

Information Note: 30.01.2020

Migration Advisory Committee Report:

A Points-Based System and Salary Thresholds for Immigration

Overview

This is an information note on what the future post Brexit immigration policy is likely to be for Tier 1 and Tier 2 routes.

After the UK leaves the EU, freedom of movement is expected to end. After the implementation period has ended on 31st December 2020 the UK will no longer be subject to EU rules meaning that a new immigration system will have to be put in place for both EEA and non-EEA citizens.

The Government has not set out in detail its future plans for immigration however, have made clear their intentions for a system that will favour skilled workers, experience and talent. This new immigration system will be phased in from 2021. The current guidance still remains until the introduction of this new immigration system.

The Migration Advisory Committee (MAC) is an independent public body that advises the Government on migration issues. In June 2019, the Home Secretary asked the MAC to review and advise on salary thresholds and how a points-based system would work in practice. The Government is currently considering the MAC report's recommendations and will be setting out further details on the UK's future immigration system in due course.²

The Temporary Worker – Creative and Sporting visa (Tier 5) was not in scope of this report. The Government has not announced its intentions relating to the Temporary Worker visa.

Tier 2 Recommendations

The MAC advise that the Tier 2 (General) route should:

- Continue as is with the requirement of a job offer and without points.
- Apply to both EEA and non-EEA citizens.
- Be expanded to medium-skilled jobs with a cap.
- Abolish the Resident Labour Market Test in favour of a new, simplified process.

<u>Tier 1 (Exceptional Talent) Recommendations</u>

In their report, the MAC argue that the Tier 1 (Exceptional Talent) route is not working well as the bar is set too high; it should be focused on exceptional promise, rather than talent. The new, reformed Tier 1 route should:

 $^{^{1}\,\}underline{\text{https://www.gov.uk/government/news/home-secretary-asks-independent-migration-experts-to-advise-on-future-salary-thresholds}$

² https://www.gov.uk/guidance/new-immigration-system-what-you-need-to-know



- Include an expression of interest system where people can register their interest. There will then be a monthly draw from this pool of people, who will then be able to submit a full application. However, there should be a cap.
- Base selection on who has the highest points, and there should be a minimum number of points.
- Award points to characteristics that the Government wants to attract who may not be suitable to apply for other visa routes. Possible characteristics could be:
 - o Qualifications with a rigorous process to access the quality of qualifications
 - Age
 - Studying in the UK
 - o Priority areas such as STEM and creative skills
- Include language skills as an essential requirement.
- Continue to accept people who qualify under the current Tier 1 route.

Salary Thresholds Recommendations

Currently under the Tier 2 visa route there is a minimum salary threshold of £30,000. The MAC make a number of recommendations in relation to salary thresholds:

- They should be revised annually.
- The threshold should be lower for new entrants to the labour market. The definition of new entrant should also be widened to better reflect labour market experiences.
- The new entrant route should apply for five years, rather than three.
- Occupations on the Shortage Occupation List should not have lower salary threshold. More generally, there should be a review on whether the Shortage Occupation List is needed after the new immigration system has been fully introduced.
- The occupation specific threshold for experienced workers should be maintained at the 25th percentile of the full-time annual earnings distribution.
- The general threshold should be set at the 25th percentile of the full-time annual earnings distribution for all Tier 2 (General) eligible occupations. This new threshold should change from £30,000 to around £25,600.
- There should be no regional variation in salary thresholds.
- The Government should put in place more adequate monitoring of how migrants are faring
 in the UK labour market after entry and review the impacts of the recommendations on
 levels of salary thresholds.

Next Steps

The Government are yet to set out any plans for the UK's future immigration system. Pact is monitoring the situation and will consult with members when there is an opportunity.



Annex A

Post-Brexit Immigration

Visiting Europe

The Government has updated their guidance on travelling to Europe after the end of the implementation period (1st January 2021).

For all types of travel, you should ensure that your passport has at least 6 months left and be less than 10 years old. Travel to Ireland will not change and you will also be able to work in Ireland in the same way as before.³

Each European country has its own entry requirements and may require certain documents on entry. The Government have provided a guide for each European country, which includes information on travelling for business. These can be found on the Government's website here.

New Global Talent Visa

The Government have recently introduced a new Global Talent category, which will replace the Tier 1 (Exceptional Talent) route, for talented and promising individuals in the fields of science, digital technology, and arts and culture (including film and TV) wishing to work in the UK. This reform will also remove the cap and add in UK Research and Innovation as an organisation who can assess applications.

There are no changes being made to the criteria themselves or how to apply for a Tier 1 (Exceptional Talent) visa. These changes are being made in order to simplify the existing immigration rules and make them more accessible.

People from the film and TV industry applying for a visa through this route should continue as normal. These changes will not impact those from the film and TV industry wishing to apply for a Tier 1 (Exceptional Talent) visa.

A full explanation on the new Global Talent category, and the changes being made can be found here.

³ https://www.gov.uk/visit-europe-1-january-2021

pact.