



Professor Brian Bell
Migration Advisory Committee
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24 August 2022

Dear Brian,

I am writing to commission the MAC to carry out another review of the Shortage Occupation List (SOL).

In framing this commission, we have considered the current nature of the SOL and the benefits it confers. These have changed significantly with the introduction of the new Points-Based System, removal of the Resident Labour Market Test and suspension of the cap. The main benefits of the SOL are now a 20% reduction in both the general salary threshold for sponsoring a Skilled Worker (from £25,600 to £20,480) and in the going rate for the occupation.

We have noted the MAC's observations, in both its annual report and its September 2020 SOL review, that the argument for adding roles to the SOL is less strong where it could mean migrant workers being recruited below the going rate. We are concerned this could put downwards pressure on pay and cause shortages the policy is meant to address actually becoming entrenched.

The MAC's last SOL report, in September 2020, recommended several additions to the SOL at RQF3-5. We did not accept these recommendations then, other than those relating to the Health and Care Sectors, as we felt the time was not right to make such widescale changes while the Skilled Worker visa route was still bedding in and the state of the labour market emerging from Covid-19 restrictions was highly uncertain. Since then, the labour market picture has become clearer. We now consider the time is right to review shortages at these levels against the latest available evidence.

Going further, in February this year, we added care workers to the SOL on the MAC's recommendation. The Government agreed with this recommendation to help ensure short term sustainability as the social care builds back from the pandemic. This is the only occupation classified below RQF3 which is currently eligible for the Skilled Worker route. However, the Government continues to receive representations, from a wide variety of industries, for provision in the visa system for other jobs below RQF3. Some of these have resulted in ad hoc, temporary provisions, such as those for HGV drivers and workers

in food supply chains introduced last autumn, several of which did not see a significant number of applicants.

We agree entirely with the MAC's suggestion in its annual report that a more formalised approach to such requests is sensible. The SOL could form the basis of such an approach, ensuring any future provisions were based on consideration of the evidence by the MAC, rather than which sector voices shout the loudest.

I recognise the MAC may follow the precedent of its Annual Report in which it advised Care Workers be added to the SOL so they would become eligible for the Skilled Worker Visa. I recognise you may do this again in your report as a result of this commission. Yet I would make clear the Government is not minded to review the RQF3 threshold more widely or see it effectively undermined via additions to the SOL. Therefore, our agreement to any such recommendations is unlikely bar truly exceptional circumstances, as was seen with the Care Sector due to the pandemic.

The Government recalls the MAC's recommendation for the inclusion of care workers in the route not to expire automatically after 12 months, and recognises the challenges faced by the care sector in terms of increased demand for adult social services, increasing vacancies and issues with staff retention. The MAC has said it will make a further recommendation about the position of care workers on the SOL as part of this commission, which the Government will consider when the MAC reports. We do not intend to make any changes to the provisions for care workers before this point (with the Immigration Rules themselves having no such expiration date in them), however the Government reserves the right to review the position in response to any emerging issues.

Part of the MAC's consideration of whether it is sensible to add a job to the SOL has always been what alternatives there are to migrant labour, and what measures sectors are taking to reduce reliance on migration in future. A recruitment and skills strategy cannot simply be lobbying the Government to be added to, or remain on, the SOL, rather than proactively seizing the opportunities available through the resident labour market or addressing long term issues in a sector such as lack of career progression or training opportunities for domestic workers.

The services provided by the Department for Work and Pensions (DWP) via local jobcentres should always be the first port of call for employers struggling to recruit, rather than the Home Office. Businesses can also use the Government's online Find a Job service to connect with employers. DWP's National Employer and Partnership Team encourages employers to streamline recruitment processes to attract jobseekers, including offering guaranteed job interviews, which can help them create a more diverse workforce.

In addition, the Prime Minister has appointed Sector Delivery Leads in Government Departments who work closely with critical sectors experiencing labour shortages: Construction, Manufacturing, Digital & Tech, Haulage & Logistics, and Health & Social Care. Sectors should also work with their lead Departments to tackle barriers to domestic recruitment and develop realistic strategies for ending their reliance on migration via the SOL.

No occupation should be on the SOL forever if migration is part of a successful plan to address shortage of a particular role in the UK Labour Market. Sectors must therefore present a realistic, time-bound strategy for ending their reliance on migration before such

jobs can be added to the SOL to begin with. In a similar vein, occupations on the SOL must produce credible evidence to remain on the SOL when it comes to be reviewed in the future.

On the basis of the above, I am therefore asking the MAC to consider:

1. Should the salary requirement for jobs on the SOL, in future, be whichever is higher of the going rate (rather than 20% less than the going rate) or £20,480, subject to an absolute minimum of £10.10 per hour?
2. Which jobs on the current SOL should continue to be included, and which should be removed?
3. Which jobs, if any, based on evidence provided by stakeholders, should be added to the SOL, at:
 - a. RQF 6 or above?
 - b. RQF 3-5?

The MAC's conclusion to 1) should inform its recommendations to 2) and 3). The MAC may choose to exclude occupations from its call for evidence if it concludes there would be negligible benefit to including those occupations on the SOL.

On a technical point, the Skilled Worker route currently uses the SOC 2010 classification system for occupations. We believe sufficient data may shortly be available to move to the newer SOC 2020 system. Indeed, the MAC has previously recommended the 2022 SOL review should use SOC 2020. I am therefore asking the MAC to base its recommendations on SOC 2020 occupations if possible. My officials will work with the MAC Secretariat to identify lists of occupation codes at each RQF level under the new system. These lists should be published alongside the MAC's call for evidence.

I recognise this is a broad-ranging commission. I therefore propose the MAC should only consider additions to the SOL where stakeholders provide evidence. I also welcome any updated thoughts from the MAC regarding the scope and timing of a regular schedule of future SOL reviews as part of its report.

I would be grateful if the MAC could report by the end of March 2023. The Government will then consider the MAC's recommendations, with a view to implementing any changes in Autumn 2023.

With my very best wishes.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Foster', with a flourish at the end.

Kevin Foster MP
Minister for Safe and Legal Migration