Universities UK submission to the MAC Consultation

16 January 2020

Introduction

In its December Queen's Speech, the government confirmed that its Immigration and Social Security Co-ordination (EU Withdrawal) Bill will end freedom of movement to the UK for EEA citizens on 1 January 2021. Providing it gains royal assent, the 'Immigration Bill' will pave the way for a new immigration system similar to the one proposed by the previous government. The new government however, has indicated that it will change the previous proposals in three key ways:

1) it will introduce a new accelerated route for leading scientists and researchers
2) it will revise the skilled-worker route to one based on the Australian points-based system
3) there will be no general low-skilled migration route, but sector specific routes will permit immigration according to where need exists.

The government commissioned the [Migration Advisory Committee (MAC)](#) to consult upon the current salary threshold level of the skilled-worker route and a potential Australian-style points-based system. The MAC's findings will guide the revision to the skilled-worker route the government intends to implement.

Universities UK (UUK) submitted to the MAC Consultation's call for evidence. This briefing summarises the submission and outlines UUK's position on how the skilled-worker route can be changed to facilitate success and prosperity in UK higher education and research.

Key points

- The MAC is consulting on changes to the salary thresholds for workers sponsored under the UK's Tier 2 (general) visa route (otherwise known as the skilled-worker route) and a proposed Australian-style points-based system.
- UUK recommends that the overall salary threshold for the Tier 2 visa should be lowered from £30,000 to £21,000 or the appropriate rate for that profession – whichever is lower.
- UUK advises that the benefits of an Australian-style points-based system could also be achieved through revisions to the existing Tier 2 skilled-worker route. Nonetheless, if this system is to be introduced, 'having a job offer' should be the prioritised characteristic.
- Polling shows that the general public welcomes international staff coming to work in higher education and research institutions, and that most people think visa applicants should be judged according to their skill level rather than their salary.

Background

The MAC was originally commissioned to review the salary threshold level for the Tier 2 (general) visa. The Tier 2 visa is currently the main route for non-EEA nationals to gain permission to work in a skilled profession in the UK. It requires most applicants to receive a job offer with a salary either above £30,000 or the 'appropriate-rate' (the lower quartile salary) for their profession – whichever is higher.

The existing £30,000 overall salary threshold is based on a previous recommendation from the MAC in 2018. The MAC suggested that after leaving the EU, this salary threshold requirement should apply equally to visa applicants from inside and outside the EU. In June 2019, the MAC was asked by the then Home Secretary, Sajid Javid, to look again at this salary threshold more generally and to pay close attention to possible variations or exceptions to the overall threshold that should be introduced or maintained.

The MAC has since been asked by the Home Office to also evaluate how an Australian-style points-based system could work if applied to the UK. UUK's submission responded to both of these areas of consultation, although it is now likely that the MAC's recommendations on a points-based system will inform the government's new skilled-worker visa.

UK higher education's international workforce

UK universities have a world-leading reputation for teaching and research. 18 of the country's universities rank in the world's top 100, 76% of UK research is ranked as 'excellent or world-leading', and the UK is the second most popular destination for international students. The global outlook of the UK's universities is a vital part of their success, particularly their capacity to attract talent from across the world. **International staff and students contribute to the UK's world-class reputation**.

- One in five academic and professional staff in UK universities come from outside the UK.
- International staff make up nearly a third of the total academic workforce in higher education institutions. 18% are from the EU, 13% from outside of the EU.
- The number of international staff has increased as the nation's higher education sector has grown its reputation. EU staff members increased by 44% between 2012 and 2018, and non-EU staff numbers by 25%.
- The proportion of international staff and students at a university is a measure in most major global rankings, meaning international staff and students contribute to the UK's international reputation directly by choosing to work and study in the UK.

It is imperative that any change to immigration rules in the UK allow universities to attract the talented staff they require to maintain their reputation.

Salary threshold

The existing system which sets a salary threshold of £30,000 or the appropriate rate – whichever is higher - can prove restrictive in attracting highly-skilled individuals who make an important contribution to UK higher education institutions. UUK welcomed the lowering of the skill-level for sponsorship, as previously recommended by the MAC, but the salary threshold must be lowered proportionally to support recruitment of individuals with highly valuable skills and knowledge.

The current salary threshold is a poor indicator of an employee's skill level or contribution to their institution. The current threshold, if maintained, would have a negative impact on universities' ability to recruit sufficient support staff such as technicians and language assistants. Support staff are invaluable to teaching and research activities at universities, and there is a high proportion of EU citizens in those roles.

- The median salary for most technician level roles is well below the £30,000 salary threshold. For instance, the average salary for a UK science, engineering and product technician is £25,941.
- Despite technician level roles being classified as medium-skilled, a significant proportion of individuals in these roles are educated and qualified to a much higher level. In 2017, nearly 90% of EU and non-EU technicians were educated to bachelor's degree level and above, and 25% held PhDs.
- There is a shortage of technicians in the current system, especially in STEM areas. It is estimated that there is a shortage of graduate-level technicians of 59,000 in the engineering industry alone, and forecasts suggest that UK industry needs to recruit around 70,000 new technicians a year just to replace those retiring.

The current threshold also excludes early-career researchers. Many of these are in entry-level roles and earn below the £30,000 salary threshold. While there is a lower 'entry-level' threshold for applicants under the age of 26, early career researchers often do not qualify for this as they spend a significant amount of time obtaining postgraduate and doctoral degrees.

Based on this evidence, **UUK believes the current overall Tier 2 salary threshold level is too high.** The threshold of £30,000 or the appropriate rate, whichever is higher, means that many skilled workers may be ineligible for sponsorship even with job offers paying above the average salary for that profession. The overall salary threshold is inappropriate for non-EEA applicants at present and will be inappropriate for applicants from the EU in the future.

The minimum salary threshold should be lowered to £21,000 or the appropriate rate for that occupation – whichever is lower. £21,000 is around the lower quartile salary for most academic areas which support staff work in. Setting the salary threshold at this lower level will permit higher education and research institutions to attract all the technical staff they need from outside of the UK, particularly in areas where there are either skills shortages or traditionally high levels of EEA employees.

UUK also evaluated a range of possible variations and exceptions to the overall threshold.

- There should be no salary requirement for EU-nationals and non-EU nationals coming to the UK to work in occupations that are on the Shortage Occupation List, so that UK labour market shortages can be easily met.
- A 'new entrant' salary threshold for each occupation should be maintained. The age requirement for the threshold should be removed, and the time frame for the new entrant threshold should be extended.
- The exemption of PHD-level occupations from the Immigration Skills Charge should be retained to aid the recruitment of specialist academics able to support specific research activities.
- The salary threshold should be pro-rated, as the current threshold which is not pro-rated affects women disproportionately and is more likely to exclude early career researchers on lower incomes.
- Introducing regional variation to the salary threshold is less welcomed by the sector. There is an agreed single spine for higher education salaries already which minimises regional variation in university staff salaries.

The 'Australian-style' points-based system

UUK interpreted an 'Australian-style' points-based system as referring to a certain visa type where an applicant does not require sponsorship from an employer and is awarded points according to their characteristics. The distinction between the current UK skilled-worker visa (which is classified as points-based) and Australian points-based visas is that in Australia, obtaining a skilled independent visa requires no job offer or employer nomination, and in the UK higher points in one category cannot be 'traded' for lower points in another.

UUK believes that the benefits of the Australian points-based visa route could be achieved through reforms to the UK's existing skilled worker route.

Nonetheless**, if an Australian-style system is to be introduced, UUK recommends that 'having a job offer' should be the prioritised characteristic.** This will allow employers to recruit the individuals and skills they require, irrespective of their background.

Public attitudes towards international staff in higher education

Since the submission, UUK has commissioned polling to gauge public attitudes towards staff who move to the UK from abroad to work in the higher education sector.

This polling showed that the public is generally very supportive of attracting talented international staff to work in the UK higher education sector, and that the public is more concerned about the skills such staff bring than the salary they receive.

A poll of over 4000 people representative of the total British public found:

- Almost nine in ten (87%) British adults say it is more important that the UK's immigration system attracts university staff who are highly skilled**. Only 3% say that it is more important that the system attracted university staff who are highly paid**

- Nine in ten (89%) British adults agree that scientists, academics and their support staff are valuable to the UK

- Almost nine in ten (85%) of British adults agree that it is important for the UK to be a world leader in science and research

- Four in five (82%) British adults agree that the UK should try to compete with other major economies to attract scientists, academics and their support staff

- Four in five (80%) British adults agree that the UK's immigration system should allow scientists, academics and their support staff to work in the UK at any stage of their career

- **Seven in ten (69%) British adults agree that a UK points-based immigration system should be arranged so that scientists, academics and their support staff score highly**

Universities UK