UK with a similar skills shortage once their initial sponsorship ends," says Swain. "It seems crazy that engineers are supposed to come to the UK for three months then return home, when other employers need their skills."

She continues: "The Government needs to streamline the system so that it can cope with short-term, contract workers. It should consider allowing staffing companies to act as sponsors for foreign engineers so that they can be quickly placed with another employer once their contract ends."

### Agencies know the market

Recruitment agencies have their fingers on the pulse of contractor supply and demand and are in a much better position to predict staffing requirements than government agencies, according to ATSCo.

Allowing agencies to apply for clearance for non-EU engineers would provide end-user clients with much more choice and also mean that engineers can be placed on more short term contracts.

### Barriers to entry

Additional hurdles have to be overcome by non-EU contractors wishing to work in the UK. They now have to undergo tougher English language tests and have £800 in savings before being allowed into the UK to work. This latter requirement could have serious implications for the engineering sector, as 80% of engineers coming to the UK under the old system were from India, where average wages are a fraction of UK earnings.

Swain does not see any potential problems with allowing agencies greater parity with end-user clients: "There is no reason why the government can't apply the same strict criteria for licensing employers to staffing companies. It would shift the burden from employers and allow a much more efficient allocation of skills."

What is encouraging, says ATSCo, is that the demand for UK based engineering contractors who have the right to work in the UK is sustained and looks likely to remain high for the foreseeable future.

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Ann Swain, Chief Executive,  
ATSCo

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