Shortage Occupation List

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1. THE MIGRATION ADVISORY COMMITTEE (MAC)

Q: What is the MAC’s remit?
The MAC provides independent and evidence-based advice to Government on specific sectors and occupations in the labour market where shortages exist which can sensibly be filled by migration.

Q: Will it do anything else?
The Government may ask the MAC to look at more general migration questions from time to time. For example the Government may ask the MAC to look at the points criteria we use for skilled workers wishing to come to the UK, under the new Points Based System or if the UK requires any low skilled schemes.

Q: What is the role of the MAC chair?
The Chair will provide the Committee with strategic leadership and act as its figurehead. He will need to forge consensus in the committee, ensure the views of its stakeholder panel and other consultees are fully taken into account, and work closely with Government, business and others.

David Metcalf was appointed as Chair of the MAC in September 2007, He is Professor of Industrial Relations at the London School of Economics. He has worked extensively on the economic impact of unions and on pay systems and structures. He was also a highly valued member of the Low Pay Commission, the body which advises Government on the National Minimum Wage.

Q: How many people sit on the Committee?
The Committee is comprised of six economists - the Chair, four appointed members, and an ex-officio member from the UK Commission for Employment and Skills - and a Government observer who is a policy official.

Q: Where is the MAC based?
The committee is based in Croydon and London.

Q: Will the MAC advise on levels of immigration?
Not specifically. The MAC has advised on shortage occupations under the new Points Based System. Ministers also take account of input from the Migration Impacts Forum (MIF) on the wider impacts of migration, in reaching key migration decisions.

Q: Will the MAC ever set a limit on migration, setting a cap?
It is not the MAC’s role to make decisions on migration – that is for Ministers. The MAC’s role as established is simply to advise on shortage occupations although it could in the future ask the MAC to consider wider questions about migration. The Government has also asked the MAC to advise on the restrictions on A2 nationals (from Romania and Bulgaria), and the labour market implications of relaxing them.
2. THE SHORTAGE OCCUPATION LIST

Q: What is the shortage occupation list?
The shortage occupation list contains occupations where there are labour market shortages which can be sensibly filled by migration. For these occupations, migrants will receive sufficient points to proceed without reference to their prospective earnings or qualifications. Employers will not need to carry out a resident labour market test for occupations which are on the shortage occupation list. However the employer needs to be a licensed sponsor, the job needs to be skilled and at an appropriate salary, and the migrant will need to be able to speak English.

Q: When will it start being used?
It will start being used when Tier 2 of the Points Based System is launched on 27 November 2008.

Q: Why has the Government added social workers to the list recommended by the MAC, thereby ignoring their advice?
There was evidence which had not been available to the MAC. We wanted to give the MAC proper time to consider that evidence. In the meantime we did not want to put at risk crucial services to vulnerable members of our society. We have therefore asked the MAC to review the evidence relating to social workers and report by next March. Meanwhile we have decided to keep social workers on the UK shortage list.

Q: When will the shortage list be updated?
We will ask the MAC to submit an updated list by March 2009.

Q: How was the 200,000 figure calculated?
It is the difference between the number of jobs in occupations on the current shortage list and the number in occupations on the new UK list.

Q: What has been taken off the list to make it smaller?
There are a number of changes, but the most substantive change is that the current list includes all teachers, whereas the new list only contains maths and science teachers.

Q: Are jobs on the shortage list available to British people?
Yes
3. SCOTTISH LIST

Q. Why is the Scotland list so short?
The Scotland list is in addition to the UK list, so everything on the UK list also applies to Scotland. The MAC were asked to additionally consider whether there were any skilled occupations in shortage that applied solely to Scotland. As the MAC explain in the report, there were specific issues relating to obtaining national level skilled and shortage data relating to Scotland therefore they have relied more heavily upon what employers told them than they did for the UK list.

Q: Is this the first separate Scottish list?
Yes.
4. CHEFS, CARE WORKERS AND SOCIAL WORKERS

Q: Were chefs and care workers on the previous shortage list?

No.

Q: How did the previous list define which were skilled?

It did not. Although the previous list covers skilled employment, neither chefs nor senior care workers were on the list, so no threshold was included as part of the definition of those occupations for the shortage list.

Q: How many chefs and care workers came in each year / last year through the work permit route?

The number of work permits approved in previous years for these occupations were:

<table>
<thead>
<tr>
<th>Year</th>
<th>Chefs</th>
<th>Senior care workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>2,780</td>
<td>475</td>
</tr>
<tr>
<td>2002</td>
<td>6,420</td>
<td>2,525</td>
</tr>
<tr>
<td>2003</td>
<td>8,275</td>
<td>4,455</td>
</tr>
<tr>
<td>2004</td>
<td>5,925</td>
<td>5,720</td>
</tr>
<tr>
<td>2005</td>
<td>3,990</td>
<td>4,525</td>
</tr>
<tr>
<td>2006</td>
<td>4,455</td>
<td>4,630</td>
</tr>
<tr>
<td>2007</td>
<td>2,870</td>
<td>1,005</td>
</tr>
<tr>
<td>2008 (to 31 October)</td>
<td>1,800</td>
<td>5</td>
</tr>
</tbody>
</table>

These figures are for first applications only. They do not include extension and change of employment applications for those who were already here under the work permit arrangements.

(These figures have been derived from management information and are provisional / subject to change. Numbers have been rounded to the nearest five.)

Q: Why did the number of work permits for chefs and care workers drop in 2007-2008?

We have worked closely with representatives from the hospitality and care sectors and tightened our guidance for these occupations, to ensure that work permits are only issued for skilled jobs.

Q: Do you agree with the MAC’s definition of skilled for chefs and care workers?

Yes. They have looked carefully at the evidence and set reasonable thresholds. The approach of using pay as a proxy for skill is sensible.

Q: Is the wage level the only criteria chefs and care workers must meet. Don't they need a minimum level of qualification or experience?

Not if they are coming through the shortage occupation route. However, their employer must certify to us that they are capable of carrying out a skilled job.
Q: Why are you keeping the wage limit for care workers at a level that will damage the industry?

We do not believe that it will damage the industry. Employers who are licensed sponsors will be able to bring in workers if they meet our criteria. We are introducing transitional measures to enable senior careworkers who are already employed in the sector to extend their stay without meeting the £8.80 pay threshold, as long as they are paid at least the £7.02 current pay threshold. This will help the sector to adapt to the change.

Q: Why haven’t you included all teachers on the list?

Maths and Science teachers are included on the list. The MAC reviewed the evidence on teaching and decided that it did not suggest a national shortage of teachers as a whole. It did, however, identify specific shortages in the areas of maths and science. The MAC have been asked to review the evidence relating to teachers and to look at the impact of this change, for its first revision of the list by March next year.

Q. Do you not care that thousands of Indian and Chinese restaurants will go out of business?

We do not believe that they will. The MAC have recognised the difficulties currently facing the ethnic catering sector in their report, and by including skilled chefs on their shortage occupation list. For this sector the MAC is using the pay threshold of £8.10 per hour as a proxy for skills and they believe this is the appropriate rate for skilled workers in this sector.

Q. If Tier 2 is for skilled workers, why does the list include unskilled jobs (ie. ethnic chefs and care workers)?

A. The shortage list doesn’t include unskilled workers within these occupations. Only skilled chefs and skilled care workers are allowed to enter via the shortage occupation route, and clear and rigorous criteria have been set to ensure that only skilled workers qualify.

Q. Won’t the numbers of ethnic chefs and social care workers coming in be much higher than in the past, because employers will abuse the system and use it to bring in unskilled people?

A. The definition of “skilled” is based on earnings, which are easily measurable and verifiable, so this risk is reduced. Furthermore, the Government is putting employer sponsorship arrangements in place which aim to prevent employers from abusing the system. We will enforce these rules through our targeted compliance activity in respect of sponsors.

Q: The catering sector particularly in relation to Chinese and Bangladesh establishments, believe that chefs in these establishments are skilled and need to have first hand knowledge of the relevant culture in order to do justice to the cuisine prepared - how did the MAC deal with this?

A: The MAC saw evidence that at least some of these jobs were skilled. On the whole, the MAC was not persuaded of the validity of the argument that cultural understanding was a key component of these skills.
Q: This sector has also argued that it needs staff to work front of house who also require cultural understanding?

A: The MAC was not convinced of these arguments and does not consider that these staff meet the skilled criteria.

Q: How did the MAC identify which staff are skilled?

A: In order to address how to identify which of these staff are skilled, the MAC decided to use pay as a proxy for skill. Their report sets out the methodology used for this.

Q: The MAC has set the pay threshold at £8.10 per hour – isn’t this too high and the establishments cannot afford to pay this?

A: For this sector the UKBA will use the pay threshold of £8.10 per hour as a proxy for skills as this is the appropriate rate for skilled workers in this sector.

Q: Why aren’t all chefs and all care workers on the shortage list?

A: Both occupations cover a wide range of jobs and a wide range of skill requirements. The shortage list only covers those jobs which are skilled NQF3 or above.

Q: So how did you decide which chefs and which care workers are skilled?

A: The MAC looked at the distribution of wages in each occupation and set an hourly rate above which the MAC believe a chef or senior care worker should be paid if skilled. In both cases the hourly rates are lower than the salary level the MAC would usually regard as the minimum threshold for skilled occupations.

Q) What would applying the MAC’s criteria of “skilled” meaning that chefs must be earning at least £8.10 per hour mean for the catering sector?

We estimate that £8.10 roughly equates to a yearly wage of £17,000.

69 per cent of work permit applications for chefs in 2006/2007 were earning under £17,000 per year. These applications would not have qualified under the MAC’s earnings criteria.

Q) What would applying the MACs criteria of “skilled” meaning that senior care workers must be earning at least £8.80 per hour mean for the care sector?

We estimate that £8.80 roughly equates to a yearly wage of £17,000.

98 per cent of work permit applications for senior care workers in 2006/2007 were earning under £17,000 per year. These applications would not have qualified under the MAC’s earnings criteria.
5. POINTS BASED SYSTEM

Q: What is the Points Based System?

A: The Government is currently carrying out the biggest shake-up to the immigration system in 45 years. Centre-stage is our new Australian-style points system which means only those we need can come here to work or study.

The first part of the PBS, Tier 1 – for the highly skilled – has now been fully launched following phased implementation, which started in the UK in February, and then in India in April.

The PBS will be underpinned by a licensing system based on the principle that those who benefit from migration (employers, colleges) should play a part in ensuring that the system is not abused.

Every migrant from outside the European Economic Area (EEA) (except in Tier 1 – highly skilled migrants) will need a Certificate of Sponsorship from a licensed sponsor in order to gain a visa under the PBS.

Migrants themselves will need to score points depending on which tier they are applying for. Points can be earned for qualifications, previous and prospective earnings, funds, standard of English language and for holding a valid Certificate of Sponsorship (for Tiers 2-5).

We will require skilled migrants to speak English to a basic user standard to ensure migrants play a full part in British life outside the workforce. This is a key part of the Government’s migration policy as it improves migrants’ integration into British life and enhances social cohesion.

Q: What are you doing to limit the numbers of people coming?

The points system is flexible, allowing us to raise or lower the bar according to the needs of business and taking population trends into account.

Our tough new Australian points system plus our plans for newcomers to earn their citizenship will reduce overall numbers of economic migrants coming to Britain, and the numbers awarded permanent settlement.

Crucially the points system means only the migrants with the skills Britain needs can come - and no more.

Had the Points Based System been in place last year there would have been 12 per cent fewer people coming in to work through the equivalent work permit route.

Q: What about the managing the local impact of migration

The Migration Impacts Forum advises us on any impacts. The Migration Impacts Forum (MIF) provides a forum for proper, regular and organised dialogue with front-line professionals from service providers, focussed on the wider impacts associated with migration experienced by local areas. MIF is looking at a number of specific areas of work include Community Cohesion; Health and Social Care; Employment and Skills; Housing; Crime and Disorder.
Q: Very few businesses have registered as sponsors because they have not been given enough support and do not trust the system will be up and running.

Our message to businesses is loud and clear – if you want to employ foreign workers from outside the EEA, you need to apply now for a sponsor licence.

The UK Border Agency continues to receive a high number of sponsor licence applications. These numbers have significantly increased as a result of our successful marketing campaign and a recent series of stakeholder engagement events.

Sponsors currently on the register can be found on our website: http://www.ukba.homeoffice.gov.uk/sitecontent/documents/employersandsponsors/pointsbasedsystem/pbsregisterofsponsors

Q: Do you think the 'hurdler' ad unnerved business sponsors?

We have an obligation to inform employers that changes to the immigration system are being introduced. The advertising urges employers to find out whether the changes will affect them and, if so, what they need to do to comply with the new rules.

The advert is designed to make employers aware of the potential risk to their business if they want to bring in migrant workers (from outside EEA) but do not have a licence to do so. Inevitably some employers will not get the license in time and will be unable to bring in these workers, it’s our duty to clearly demonstrate what the negative outcome will be, if this is the case.

The advertising creative was extensively researched amongst groups of employers. Hurdles are a visual metaphor which clearly explained to these audiences that the new system was going to make it tougher and harder for migrants to come into the UK. They took out of the advertising that a tough new system was being introduced and that those migrants coming in through the new system would be good for the UK.

Have any further initiatives been attempted to inform businesses?

The Government has gone to great lengths to inform business of the upcoming changes. This includes a national TV and newspaper advertising campaign and a series of regional workshops throughout the country.

The UKBA website carries information on the new points system and businesses can also contact the helpline. Employers can get more information at: http://www.ukba.homeoffice.gov.uk/employers/points/ or by calling the PBS Employer Helpline on 0845 010 6677.

On 4 November we published further detailed guidance for businesses on Tiers 2 and 5 of the Points Based System.

You are bringing Tiers 2 and 5 into force before its ready.

The Points Based System is being phased in to allow customers and stakeholders time to get to grips with the new processes before implementing the next stage. Tier 1 and the sponsor register were opened in February 2008. This has allowed us a
further nine months to develop the Tier 2 and 5 systems and consult extensively with our customers and stakeholders.

**You have not sufficiently tested the technology for the points system.**

The technology – the sponsor management system – was tested with a wide range of customers and stakeholders and the UKBA made improvements in line with their suggestions.

We are fully testing the system using business representatives using industry standard test procedures and have exposed the system to stakeholders in demonstrations to prove it is ready for implementation.

**Can Parliament vote against the rules changes you laid on 4 November?**

Yes. As is proper, the Rules are subject to Parliamentary scrutiny and either House of Parliament could pass a resolution disapproving them.

**If Parliament voted against the rules changes, could that prevent Tiers 2 and 5 from going live on 27 November or delay it?**

If this happened, we would need to bring forward new Immigration Rules that addressed Parliament’s concerns. But the Rules that had been rejected would remain in force until they were replaced by the new Rules. So legally it is unlikely that a vote against the Rules would prevent or delay the coming into force of PBS.

**Could this have an impact on the implementation of Tier 4 for students?**

No. The timetable for that is completely separate from that for Tiers 2 and 5.

**Has the sponsor management system been drawn up in haste?**

No. We published a Statement of Intent, setting out in detail what the system would look like, last November- nearly a year ago. This was done following detailed consultation with business. More detailed guidance and application forms were published this February. We have held meetings with potential sponsors around the country to discuss the requirements with them in detail.

**You are misleading businesses and the general public by referring to the Points Based System as ‘Australian-style’.**

It is true that we have not simply taken the Australian system and applied it unchanged. We need to ensure that the Immigration Rules fit the circumstances we have in our country. However, our system is based on the Australian system and is inspired by it. So we think it is accurate to describe it as “Australian style”.

**You have set the maintenance requirements too high, especially for migrants from poorer countries.**

The maintenance requirements for Tier 2 are very important. They are designed to ensure that migrants have enough money to support themselves before they start receiving an income in the UK. Otherwise, they could become destitute, as they will not be able to claim benefits. We have to require the same amount from migrants, regardless of where they come from, because it costs the same to live here regardless of your country of nationality.

However, we are introducing provisions that allow trusted sponsors to bring their workers into the country even if they do not have the money in their bank account to meet the maintenance requirement. To take advantage of this, the sponsor will have
to undertake that, should it become necessary, it will support the migrant up until the end of his first month of employment, to ensure that he does not become destitute.

The points system places an unnecessary bureaucratic burden on businesses

In many respects, the Points System will be simpler than the system it replaces. Under the old system, two applications had to be made before a worker could come to the UK: one for the Work Permit and one for actual permission to come here. Under the points system, there will be just one application in which all issues will be considered. That reduces bureaucracy.

More broadly, it is true that the points system places obligations on sponsors to, e.g., inform UKBA if a migrant does not turn up for his job, or if he goes missing. We believe this is fully justified because people employing migrant workers benefit most directly from immigration, and therefore have an obligation to work with us to ensure the system is not abused.
6. ILLEGAL WORKING

For any employer who breaks the rules and employs foreign nationals who have no right to work in the UK, the outcome is clear — huge fines are already being handed out by the UK Border Agency.

This year's much tougher enforcement campaign has already issued over 1,000 fines worth around £9.7 million.
7. BALANCED MIGRATION REPORT

Why don't Tier 1 applicants need a job offer?
The Highly Skilled tier is about boosting the UK’s economy by attracting and retaining the “brightest and best” as workers.

We will not ask applicants in the Highly Skilled tier to have sponsors, unlike in other points system tiers. This will make it easier for employers to take on such migrants, without having to issue certificates of sponsorship.

Can Tier 1 applicants carry out unskilled work?
To qualify for entry under Tier 1 General applicants will earn points for qualification, previous earnings age, English language and maintenance. To qualify for an extension of stay, the migrant will need to meet the same criteria as for initial entry.

What are you doing to ensure that Tier 1 applicants do not become unemployed and place a strain on public services by claiming benefits?
Applicants in the Highly Skilled tier have to meet the maintenance criteria on entry and show they can support themselves. Tier 1 migrants are not required to have a sponsor so it is important that we are sure that they are likely to succeed at a highly skilled level before they enter the UK. Our research showed that qualifications and earnings are the best indicators of highly skilled status and likelihood of success in the UK labour market.

Why don't you suspend Tier 1, given the current economic climate?
The Points Based System is about getting only the right people and no more. It is a more powerful set of controls than a cap and gives the Government the necessary controls to cover 3 in 5 of non-British migrants (inflow). The Government can raise or lower the bar depending on the needs of the labour market (as advised by the independent Migration Advisory Committee) and the country as a whole (taking account of the Migration Impacts Forum).

We have the flexibility to alter the threshold, taking expert independent advice on where our economy needs migration and impacts on public services and communities.

Why don't you suspend the shortage route, given the current economic climate?
The occupations on the shortage occupation list are recommended by the Migration Advisory Committee [MAC]. The MAC provides independent and evidence-based advice to Government on specific sectors and occupations in the labour market where shortages exist which can sensibly be filled by migration. The shortage occupation list contains occupations where there are labour market shortages which can be sensibly filled by migration.

Why don't you make the resident labour market test tougher, given the current economic climate?
"The Points Based System is about getting only the right people and no more. It is a more powerful set of controls than a cap and gives the Government the necessary controls to cover 3 in 5 of non-British migrants (inflow). The Government can raise or lower the bar depending on the needs of the labour market (as advised by the independent Migration Advisory Committee) and the country as a whole (taking..."
account of the Migration Impacts Forum). **We will use those levers if we consider it necessary.**

“The tough criteria of Tier 2 mean that employers must prove they cannot fill a post with a resident worker before they can bring in someone from outside Europe.

“It is unnecessary to have an RLMT for shortage occupations because for these jobs Government has already accepted evidence that there is a general shortage of resident workers able and willing to do these jobs.

“The ICT route is to enable multinational companies to bring people to the UK from their overseas workforce to work in that company. It is not about filling general vacancies in the labour market. But the Tier 2 rules relating to salary and qualifications, and the appropriate rate for the job, apply to ICTs, preventing this route being used to undercut the resident labour force.”

**Why don’t jobs on the shortage list jobs need to be offered to resident workers first?**
The shortage occupation list contains occupations where there are labour market shortages which can be sensibly filled by migration. For these occupations, migrants will receive sufficient points to proceed without reference to their prospective earnings or qualifications. Employers will not need to carry out a resident labour market test for occupations which are on the shortage occupation list. However the employer needs to be a licensed sponsor, the job needs to be skilled and at an appropriate salary, and the migrant will need to be able to speak English.

The tough new shortage occupation list reduces the number of jobs in these shortage areas open to migrants from one million to 800,000. The list also defines more tightly which positions cannot easily be filled by resident workers.

**How do we know when certain jobs have been filled and should be taken off the list?**
The MAC will review the list and advise Government every 6 months.

**The Balanced Migration committee refer to a risk identified by the MAC that take up of the shortage list jobs will be higher than predicted?**
The MAC has not predicted a level of take-up for shortage occupation jobs. They have simply identified occupations where employers are having difficulty filling shortages of skilled workers, and where it would be sensible for them to bring migrants to the UK to fill these shortages. In order to meet the MAC’s “sensible” criterion employers can be expected to show that they have tried other ways of filling these vacancies, including recruiting and training resident labour. Both the MAC and the Government will be looking to the relevant Sector Skills Councils to show that they have a strategy in place to fill the shortages other than through migration.

**How many people came in under the following routes last year?**
- Intra-company transfers
- Shortage occupation
- Students
- Tier 1 equivalent
- Tier 2 equivalent
- Dependants of the above

The information is not available in the format requested – see Table 2.2 & 2.3 of the Home Office Statistical Bulletin: Control of Immigration Statistics UK 2007.
Are dependants of PBS applicants allowed to work?
Yes

Are dependants of PBS applicants allowed to claim benefits?
No

Why don't dependants need to get a work permit if they want to work?
Under the conditions of their stay, dependents are able to work without obtaining permission in their own right, promoting self-sufficiency and preventing them from becoming a drain on public resources.

Do dependants need to speak English? If not, why not?
No. The purpose of Tier 2 is to identify those overseas workers that the UK will benefit from admitting. If we are satisfied that there is an economic benefit in permitting a vacancy to be filled by a particular overseas worker, it would make no sense to then put additional barriers in place that would discourage them from coming, such as enforcing an English language requirement on their families. Under our tough new approach to citizenship, we will require all migrants to speak English and obey the law if they want to gain citizenship and stay permanently in Britain, while speeding up the path to citizenship for those who contribute to the community.

The English language requirements for PBS applicants are too easy. Why don't you make them harder?
Applicants applying to enter or remain in the UK under tier 2 (general) or (sportsperson) will be required to speak English language to a basic user standard. This will include an ability to understand and use familiar everyday expressions, to introduce themselves and others and ask and answer questions about basic personal details. Furthermore, it is expected that skilled workers will rapidly develop language skills i.e. on the technical vocabulary in the workplace that they probably would not be tested on.