

Call for Evidence

Partial review of the Shortage
Occupation List: Teachers

Migration Advisory Committee

June 2016



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1. Introduction

1.1 In May 2016, the Home Secretary wrote to the Chair of the Migration Advisory Committee (MAC) asking that the MAC undertake a comprehensive review of the labour market for teachers in primary and secondary education, to determine whether there is a shortage which it would be sensible to fill, at least in part, through non-European Economic Area (EEA) migration.

1.2 In her letter commissioning the MAC, the Home Secretary said:

“Secondary school teachers in mathematics, physics and chemistry are currently included on the shortage occupation list. The Department for Education has suggested that teachers in Mandarin, computer science and design & technology might also warrant inclusion. Increasing demand for teachers in these subjects is linked to the Government’s manifesto commitments on Mandarin teachers and the English Baccalaureate. The MAC is asked to consider all teaching subjects, including (but not limited to) the above and special needs teachers.

As education is a devolved matter, the MAC is asked to consider the evidence from sector bodies and stakeholders based in all parts of the UK.”

1.3 The MAC has been asked to submit its report to the Government by 30 November 2016.

1.4 The Government’s commission relates to all teaching professionals in primary and secondary education. The Office for National Statistics’ SOC 2010 manual (vol. 2) identifies the SOC codes in Table 1 as relating to teaching staff.

SOC	Description
2311	Higher education teaching professionals
2312	Further education teaching professionals
2314	Secondary education teaching professionals
2315	Primary and nursery teaching professionals
2316	Special needs education teaching professionals
2317	Senior professionals of education establishments
2319	Teaching and other educational professionals nor elsewhere classified

Source: Volume 2 of the Office for National Statistics SOC 2010 manual

1.5 The scope of this commission is limited to those teaching occupations highlighted in bold in Table 1 above, namely:

Call for evidence

- SOC 2314 Secondary education teaching professionals
 - SOC 2315 Primary and nursery education teaching professionals
 - SOC 2316 Special needs education teaching professionals
- 1.6 The MAC consider that the commission as stated therefore does not cover higher or further education teaching professionals; headteachers, deans or principals; or teachers in areas outside of the primary and secondary school system such as private tutors.
- 1.7 The MAC also consider that the commission covers all schools employing the teachers identified in paragraph 1.5, that is within both the state and independent sectors as well as those under local authority control and those with academy status.

Background

- 1.8 It is important to stress that the MAC are asked to identify a **national** skill shortage. This means shortage across the whole of the UK, or just Scotland in the case of the separate Scotland shortage occupation list (SOL). While it might be the case that an employer in one locality experiences difficulty in recruiting staff, there might be employers in other localities who do not experience this same difficulty. In which case, it will not be possible to assert that this occupation is experiencing a national shortage. In looking at teachers, therefore, the MAC wishes to understand whether one school may be experiencing a shortage while another, possibly neighbouring, school may not and why this may be the case.
- 1.9 The MAC has examined the case for including teachers on the SOL on a number of occasions in recent years. In its **2008 Shortage report**, the MAC found that there was no national shortage of either secondary or primary teachers. Partners reported that there were regional and localised shortages, but the MAC were not convinced that localised shortages could not be addressed through facilitating greater pay differentials between areas where there is adequate supply and where there is not. The MAC did receive specific evidence of a national shortage of secondary education teachers in maths and science and recommended that these job titles be included on the SOL.
- 1.10 Teachers were reviewed again in the MAC's **2009 Shortage report**. There was no evidence of a national shortage, a fact confirmed by the relevant government department, but again the MAC received evidence of specific shortages in relation to maths and science teachers. The MAC did not receive evidence indicating a shortage of primary and nursery teachers but did received evidence of a specific shortage of special needs teachers. The MAC recommended retaining maths and science secondary school teachers on the SOL and adding all teachers in special schools. The MAC did note the reported substantial increases in applications for teacher training in relevant courses, and said it would look to see if this translated

to additional teachers in secondary schools and the elimination of the shortage.

- 1.11 This pattern of there being no national shortage across the occupation but specific shortages in relation to maths and science and special needs was repeated when the MAC next looked at teachers in its **2011 Shortage report**. There was a slight difference this time round in that partners confirmed that there was not a shortage of biology teachers. The MAC therefore recommended that teachers in maths and science (chemistry and physics only) and teachers in special schools be retained on the SOL.
- 1.12 The MAC's most recent review of teachers was in the **2013 Shortage report** and which again recommended retaining teachers in maths and science (chemistry and physics only) on the SOL but said that teachers in special schools could be removed as these were no longer in shortage.
- 1.13 This present commission from the Government asking that the MAC review teachers gives the MAC the opportunity to look at this occupation in depth; and this call for evidence sets out some of the questions that the MAC would like help in answering. Most particularly, if it is claimed that there persists a shortage of teachers in maths, physics and chemistry, the MAC would like to know why this should be the case when these occupations have been on the SOL for some 8 years. What action have the relevant education authorities taken to increase the recruitment of teachers in these subjects?

Policy context

- 1.14 Tier 2 (General) of the Points Based System for managed migration applies to two categories of skilled workers: those coming to fill jobs that have been advertised under the Resident Labour Market Test (RLMT), and those coming to take up jobs on the Government's Shortage Occupation List (SOL).
- 1.15 Migrants must be sponsored (i.e. have a Certificate of Sponsorship (CoS) from a licensed sponsor) and the work they do in the UK must relate to the work of the sponsor organisation. There is an annual limit of 20,700 on the number of CoS that will be issued under the Tier 2 (General) route. The limit applies to out-of-country applicants. CoS issued under this limit are known as restricted CoS (RCoS). If the limit is reached, the allocation of RCoS is based on points scored and prioritised based against a set of criteria, including salary. When the monthly allocation is oversubscribed, priority is given to those occupations on the shortage occupation list, occupations earning over £100,000 and PhD level positions.
- 1.16 The RLMT route enables an employer to bring in a worker from outside the EEA if there is no suitably qualified worker within the UK or the EEA available to fill the specific skilled vacancy. Employers are required to advertise the relevant vacancy through Universal Jobmatch and at least one other medium for 28 calendar days. For new graduate posts, employers fulfil the RLMT requirements by visiting at least three UK

Call for evidence

universities and advertising on a listed graduate recruitment website and at least one other medium. Jobs paying more than £72,500 and specified PhD-level occupations do not have to be advertised through Universal Jobmatch, whilst jobs paying more than £155,300 are exempt from the RLMT.

- 1.17 Employers can also apply to bring in workers from outside of the EEA without going through the RLMT if the vacancy to be filled is for a job title on the Tier 2 shortage occupation list. This list details the occupations and job titles presently held to be experiencing a labour shortage that would be sensibly filled using non-EEA labour either across the UK as a whole or in Scotland only. For an occupation or job title to be recommended for inclusion on the shortage occupation list it must be:
- Skilled to the required skill level for Tier 2 (currently NQF6+, which is broadly equivalent to degree level, with some exceptions);
 - Experiencing a national shortage of labour; and
 - Demonstrably sensible to fill these shortages using labour from outside the EEA.
- 1.18 All Tier 2 (General) migrants must earn an annual salary of at least £20,800. The salary threshold normally increases each year in line with wage inflation. There are also occupation-specific minimum thresholds and where these are greater than £20,800, they provide the minimum salary requirement for that occupation.
- 1.19 For most occupations, the pay thresholds for experienced workers are set at the 25th percentile of the pay distribution for full-time employees in that occupation. These are calculated using the Annual Survey of Hours and Earnings (ASHE), a survey of employers conducted by the Office for National Statistics. These thresholds apply to all in-country and out-of-country applicants under Tier 2 (General), with the exception of new entrants. Lower pay thresholds for new entrant employees are set at the 10th percentile of the pay distribution for full-time employees in that occupation.
- 1.20 However, in the case of the teacher SOC codes 2314, 2315 and 2316 the source for the salary threshold is not ASHE but teachers' national pay scales, and the definition of a full-time teacher is used when determining those pay scales.
- 1.21 Tier 2 (General) migrants can come to the UK for a maximum of five years and one month or the time given on their CoS plus one month, whichever is shorter. They can apply to extend this visa for up to another five years, as long as their total stay is not more than six years. At the end of their time in the UK, they must leave the country or switch into another immigration category unless they have successfully applied for settlement in the UK. In 2011, the Government set in place a minimum pay threshold of £35,000 for settlement in the UK under Tier 2 but did provide for

migrants to be exempt from the £35,000 income threshold if their job title had been on the shortage occupation list at any time during the period for which they held a Tier 2 visa.

1.22 In a written Ministerial statement on 24 March 2016, the Government announced it intended to make some changes to the Tier 2 (General) route following a review of that route by the MAC. The minimum salary threshold will be increased to £30,000 and this change will be phased in with an increase to £25,000 in autumn 2016 rising to £30,000 in April 2017. The minimum threshold for new entrants will remain at £20,800. For SOC codes 2314, 2315 and 2316 the minimum salaries are as follows:

- Unqualified teachers undertaking Overseas Trained Teachers Programme and equivalent: **£20,800**
- Qualified teachers and equivalent: **£21,804**
- Post-threshold teachers and equivalent: **£34,523**
- Leadership group, assistant head teacher, principal teacher and equivalent: **£37,836**

1.23 In order to reflect public sector pay restraint and specific recruitment challenges a number of occupations are exempt from the changes to the minimum salary thresholds until July 2019 including secondary school teachers in maths, physics, chemistry, computer science and Mandarin. In effect this means that the Tier 2 minimum salary for, say, a qualified geography teacher will rise to £30,000 by April 2017 but for, say, a qualified maths teacher this will remain at £21,804 until July 2019.

Data

1.23 We present below some recent background data on the numbers of non-EEA migrants applying and coming to the UK to work as teachers, along with an indication of the total number of teachers currently employed in the UK.

1.24 To provide some context of the volumes of non-EEA migrant workers going into teaching in the UK, Tables 2 and 3 below present the overall numbers using the shortage occupation and RLMT routes from 2012 to 2015.

1.25 The data are recorded on the basis of the Office for National Statistics' Standard Occupational Classification (SOC 2010) covering occupations to the 4 digit level. As Tier 2 (General) is mostly for graduate level occupations, this amounts to only 96 out of the total 369 4-digit occupations. As set out above, the MAC is focussing on only three, namely: primary and nursery teachers (2315), secondary teachers (2314) and special needs teachers (2316).

- (i) Used certificates of sponsorship under Tier 2 (General)

Call for evidence

- 1.26 Table 2 shows the total number of in-country restricted certificates of sponsorship (RCoS) used each year and those relating to teachers. The data account for in-country applications only and therefore include individuals switching from other visa routes into Tier 2 as well as individuals applying for a work visa extension under the Tier 2 (General) route. The number of in-country used applications across both entry routes has decreased by 36 per cent from around 533 in 2012 to 339 in 2015.

Table 2: Numbers of in-country restricted certificates of sponsorship used in total and in relation to teachers per calendar year, 2012 to 2015.

	SOL			RLMT			
	Total	Secondary Teachers	Special needs teachers	Total	Primary and nursery teachers	Secondary teachers	Special needs teachers
2012	2,097	161 (8%)	21 (1%)	17,328	144 (0.8%)	179 (1%)	11 (0.1%)
2013	2,206	103 (5%)	7 (0.3%)	24,673	151 (0.6%)	144 (0.6%)	17 (0.1%)
2014	1,728	93 (5%)	n/a	23,828	112 (0.5%)	107 (0.4%)	28 (0.1%)
2015	1,755	96 (5%)	n/a	21,875	115 (0.5%)	128 (0.6%)	12 (0.1%)

Source: Home Office Management Information (December 2015). Includes in-country applications only. Special needs teachers were removed from the SOL part way through 2013. Primary and nursery teachers are not nor have been on the SOL since Tier 2 began in 2008, although they were on the SOL under the previous work permit arrangements.

- 1.27 Table 3 shows the total number of out-of-country RCoS used each year and those relating to teachers. In contrast to Table 2, the data show the number of out-of-country used applications across both entry routes has increased by 122 per cent from 235 in 2012 to 522 in 2015.

Table 3: Numbers of out-of-country restricted certificates of sponsorship used in total and in relation to teachers per calendar year, 2012 to 2015.

	SOL			RLMT			
	Total	Secondary Teachers	Special needs teachers	Total	Primary and nursery teachers	Secondary teachers	Special needs teachers
2012	1,512	59 (4%)	11 (1%)	8,698	62 (0.7%)	85 (1%)	1 (0%)
2013	1,735	54 (3%)	5 (0.3%)	11,550	75 (0.6%)	95 (0.8%)	10 (1%)
2014	1,565	107 (7%)	n/a	15,126	94 (0.6%)	128 (0.8%)	18 (0.1%)
2015	1,713	241(14%)	n/a	16,789	131 (0.8%)	150(0.9%)	13 (0.1%)

Source: Home Office Management Information (December 2015). Includes out-of-country applications only. Special needs teachers were removed from the SOL part way through 2013. Primary and nursery teachers are not nor have been on the SOL since Tier 2 began in 2008, although they were on the SOL under the previous work permit arrangements.

- 1.28 Most non-EEA teachers currently come to the UK under the RLMT route, and include both primary and secondary teachers. Non-EEA teachers represent less than one per cent of all migrant inflows for work under RLMT.
- 1.29 By contrast, secondary teachers constitute a much larger share (5 per cent in-country and 14 per cent out-of-country) of all work inflows under

SOL. This is despite the fact that the SOL route is currently open only to those non-EEA migrants arriving to teach maths, physics and chemistry.

(ii) Teacher applications under Tier 2 (General)

1.30 Table 4 shows that in 2015 there were 1,145 RCoS out-of-country applications for teachers, of which around 30 per cent were for primary and nursery teachers, 67 per cent were for secondary teachers and 3 per cent were for special needs teachers. Between 2014 and 2015¹ non-EEA teacher applications more than doubled.

Occupation	2014	2015	Change	Per cent change
Primary and nursery education teaching professionals	159	344	185	116%
Secondary education teaching professionals	313	763	450	144%
Special needs education teaching professionals	20	38	18	90%
Total Teachers	492	1,145	653	133%

Source: Home Office Management Information (December 2015). Out-of-country applications only. Tables 2 and 3 are not directly comparable to Table 4 as the former is for all CoS issued, the latter is for RCoS applications.

(iii) Total numbers employed in teaching in the UK

1.31 Although we will explore this further during the course of our review, we present below some data to provide an initial illustration of the total number of teachers employed in the UK.

1.32 Using data from ONS' Labour Force Survey (LFS), the estimated total number of teachers working across the UK has increased by 2 per cent from around 903,000 in 2011 to 920,000 in 2015. The latest available data for 2016 indicate that the total number of teachers is now around 990,000, an 8 per cent increase from 2015. These include both state and private sector schools and are split fairly evenly between primary and secondary education, with a relatively small proportion attributed to special needs teachers.

1.33 The estimated total number of nursery and primary, secondary and special needs state school teachers in England in 2014 from the LFS data was around 652,000. By contrast, data published by the School Workforce Census in England estimated the number teachers at the year ending November 2014 as around 464,000². The difference between these figures is, in part, explained by the fact that the LFS estimate includes sixth form teachers and deputy head teachers who are excluded from the School Workforce Census data.

¹ It is recognised that some of the increase in 2015 may be due to repeat applications if the RCoS application was refused in previous months.

² <https://www.gov.uk/government/statistics/school-workforce-in-england-november-2014>

Call for evidence

- 1.34 Furthermore, the LFS indicates that there has been a marked shift towards the independent education sector accounting for 13 per cent of primary and nursery teachers and 18 per cent of secondary teachers in 2016 from 8 per cent and 11 per cent five years earlier.

2. Submitting evidence to the MAC

- 2.1 This commission is the MAC's first opportunity to consider the primary and secondary education sectors in depth. The MAC welcomes contact and evidence from all parties with an interest in these sectors. The MAC is charged with looking at whether there are occupational shortages in these sectors but, as part of this, also looks to see whether there are alternatives to increased migration. The MAC will find it helpful, therefore, to understand how teachers are presently recruited and trained, who is responsible for this, whether responsibility primarily falls on the public sector to recruit and train new teachers and, if so, then what contribution does the private sector make to this? What planning data exist and how are they used? In its evidence to the MAC's **2013 Shortage report**, the Department for Education said that it continuously monitored and modelled teacher demand to ascertain the number of teachers that are expected to be required in future years. From this modelling, the Department sets targets for initial teacher training recruitments. The MAC will find it helpful to understand whether this is still how the process works and to have partners' views on whether they consider the process works effectively.
- 2.2 The closing date for receipt of evidence is **noon on Friday 16 September 2016**. Partners are invited to send evidence to the MAC at the address given at the end of this document.
- 2.3 For this review, the MAC is keen to visit and meet with partners to discuss these issues in more depth. Partners who would like to meet with the MAC or host a meeting at which the MAC could hear from a number of interested partners are invited to contact the MAC secretariat at mac@homeoffice.gsi.gov.uk. Notification of any relevant upcoming events will be placed on the MAC website at <https://www.gov.uk/government/organisations/migration-advisory-committee>.
- 2.4 In addition, **the MAC will host an open session with interested partners as follows:**
- **Friday 1 July 2016 from 10.30am to 12.30pm**
- 2.5 The session will be held in conference room 4 at 2 Marsham Street, London, SW1P 4DF. If you would like to attend this session, please contact the MAC Secretariat (contact details below) who will provide you with instructions on how to attend. Depending on demand, the MAC will look at arranging further sessions.

- 2.6 This document refers to “corporate partners” or just “partners” in relation to the submission of evidence. This term is used to cover all parties with an interest in the MAC’s work or its outcomes, so private and public sector employers, trade unions, representative bodies and private individuals are included within this term.
- 2.7 This call for evidence document has been placed on the MAC’s website at <https://www.gov.uk/government/organisations/migration-advisory-committee> and has also been sent to those partners in the primary and secondary education sectors whose contact details are recorded on the MAC’s database, and recipients are encouraged to circulate this document further to any interested party. Hard copies of this document are available by contacting the MAC at mac@homeoffice.gsi.gov.uk.

3. The review of the shortage occupation list

- 3.1 The SOL is determined by the Government and is periodically reviewed by the MAC when commissioned to do so by the Government. Inclusion on the SOL is a temporary measure to alleviate shortage rather than a long-term fix. The methodology developed by the MAC for determining whether to recommend an occupation or job title be placed or retained on the shortage list requires that the occupation or job pass three tests:
- first, is the individual occupation or job title sufficiently **skilled** to be included on the list;
 - second, is there a **shortage** of labour within each skilled occupation or job title sufficient to merit inclusion or retention on the list; and
 - third, is it **sensible** for immigrant labour from outside the EEA to be used to fill this shortage.
- 3.2 Reports providing further detail on the MAC’s methodology and previous MAC reviews of the shortage occupation lists can be accessed at <https://www.gov.uk/government/collections/migration-advisory-committee-research>. This call for evidence sets out some of the evidence the MAC find useful in considering occupations and job titles.

4. What partners can tell the MAC about teachers

Skilled

- 4.1 The skill level required to qualify under Tier 2 of the Points Based System is, with some exceptions, NQF6+ (that is, graduate level). Appendix J to the Immigration Rules lists the occupations regarded as being skilled to this level and this is available here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/302699/20140410_Immigration_Rules_-_Appendix_J_MASTER.pdf.
- 4.2 To be considered for inclusion on the shortage occupation list, jobs need to be in one of the skilled occupations listed in the document above. All

Call for evidence

three SOC codes identified above as relating to teachers and within scope of this review are regarded as being skilled to this level and there is, therefore, no need for partners to provide evidence in relation to the skill test for any job falling within the three SOC codes.

Shortage

- 4.3 The remit of the MAC is to consider whether there is a **national** shortage. This means either a shortage across the whole UK or just in Scotland as the latter has its own SOL. Beyond this, if shortages are limited to regions only, the MAC is unlikely to regard these as meeting the requirement that there be a national shortage.
- 4.4 The MAC will want to understand whether shortages relate to teachers of specific subjects only or whether there is a more generic shortage. What are employers doing to address shortages, in particular are they using pay to attract teachers to subjects and to parts of the UK that are in shortage?
- 4.5 In particular, the MAC would value evidence in response to the following questions in relation to shortage. These questions are meant as a guide and partners should not feel they have to answer all of the MAC's questions in this call for evidence, only those where they feel they should have something to contribute. Partners are also free to provide other relevant evidence not identified by the MAC's questions.
- 4.6 The MAC and its secretariat will be happy to offer advice to partners on the type and quality of evidence partners intend to submit. It is important that the MAC have the best possible evidence available on which to base any recommendations to the Government. It will be particularly helpful if partners can include data that support and illustrate their evidence to the MAC.

Demand for teachers from outside the EEA

1. What are the overall trends in recruitment of foreign (European Economic Area (EEA) and non-EEA) born teachers in recent years?
2. What are the factors driving current demand for non-EEA teachers? Are these factors temporary or more structural?
3. Have you experienced any barriers in the recruitment of non-EEA teachers (e.g. the Tier 2 (General) cap being reached in 2015)? What did you do to overcome this to address your vacancies?

Supply of teachers – overall

Teacher recruitment

4. What are the factors affecting the recruitment of teachers in the UK generally? What is driving this?

5. Is teacher recruitment aimed at specific groups and is there an expectation that this is a long-term or shorter-term career option?

Teacher retention

6. What are the issues around retention of teachers? Have these issues changed in recent years?

7. To what extent are there qualified teachers of working age, resident in the UK, who are not working in the profession? Why are they no longer working in the profession? Where did they go (e.g. retired, to work abroad, to work in a non-teaching job)? What is being done to attract these back to the profession?

8. Are teachers with more experience more highly valued than teachers with less experience, i.e. are they paid more? Are newly qualified teachers preferred for employment as they cost less?

Specific shortages

9. Do some areas of the UK experience a shortage of teachers while others do not? If so, what are some areas doing that others are not?

10. Are there differences in the relative supply and demand for teachers between the state and the private education sectors? If so, what are these differences and why do they occur?

11. How does supply and demand for teachers vary by subject taught? Are there specific teachers in certain subjects that are held to be in particular shortage? What are these and what evidence is there for shortage?

12. Secondary teachers in maths and some science subjects have been included on the SOL since 2008 – what steps have been taken to reduce this reliance on migrant teachers and how successful have these been?

Alleviating shortage

13. If there is a shortage of teachers, the relative pay of teachers would be expected to rise. Has this happened? If not, why not?

14. To what extent is flexibility around pay and other financial incentives used to alleviate specific shortages? How successful have these been?

15. What use is made of agencies and supply teachers to fill shortages? What is the cost to employers of using these sources? What is the experience of agency and supply teachers if they are being called on to fill shortages?

16. The 2016 white paper “*Educational Excellence Everywhere*” (published by the Department for Education, March 2016) sets out

Call for evidence

proposals to attract and recruit world class teachers. What impact do you think these proposals will have on teacher recruitment and retention?

17. What do partners think is likely to be the impact of proposed relaxation of Qualified Teacher Status?

Sensible

4.7 The MAC considers four broad criteria of whether it is sensible to employ migrants from outside the EEA and which seek to address.

- What alternatives there are to employing migrants.
- How recruiting skilled migrant workers impacts on skilling up the UK workforce and incentives for UK employers to invest in training.
- How employing skilled migrants impacts on wider investment, innovation and productivity growth in the UK economy.
- Whether adding occupations and job titles to the SOL will affect the wider UK labour market and economy.

What partners can tell the MAC about Sensible

4.8 With these criteria in mind, the MAC would value evidence on teachers in response to the following issues in relation to its sensible criteria:

18. To what extent can existing teachers be retrained to teach the subjects of other teachers who have left? How would this affect the quality of education delivered?

19. To what extent are migrant teachers (whether from within the EEA or outside of the EEA) adequate substitutes for experienced teachers (whether from within the UK or outside of it)?

20. To what extent could shortages of teachers be addressed by the numbers of teachers who could re-enter the profession if they were incentivised to do so? What changes would have most impact on incentivising re-entry teachers?

21. What proportion of newly qualified teachers do not go on to enter teaching as a profession? What is being done to reduce this number? Are there issues with the training offered to new teachers? What are these? Are there sufficient, strong links between training establishments and schools?

22. What is being done to improve workforce planning to reduce a reliance on migrant teachers?

23. What is being done to reduce reliance on migrant teachers as a safety valve at times of peak demand/maximum shortage?

- 4.9 Responses to this call for evidence can be sent by **noon Friday 16 September 2016** direct to the MAC at either: mac@homeoffice.gsi.gov.uk or

Migration Advisory Committee
3rd Floor
Seacole Building
2 Marsham Street
London
SW1P 4DF

To contact the secretariat, please call 020 7035 1764.

- 4.10 **Please note that the MAC may quote evidence received, attributed to the individual or organisation that supplied it, in their published report unless they are explicitly asked not to do so.**

Annex

Tier 2

1. The Points Based System (PBS) for migration to the UK from outside the European Economic Area (EEA) was introduced in 2008. It consists of five tiers:
 - Tier 1: investors, entrepreneurs, and exceptionally talented migrants.
 - Tier 2: skilled workers with a job offer in the UK.
 - Tier 3: low-skilled workers needed to fill specific temporary labour shortages. Tier 3 has never been opened.
 - Tier 4: students.
 - Tier 5: Youth mobility and temporary workers. This route is for those allowed to work in the UK for a limited period of time to satisfy primarily non-economic objectives.
2. Tier 2 comprises Tier 2 (General), which is made up of the resident labour market test (RLMT) route (which enables employers to bring in a worker from outside the European Economic Area (EEA) once they have shown that there is no suitably qualified worker from within the UK or the EEA available to fill a specific vacancy) and the shortage occupation route;
 - the intra-company transfer route; and
 - the ministers of religion and sportsperson routes.
3. The shortage occupation route enables employers to apply to bring in workers from the outside of the EEA without going through the RLMT if the occupation is on the Tier 2 shortage occupation list. The shortage occupation list details the occupations and job titles held to be experiencing a labour shortage that could be sensibly filled using non-EEA labour.
4. Since 6 April 2011, Tier 2 (General) has been subject to an annual limit of 20,700 places. Following analysis from the MAC in early 2012, the limit has been kept at the same level of 20,700 since 2011/12.
5. The skill level required to qualify under the Tier 2 RLMT and intra-company transfer routes is NQF6+, raised from NQF4 in June 2012. Persons applying to work in certain creative occupations were exempt from this change. Tier 2 is also subject to a minimum pay threshold of £20,800 with a higher threshold for the intra-company transfer route.

The shortage occupation list route

6. Employers can apply to bring in workers from the outside of the EEA without going through the RLMT if the occupation is on the Tier 2 shortage occupation list. The Government periodically asks the MAC to review the content of the list. The current shortage occupation list comprises occupations and jobs employing less than 1 per cent of the workforce (both migrants and British workers).

