



07 July 2021 CLC Statement on Road Haulage and the Availability Of Skills

The Construction Leadership Council has added its voice to other industry representatives including the <u>CBI</u> and the <u>Road Haulage Association</u> calling for a review of the occupations eligible for a visa and an immediate update to the shortage occupations list to include specialist piling rig operators, HGV drivers and others.

Along with other industry sectors, construction is feeling the impact of the new Points Based Immigration System and it is not just core construction skills that are affected. The availability of HGV drivers has been a growing cause of concern and complaints within the CLC's Product Availability Group, and has clearly worsened to the point that it is now delaying deliveries and inflating costs across the UK.

Parliament's Transport committee recently heard that the industry faces "a huge challenge of shortages, both in craft and particular skills" and that this shortage will have a greater impact as more major infrastructure programmes get under way. Employers of all sizes are now reporting challenges in employing suitably skilled workers and are calling for the new visa system to accommodate specialist construction workers to help alleviate the shortage in the short term whilst education policies are aligned to support UK workers gain appropriate qualifications and training including apprenticeships.

Whilst exploring the changes required to boost the construction sector workforce the CLC is supporting the Road Haulage Association's calls to add HGV drivers to the Government's Skilled Worker Shortage Occupation List and offering a seasonal visa scheme for qualified HGV drivers.

The recent upturn in the economy since the lockdown is increasing demand across supply chains, and the reopening of non-essential retail outlets and parts of the hospitality sector is making the situation more acute. According to the RHA, the UK has lost 15,000 European drivers this year due to Brexit, and 30,000 UK driver tests due to Covid, exacerbating the existing 60,000 driver shortage.

The construction industry is one of the largest users of the UK road network. With Government intervention and support, the sector was amongst the first to return to work during the pandemic; but the resulting sharp increase in activity has made clear an imbalance in supply and demand, including labour shortages.

Construction Leadership Council co-chair Andy Mitchell, said: "We now have a situation where we believe the Government needs to intervene. Manufacturers, merchants and builders large and small are having products and materials delayed or not delivered, and warn that it is having a knock-on effect on construction schedules and leading to higher build costs. Industry can only take this so far, and as Government is also the largest client of construction services, we trust it will listen to the calls from all sectors to enable timely and appropriate reviews of the new immigration system."

C/o Department for Business, Energy and Industrial Strategy 1 Victoria Street, London, SW1H <u>0ET</u> Tel. 020 7215 6476 construction.enquiries@beis.gov.uk www.constructionleadershipcouncil.co.uk Suzannah Nichol MBE, CEO of Build UK, said: "We do not have all of the specialist skills we need for the volume of construction projects underway and those in the pipeline across the UK. The new immigration system is proving difficult to navigate, is costly and actually prevents many of the people with the skills construction needs from coming here to work. By reviewing the eligible skilled occupations and the shortage occupation list we can ease the current pressures, support businesses to grow the economy and keep building faster, better and greener"

Brian Berry, Chief Executive of the Federation of Master Builders, added: "The construction industry cannot be expected to 'build back better' when the industry is struggling to access key inputs – be that labour or materials. Small builders are already struggling to hire bricklayers and carpenters. Shortages of HGV drivers to get goods to merchants are now adding to the troubles they face. Clearly what SME builders are experiencing is part of a larger problem, and we hope the Government addresses it with the big picture in mind. The Road Haulage Association's recommendations are sensible, achievable, and work for both the short term and long term."

Richard Burnett, Chief Executive at the Road Haulage Association, said: "We welcome the support of the Construction Leadership Council and the industry it represents. It is our view that there has never been a more challenging time for road haulage. We have strongly urged Government to take these decisive steps to ensure that we can continue to maintain the UK's integrated and finely balanced supply chains. We certainly encourage the construction industry to ask Government and their local MPs for swift action."