

Half of companies rely on EU migrant labour which make up more than one-third of production occupations

It is evident from the survey that, as it stands now, the UK furniture manufacturing industry would have serious problems if restrictions were to be placed on the movement of labour to the UK from other EU countries. The BFM survey of the composition of UK furniture production workforce by nationality showed that 34% of 5,376 employees were non-UK nationals from the EU.

If curbs were placed on this apparent vital source of current labour supply, one half of the businesses surveyed predict that the severity of skills shortages would be increased across a range of occupations, including upholsterers, sewers, frame assemblers, wood machinists, cabinet makers and bed makers.

Of the 50 companies that took part in the survey, 52% stated that they relied on the skills of EU labour from outside of the UK and if restrictions were to be imposed some commented that they would need to move more or part of production abroad. While, 48% of companies said that restrictions would have no effect on their operations. The sector that expressed most concern was upholstery and particularly a number of the larger volume producers, some of which employed fewer UK nationals than migrant EU labour.

In-house training together with apprentice recruitment were in the plans of most businesses faced with possible labour restrictions. For some larger employers, the Apprentice Levy (effective April 2017) was also causing them to look at introducing more in-house training. However, concern was expressed about being able to recruit British workers of quality and who were interested in working in a factory environment and also about having a ready supply of skilled labour to enable the business to perform efficiently and to meet fluctuating needs. Multi-skilling was also suggested as another way to meet a skills gap.

36% of the sample stated that they were already experiencing problems in recruiting and/or retaining EU labour from outside of the UK, with some evidence that Romanian and Polish workers were returning home and one company made the comment that the UK was not now being referred to as a place to work by word of mouth to families and friends.

The survey also asked companies how long it would take to adequately train replacement labour and the responses were varied and would depend on the level of skill required and also we suspect knowledge of likely local labour availability. The most common replies were up to 6 months (42%), followed by up to 12 months (25%). One third of the sample considered that 18 months and more was necessary, with some of these suggesting as much as 4 or 5 years.

Finally, the last comment is worthy of note from a relatively small bespoke maker of kitchens, bathrooms, living rooms and bedrooms.

'While we do not have any particular problems at the present time we can envisage a situation whereby if EU labour is withdrawn from other furniture companies then this will create a general shortage of skilled labour and force up wage rates. We think it is likely that it would be well-nigh impossible to find replacement skilled labour or even to find labour to train!'

The survey findings will now be presented to the British Furniture Confederation with a view to putting a case to government about the industry's concerns to foster and retain the skills it needs to function.

The survey sample represents an estimated 9% of the total production employees in the UK furniture industry – applying the total sample against the official total industry figure in employment (80,000) in the UK furniture manufacturing industry and using the formula 3:1 production vs admin/sales/support staff, equating to 60,000 production employees.

SURVEY ON COMPOSITION OF PRODUCTION EMPLOYEES BY NATIONALITY UK Furniture Manufacturing industry

NUMBER IN SAMPLE OF:

Companies	50
Total Production Employees	5,376
Non-UK nationals from EU	1,832

% PRODUCTION EMPLOYEES WHICH ARE NOT UK NATIONALS BUT MIGRANT LABOUR FROM OTHER EU COUNTRIES (e.g. Poland, Romania etc)

34.1%

WILL SKILLS SHORTAGES OCCUR IF RESTRICTIONS ARE PLACED ON THE EMPLOYMENT OF EU LABOUR?

Yes	52%
No	48%

WHERE? (In rank order)

Upholsterers
Sewing Machinists
General Operatives
Frame Assemblers / Wood machinists
Cabinet Makers
Bed Makers / Polishers / Chair Makers

HOW WOULD COMPANIES DEAL WITH SKILLS SHORTAGES?

(In rank order)

Apprenticeships / in-house training
Moving more or part production abroad
More multi-skilling

IF RESTRICTIONS ARE PLACED ON EMPLOYING EU LABOUR, HOW LONG A PERIOD IS REQUIRED TO ADEQUATELY TRAIN REPLACEMENT SKILLED LABOUR?

UP TO:

6 months	42%
12 months	25%
18 months	8%
2 years	17%
4 years	4%
5 years	4%

ARE YOU CURRENTLY EXPERIENCING SKILLS SHORTAGES?

Yes	44%
No	56%

WHERE? (In rank order)

Upholsterers
Sewing Machinists
Frame Assemblers
Wood Machinists
Cabinet Makers / Bed Makers
Engineers / CNC programmers

CURRENTLY, ARE PROBLEMS BEING EXPERIENCED IN RECRUITING OR RETAINING QUALITY SKILLED LABOUR FROM EU COUNTRIES?

Yes	36%
No	64%

SOME OF COMMENTS MADE ON PROBLEMS

- Less EU skilled workers available and beginning to struggle to recruit to the immediate needs of the business
- Need to recruit and train new people but we struggle to recruit workers in the UK that are interested in undertaking this type of work
- Looking towards Romania as Poland now also seem to be short on recruits
- Great difficulty in recruiting apprentices and many leave or are terminated before training completed
- Young British people do not want to work in factories, particularly on piece work
- Without access to talent and as required to meet business needs, the business will not be able to perform
- Problem in retaining non-UK EU workers
- EU nationals currently employed are no longer referring the UK to friends and family back home.
- Problems particularly with Romanian workers not staying in the role
- Polish workers not returning
- In house training of UK staff, very problematic however. Move more of our manufacturing requirements abroad

SECTOR COMPOSITION OF SAMPLE

Beds 10%, Occasional 8%, Cabinet 12%, Office 8%, Chairs 12%, Upholstery 30%, Dining 8%, Kitchen 2%, Other, 10%