

Review of the Shortage Occupation List

October 2023



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Foreword

The MAC has completed a major review of the Shortage Occupation List (SOL). The most substantive change compared to previous reviews is that this review has been conducted on the basis of our recommendation that no employer should be able to pay below the "going rate" regardless of whether there is shortage. The going rate is the full-time annual salary for each occupation that we estimate only the lowest quarter of workers are paid less than. The going rate helps to protect resident workers from undercutting and reduces the exploitation of migrants. Previously, being on the SOL allowed employers to pay 80% of the going rate. As a result of removing this discount, most occupations currently on the SOL are ineligible going forward. This does not mean that they may not be facing shortage – just that the Skilled Worker (SW) route is already providing the appropriate immigration response. Our focus has been on those occupations where the going rate is below the binding general salary threshold of £26,200, and so being able to pay below this threshold is a clear benefit. Many of the occupations we have reviewed have a going rate of around £20,000 to £22,000. If they were not on the SOL they would not realistically be able to recruit internationally because they would need to pay the general threshold of £26,200.

There are, however, risks to allowing these low-wage occupations more liberal access. First, and in our view most important, low-wage employment is where the most serious exploitation of workers occurs. We know that the risk of exploitation is particularly significant for migrants. Migrant workers on the SW route are reliant on being employed by a sponsoring firm to remain in the UK and that makes them vulnerable to unscrupulous employers who may use that vulnerability to make them work in conditions that no decent society should accept. Using the SOL to make it easier to recruit low-wage workers increases the risk of this exploitation. We must not shy away from this — it is an inevitable consequence of such a decision. Second, low-wage migrants are more likely to lead to a net fiscal cost for the UK, particularly where the visa route allows dependents — such as the SW route. These costs are generally ignored by those stakeholders arguing for inclusion on the SOL, but they cannot be ignored by those responsible to the taxpayer. Third, the route simply does not work for most low-wage employers. The administrative burdens are high, and the associated fees mean that the total cost of hiring a migrant through the SW route are well above the thresholds. For many it will simply be uneconomic to use the route.

These concerns mean that we are not convinced that the SOL provides a sensible immigration solution to shortage issues in low-wage sectors, and so our preference is for the Government to abolish it. Instead, we suggest that in future the MAC could be commissioned to examine individual occupations or sectors where labour market issues seem particularly acute, possibly in collaboration with other bodies. We could report on these broad labour market issues and focus in particular on the extent to which immigration policy may, or may not, be helpful. Such recommendations could include preferential access to the SW route as the SOL currently allows, or suggestions for alternative immigration routes. Importantly it would also focus on changes to wages, terms and conditions, training and education and investment in technology that are likely to be a more sustainable response to the problems. If, however, the Government wishes to continue with the operation of the SOL as it is, we will conduct a minor review in Spring 2024.

Our review has recommended that 8 occupations be added to the SOL, and that a further 2 occupations be added to the Scotland-only SOL. Although we also considered RQF 1-2 occupations that are currently ineligible for the SW route because of the skill threshold, we concluded that none had provided sufficiently strong evidence on the steps they are taking to improve domestic recruitment. The Government were clear to us that the inclusion of such occupations should be exceptional, and this is reflected in our recommendations.

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Glossary of Terms and Abbreviations

APS: The Annual Population Survey is a continuous household survey, covering the UK, with the aim of providing estimates between censuses of main social and labour market variables at a local area level.

ASHE: Annual Survey of Hours and Earnings is a comprehensive survey on the structure and distribution of earnings in the UK.

BoE: Bank of England.

CfE: Call for Evidence used to submit evidence to the MAC.

CoS: Certificate(s) of Sponsorship.

COVID-19: COVID-19 was a pandemic beginning in 2019 with lockdowns and measures taking place in the UK between March 2020 and December 2021.

CW Visa: The Creative Worker visa immigration route.

Devolved Administration and Devolved Nation: The Devolved Nations are Northern Ireland, Scotland and Wales. The Devolved Administrations are the respective Governments of each nation.

Department for the Economy: The main government department in the Northern Ireland Executive with responsibility for economic and financial policy.

DfE: Department for Education.

DHSC: Department of Health and Social Care.

DLME: The Director of Labour Market Enforcement.

EEA: Throughout this report we use the term 'EEA' migrants to include European Union (EU) countries plus Iceland, Liechtenstein, and Norway. We also include Switzerland as part of our definition, but exclude migrants from the Republic of Ireland, as it remains part of the Common Travel Area now the UK has left the EU.

EIA: Equality Impact Assessment.

EU: The European Union (EU) is an economic and political union of 27 countries. It operates an internal (or single) market which allows free movement of goods, capital, services and people between member states.

FE: Further Education.

FoM: Freedom of Movement.

GDP: Gross Domestic Product measures the total value of all the goods made, and services provided, during a specific period in a country. It is used to show if and how much the economy is growing.

Going rate: The salary of the 25th percentile in the income distribution of an occupation. For example, if 100 people worked in an occupation, and you ordered them from the lowest to highest salary, it would be the salary of the 25th person.

H&CW visa: The Health and Care Worker visa route in the UK's immigration system.

HESA: Higher Education Statistics Agency.

HGV and LGV: Heavy Goods Vehicle and Large Goods Vehicle, respectively.

HMPS: His Majesty's Prison Service.

HO: Home Office.

IDBR: The Inter-Departmental Business Register is a list of UK businesses.

LFS: The Labour Force Survey is a study of the employment circumstances of the UK population. It is the largest household study in the UK and provides the official measures of employment and unemployment.

MAC: The Migration Advisory Committee is an advisory non-departmental public body (NDPB) tasked with providing independent evidence-based advice to Government. Its purpose is to deliver high-quality evidence-based reports and policy advice on behalf of the MAC in accordance with the workplan set by the Government, and to help ensure that Government policy and strategy in relation to migration and employment is based on the best possible evidence and analysis.

N.e.c.: Not elsewhere classified (a term denoting a broad SOC Code which includes job titles that do not readily fit into any other SOC Codes).

NHS: The National Health Service is the publicly funded health care system of the UK.

NLW: National Living Wage.

NMW: National Minimum Wage.

OECD: The Organisation for Economic Co-operation and Development is an international organisation of 38 countries, mostly in North America and Europe. It defines itself as a forum of countries committed to democracy and the market economy.

ONS: The Office for National Statistics is the executive office of the UK Statistics Authority, a non-ministerial department which reports directly to Parliament. It produces official statistics on immigration, emigration, and net migration, amongst other areas.

Percentile: A position within a distribution. For example, the value of the 50th percentile would be the value in a distribution where half of all values are below, and half of all values are above. The value of the 25th percentile would be the value where 75% of values in the distribution are above and 25% are below.

RLMT: The Resident Labour Market Test was abolished in 2021. It required a UK employer to advertise a job domestically for 28 days before it could be offered to a foreign worker, unless on the shortage occupation list.

RQF: Regulated Qualifications Framework (England) by which the skill level of an occupation is categorised in the immigration system.

SOC: Standard Occupation Classification.

SOL: The Shortage Occupation List is a feature of the Skilled Worker route. It lists occupations where employers face a shortage of suitable labour and where it is deemed sensible to fill those shortages with migrant workers.

SPL: Australia's Skills Priority List.

SQA: The Scottish Qualification Authority.

SW route: The Skilled Worker route replaced the previous Tier 2 (General) work visa as the primary immigration route for working in the UK.

SWV: Seasonal Worker visa.

Tier 2 (General) work visa: Previously the primary immigration route for working in the UK; replaced by the SW route.

UKFT: The United Kingdom Fashion & Textile Association.

WSET: Wine and Spirit Education Trust.

YMS: Youth Mobility Scheme.

Chapter 1: Introduction

Details of our commission

The Migration Advisory Committee (MAC) has completed the 2023 review of the Shortage Occupation List (SOL). This is the first major review of the SOL under a new cycle of major and minor reviews and the first since 2020. We initially received the <u>commissioning letter</u> from the Government for this review in August 2022. However, we were asked to pause our review until the Government's policy position on migration, and specifically the Skilled Worker (SW) route, became clear.

In March 2023, the Government asked us to recommence our review. At this point we launched a 12-week Call for Evidence (CfE) for stakeholders to provide us with information on occupations they believed to be in shortage and for which immigration would be a sensible solution.

As part of a more formalised process to review the SOL, we revised the CfE questionnaire in consultation with a diverse range of stakeholders. We set this out in our <u>shortage methodology review</u>, published in February 2023. At the same time, we also updated our shortage indicators and published a <u>charts dashboard</u> to aid stakeholders in providing us with evidence to support our recommendations. This dashboard was designed to give stakeholders access to key economic indicators relating to their occupations, and our CfE prompted them to share whether they agreed or disagreed with the trends indicated by the charts in the dashboard.

Along with our CfE, we conducted extensive engagement with stakeholders across the economy and in all the constituent nations of the UK. These engagements primarily involved sectoral or regional roundtable events, but also included site visits and follow-up meetings. Our CfE closed at the end of May, through which we received responses for 145 eligible occupations. You can see a breakdown of who responded to our CfE in Annex C.

Defining our scope

In a major review such as this, we start with the assumption that no occupation remains on any SOL and the Committee recommends to the Government which occupations should be included to 1 or more of the 4 lists – the UK-wide SOL and 3 Devolved Nations SOLs.

However, we are making an exception to this approach for 2 occupations. Given the recent nature of our recommendation to include care workers on the SOL and the continued failure of the Government to respond to our 2022 Social Care report, we decided not to ask the social care sector to resubmit evidence to this review for their continued inclusion on the SOL. Care workers and Senior care workers are therefore recommended to remain on the UK-wide SOL. We have taken this decision while continuing to monitor the increasing use of the SW route by Care workers and Senior care workers, particularly since Care workers were made eligible for the Health and Care Worker (H&CW) visa and placed on the SOL in February 2022. For

example, in the year to June 2023 Care workers accounted for 41% of all visas granted on the SW route whilst Senior care workers accounted for 9% over the same period. We will provide comment on the use of immigration system by these occupations, and the health and social care sector more generally, in our upcoming 2023 Annual Report.

Our commissioning letter provides guidance on 3 notable changes to the scope of this review. Each change is outlined below.

(1) Going rate discount removal & exclusion of pay scale occupations

We were asked to consider excluding occupations where there was a "negligible benefit" of being on the SOL. The Committee recommends removing the existing "going rate" discount benefit from the SOL and we conducted our review on this basis in accordance with the guidance from Government. At present, employers can pay a discounted going rate (80% of the full rate) or the SOL general threshold of £20,960, whichever is higher, when recruiting for an occupation on the SOL. We have consistently made the case to Government to remove the going rate discount. The going rate is designed to prevent undercutting of resident workers and to prevent exploitation of migrants. There is no good reason why such protections should be waived when an occupation is experiencing shortage.

Given the main benefit of inclusion on the SOL is a reduced salary threshold for employers to meet when using the SW route, we have taken the decision to recommend that all occupations on a national pay scale, and occupations where the going rate is above the general threshold for the SW route, are made ineligible for the SOL as they would only receive a "negligible benefit". This was discussed in stakeholder engagement and was highlighted in our 2021 Annual Report.

This change means that occupations on national pay scales and those with higher salaries, that may have been on previous SOLs, are now ineligible for the SOL. This recommendation does not mean that we believe these occupations are not in shortage or that we do not recognise the public value of many of these occupations. Rather, inclusion on the SOL would not help these occupations use the immigration system any more effectively to address shortages.

We advised stakeholders to refrain from providing us with evidence relating to these occupations, unless there was robust evidence which demonstrated the negative impact this recommendation would have on the ability to use the immigration system. We received several responses – predominantly from UK Government departments – objecting to this change and making several arguments in opposition. The main arguments we received were:

- 1. The SOL is a marketing tool through which to attract potential workers from overseas;
- 2. The going rate for an occupation (which becomes the minimum salary a worker can be recruited on) is not universal across job titles within an occupation or across different nations and regions of the UK;
- 3. The visa fee reduction received on the SOL is more than a "negligible benefit".

While we are grateful to stakeholders for outlining their objections, we did not receive any evidence of tangible benefits that the SOL provides as a marketing tool, nor did we receive evidence that the visa fee reduction of approximately £50 per year provided by the SOL is a major benefit. Finally, whilst we acknowledge the variation of pay for job titles within Standard Occupational Classification (SOC) Codes and across regions, the going rate for an occupation is set at the 25th percentile of full-time annual wages for each occupation to ensure that it at least partly takes sectoral, job and regional differences into account. We made it clear during stakeholder engagement that this argument could be used as part of the sensible consideration for the inclusion of an occupation on a Devolved Nation-specific SOL if there was clear evidence of a substantial difference in going rates for a particular occupation across the nations of the UK.

We provide more detail on the rationale for our recommendation and the arguments in Chapter 3 of this report, as well as an overview of the arguments we received objecting to this change. Should the benefits of the SOL be amended by the Government at any future date, then our recommendation to remove these occupations' eligibility for the SOL would need to be revisited.

(2) Eligible occupations for which we do not receive evidence will not be reviewed

Given the scale of the work required to conduct a major review of the SOL, the Government advised that we should only consider occupations for addition to the SOL where we received evidence from stakeholders. Therefore, where we did not receive stakeholder evidence for an occupation it was not considered. Furthermore, where we only received evidence for an occupation which focused on a particular Devolved Nation, e.g. evidence from a Wales-based stakeholder which focused specifically on issues in Wales, we only considered this occupation for inclusion on that particular Devolved Nation SOL. As there is no England-only SOL, any England-specific evidence was considered in relation to the UK-wide SOL.

(3) RQF 1-2 occupations

The Government stated that we should consider RQF 1-2 occupations for addition to the SOL. This widening of scope follows from our December 2021 recommendation that care workers (an RQF 1-2 occupation) should be added to the SW route and the SOL. This was the first occasion that an occupation at this RQF level was allowed to use the SW route. However, the commissioning letter also made clear that any recommendations to add RQF 1-2 occupations to the SW route or the SOL should be exceptional and rare.

We intend not to consider RQF 1-2 occupations as part of minor SOL reviews. The Government should notify us if they would like us to take an alternative approach.

Reviewing the SOL in the current economic climate

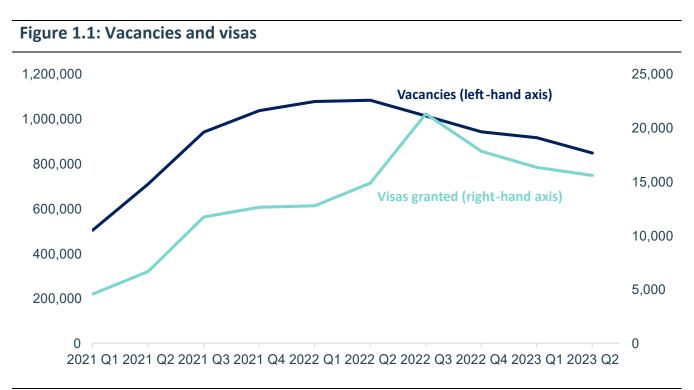
Chapter 2 outlines the economic context of this review. It highlights that we have been asked to review the SOL in a post-pandemic economic climate which poses many challenges to our stakeholders.

Over the last 2 years, demand for labour has grown rapidly as the economy recovers from the COVID-19 pandemic whilst unemployment remains low. Vacancies increased to record highs of 1.3 million between March and May 2022, with the ratio of unemployed people per vacancy falling to below 1 from June to August 2022 for the first time on record.

Although some slack has returned to the labour market in 2023, there remain widespread labour shortages across the economy. We recognise that many stakeholders who have taken the time to respond to our CfE are experiencing shortage in their sectors or regions. We also recognise that, in the light of these shortages, our recommendations that only a small number of occupations be placed on the SOL may appear counterintuitive. However, there are several factors underpinning our recommendations.

a. Wider access to overseas labour

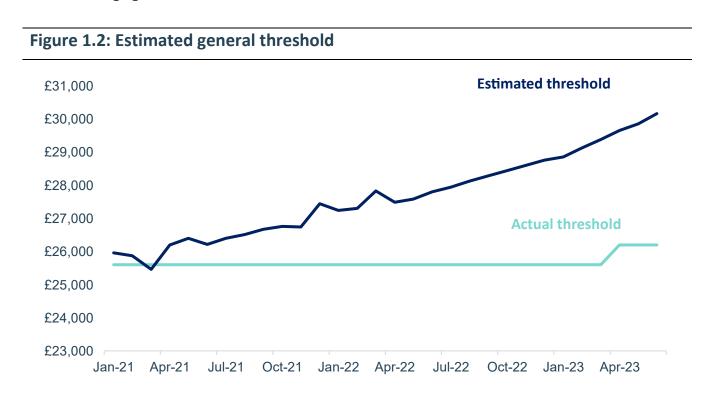
Under the SW route, access to skilled overseas labour has widened. Following the recommendations of the MAC in its <u>2020 Points-Based System report</u>, the Resident Labour Market Test (RLMT) was removed from the SW route, and the cap on work visas was suspended. Many employers now have unlimited access to overseas labour in RQF 3+ occupations as long as they pay the general threshold (currently £26,200) for the SW route or the going rate for their occupation – whichever is higher. Figure 1.1 shows that the SW route is proving responsive to private-sector demand, with visas tracking the vacancies trend.



Source: Office for National Statistics (ONS) vacancy survey Q1 2021 - Q2 2023. Home Office Immigration statistics Q1 2021- Q2 2023, entry clearance visas granted.

Note: Vacancies and visa data excludes the human health and social work activities sector.

Both the general threshold and the occupation-specific going rates are currently calculated using April 2021 figures from the Annual Survey of Hours and Earnings (ASHE). With the recent substantial growth in nominal wages not factored into the current general threshold and going rates, paying the binding threshold should have become easier for employers. Figure 1.2 shows an estimate of the general threshold that employers would have been expected to meet if it were updated continuously in line with nominal earnings growth. We have consistently recommended that the Home Office should update figures every year to keep track with the labour market and avoid large one-off fluctuations. When thresholds are updated using ASHE 2023 figures, we would expect a very substantial rise in the general threshold and the occupation-specific going rates, in line with observed wage growth.



Source: ONS: Average Weekly Earnings Whole Economy Index: Seasonally Adjusted Total Pay Excluding Arrears January 2021 – June 2023. Note: Estimated general threshold estimated using economy wide wage growth with the threshold of £26,200 at April 2021 being the base from January 2021 to June 2023.

Many employers have provided responses to our CfE which indicate that they are unaware they can already use the SW route as long as they meet the binding salary threshold. We have written to these employers as a courtesy to make them aware of the opportunity to use the SW route based on average salaries in their occupations. There is no justification for being placed on the SOL when wages are already above the general threshold.

It is not well appreciated that the number of foreign workers employed in the UK is currently the highest it has ever been, in spite of the pandemic and the UK's exit from the EU. In March 2016 prior to the EU referendum vote, 4.02 million payrolled employees were foreign nationals (13.8% of the total). In December 2019 prior to the Pandemic, 4.75 million were foreign nationals (15.5%). In the most recent month available (December

2022), 5.44 million were foreign nationals (17.1%). Figure 1.3 shows these changes in the share of employment for both EU and non-EU.



Figure 1.3: Nationality of payrolled employments in the UK

Source: His Majesty's Revenue and Customs (HMRC) payrolled employments in the UK by region, industry and nationality, March 2016, December 2019 and December 2022.

The increase in foreign workers employed in the UK is largely driven by an increase in the flow of non-EU migrants in recent years. As pointed out in the MAC's 2022 Annual Report, this is due to 3 factors: the introduction of visa routes for Ukrainian refugees and Hong Kong British Nationals (Overseas) status holders; an increase in international student numbers and their dependants who join the UK labour market; and an increase in the use of the SW route, particularly by the health and social care sector. We estimate that approximately 800,000 individuals were granted a visa with some work rights in the year to June 2023 who are not already assigned to a specific job role and therefore represent a potential labour supply for occupations in shortage. Not all these individuals will enter the labour market and in some cases their stay in the UK may not be permanent. However, this is still a considerable source of non-UK workers from outside of the SW route.

b. The SW route and the SOL are not suited for many sectors/occupations

The SW route is designed for relatively high-paying, full-time, permanent work. Due to these characteristics and to the administrative burden and costs of using the system, it is also easier to utilise for medium- and large-sized employers. It was not designed as a route to meet the needs of every employer across the UK and some employers would benefit instead from the use of other routes. For example, the Youth Mobility Scheme (YMS) generally allows young people from eligible countries to work in the UK for up to 2 years and these schemes require no formal sponsorship from employers nor have restrictions on the type of work that can be

performed. We have long argued that expanding the YMS to more countries, in particular those located close to the UK with which we already have close links, would be beneficial to sectors with a more fluid labour market such as hospitality. Such schemes also have the advantage of not linking the visa to the employer and so reduce the risks of exploitation which tend to be more prevalent in low-wage employment.

Several stakeholders used our SOL CfE to make calls for the revision or creation of certain tailored routes within the immigration system. Where such routes interact with the SOL, we have provided comment and recommendations in Chapter 3. Where they do not interact with the SOL (and are therefore outside the scope of this review), we advise stakeholders to raise these matters directly with the Home Office. We will also continue to engage with the Home Office on alternative routes to work migration.

Finally, the SOL – despite its name – is not a list of all occupations currently in shortage in the UK. To be included on the SOL, an occupation must be in shortage, but immigration must also be a sensible way of addressing that shortage, and occupations should only be added to the SOL if it allows employers easier access to the immigration system. Placing some occupations on the SOL would make little difference to an employer's ability to use the immigration system to recruit overseas labour, while adding other occupations may increase the risk of labour market exploitation in sectors which are already deemed to have a higher-than-average risk. Given that the only substantive benefit from being on the SOL, if the Government accepts the recommendations in this report, is a salary threshold reduction for eligible occupations, we suggest that the Government changes the name of the SOL to the Immigration Salary Discount List (ISDL) to correctly reflect its function in the immigration system.

c. The diminishing benefits of the SOL

The SOL has always served a relatively minor function in immigration policy, complementing the main work visa route. It has never served to support other Government policies, and this remains the case. Inclusion on the SOL had previously allowed employers to waive the RLMT and recruitment for SOL occupations was not subject to the work visa cap. With the removal of the RLMT and the cap on work visas being suspended, the benefits of the SOL have become more limited. Today, the key benefit to an occupation being on the list, as opposed to using the standard SW route, is the reduced salary threshold. Additionally, visa fees for those working in a SOL job are slightly reduced.

With the proposed removal of the going rate discount, the only benefit that the majority of RQF 3+ occupations would receive from being on the SOL is a £50 per year visa fee reduction. Therefore, the Committee has focused recommendations on where the SOL can make a material difference, i.e. the eligible RQF 3+ occupations where the going rate is below the general threshold for the SW route.

Given the diminishing benefits of the SOL, the group of occupations for which the SOL can make a material difference to accessing overseas labour is smaller than previous SOL reviews. This is reflected in the number of occupations we have recommended adding to the SOL. The SOL only benefits employers whose going rates are comfortably below the general threshold for the SW route, allowing those employers to fill low-wage jobs

with overseas labour where otherwise they could not meet the general threshold. This raises an important question which we recommend the Government addresses ahead of any further SOL reviews:

Does the Government wish to expand the SW route to include low-wage RQF 3+ jobs?

Allowing access to the immigration system to fill low-wage jobs will become the de facto function of the SOL. The general threshold is set at the 25th percentile of annual earnings for all RQF 3+ occupations and helps to protect against the risk that migration lowers average wages in the economy. Low-wage employment is where the most serious exploitation of workers occurs. We know that the risk of exploitation is particularly significant for migrants. Using the SOL to make it easier to recruit low-wage workers increases the risk of this exploitation. In addition, low-wage migrants are less likely to make a positive net fiscal contribution and so some burden will likely fall on the taxpayer. It is important to remember that the costs and benefits of the SW route are not just about firms and workers. If the Government opposes allowing low-wage employers to pay below the general threshold for the SW route, then we recommend it should either abolish the SOL or heavily reform it to address this issue.

As an alternative to the way the SOL currently works, the Government could commission the MAC to conduct standalone reviews of the role of immigration in particular sectors (e.g. manufacturing or hospitality and tourism). We would consider the broad labour market issues and how migration is used to meet demand for labour in the sector, while also considering whether the sector might benefit from tailored eligibility criteria for accessing parts of the immigration system. Such an approach may also prove a more efficient use of resource for the Committee and for our many stakeholders, all of whom commit a great deal of time to reviews of the SOL despite its diminished benefits.

If the Government wishes to retain a SOL, it would be more appropriate for shortage to be assessed on a cross-departmental basis with a wider skills and training lens, from which we would then consider a subset of occupations where it is sensible to fill shortages through migration. We envisage this as being similar to the methodology used to determine shortage as part of reviewing Australia's Skills Priority List (SPL).

The impact of the SOL upon other routes

We recognise that the SOL and its rules impact upon several other routes within the immigration system. A more detailed summary of these impacts and our related recommendations is provided in <u>Chapter 3</u>, but we wish to highlight 2 recommendations to the Government in the introduction.

Creative worker visa

The SOL allows employers using the Creative Worker (CW) visa to waive the test which seeks to ensure they "will not be displacing a suitable settled worker". This test echoes the intentions of the RLMT that was abolished with the introduction of the current immigration system. The MAC has previously made clear its scepticism that the RLMT was effective in protecting the resident labour force.

We therefore recommend that the sponsorship rules for the CW visa route be updated, with the reference to the SOL being removed, and to allow employers to sponsor any occupation that is currently eligible for the SW route without having to perform a labour market test.

Asylum

Asylum seekers can request the right to work if their asylum application has been pending for at least 12 months. If the right to work is granted, asylum seekers can only work in occupations on the SOL.

We question the value of restricting work to roles on the SOL. This was never the purpose of the SOL which is not suited to determining which jobs asylum seekers should work in. We therefore recommend that, if granted the right to work, asylum seekers should be able to work in any job. If the Government does not see fit to accept this recommendation, then we recommend that asylum seekers with the right to work should be permitted to work in any job eligible for the SW route.

Our approach to the Devolved Nations SOLs

Our starting point for this review has been to consider each eligible occupation for inclusion on all 4 SOLs – the UK-wide SOL and each of the 3 Devolved Nations-only SOLs – where the evidence allows. However, in line with guidance from the Government, we have only considered an occupation for inclusion on a Devolved Nation SOL where we have received evidence from stakeholders pertaining to that constituent nation.

Challenges with data and sample sizes are always present when conducting geographic analysis. The SW route and the SOL are based on occupations using 4-digit SOC Codes. There is often very limited data available at this 4-digit level broken down by geography due to small sample sizes, and/or there can be large variability in the data over time driven by sampling rather than real changes in circumstances. Although we regularly review how we conduct our geographic analysis and consider how we can improve such data, we remain particularly reliant on stakeholder evidence to make recommendations for the Devolved Nations SOLs. To support and encourage stakeholders, we conducted extensive engagement across Northern Ireland, Scotland, and Wales for this review and we are grateful to stakeholders who took the time to attend our roundtables and provide us with evidence.

We acknowledge the arguments made by the Devolved Administrations and other devolved stakeholders which make distinctions between the broad economic and demographic trends of the UK and those trends in Northern Ireland, Scotland, and Wales. In making our recommendations, we have built upon the arguments presented our 2022 Annual Report's geographic analysis of the immigration system, of the demographic trends across the UK, and the potential role of migration to address issues such as rural depopulation. In addition, we recognise that some sectors and occupations hold greater strategic economic importance to certain areas of the UK compared to others. We have taken account of strategic value when forming our recommendations.

Finally, while the MAC has opposed some suggestions for the regionalisation of the UK-wide immigration system, for instance regional salary thresholds, we have also consistently highlighted the distinct demographic and labour market challenges faced in rural areas across the UK and we take these challenges into account wherever possible within the existing framework of the SW route and the boundaries of this SOL review.

SOC2020 data problems

In July 2022, <u>the Office for National Statistics (ONS) identified an issue</u> with the occupational data for several of its surveys, including the Annual Population Survey (APS) and the Labour Force Survey (LFS) – both of which we extensively use.

The issue meant that much of the occupation data which uses the new SOC2020 occupational code standard was unreliable and unusable at the time we started our review. The ONS have now rectified these errors. However, the nature of SOL reviews mean that we must be consistent in our approach and assesses data over a time series. SOC2010 was therefore used for this review, ensuring consistency between all data sources. This however meant that much of our data was limited due to excluding the most recent years.

Given the data limitations, we encouraged stakeholders to provide their own data and analysis as part of responses to our CfE. We anticipate that for the next SOL review we will switch to SOC2020. We intend to undertake our next minor SOL review in Spring 2024. This will require confirmation by the Home Office by the end of January 2024 that they will move to SOC2020 and update the salary thresholds in line with SOC2020 in the Spring 2024 Immigration Rules changes. If they do not do so, we recommend suspending SOL reviews until the switch is made.

Summary of recommended SOL

Chapter 4 presents our sector-by-sector recommendations for all occupations where we provide an overview of the evidence received and the rationale for our decision. In summary, we recommend that 10 occupations be placed on 1 of the 4 SOLs. 8 of these occupations have been recommended for addition to the UK-wide SOL, with 2 occupations recommended for addition to the Scotland-only SOL.

Taking account of the Government's guidance that additions of RQF 1-2 occupations to the SOL should be exceptional, we did not deem any of the evidence for these occupations to meet this high bar for inclusion on the SOL. The exception, as explained <u>earlier</u>, is our recommendation to add SOC Code 6145 Care workers once more to the SOL.

Building upon the exploitation chapter in our <u>2022 Annual Report</u>, throughout this review we highlight the risk of exploitation that comes with adding low-wage jobs to the SOL. We have recommended occupations for addition to the SOL from the construction and social care sectors, both of which are identified as high-risk sectors for labour non-compliance and exploitation by the <u>Director of Labour Market Enforcement</u> (DLME). While there are clear risks associated with adding these occupations to the SOL, there are also benefits and we

have endeavoured to balance these trade-offs. However, they are an inevitable consequence of how the SOL currently functions and they are a key consideration in our recommendation that the Government should either abolish or heavily reform the list.

Table 1.4: Recommended Shortage Occupation List					
SOC Code	Title	RQF level	Sector	SOL	Conditions
1213	Managers and proprietors in forestry, fishing and related services	3-5	Other service activities	Scotland- only	Add only job title "fishing boat masters"
3111	Laboratory technicians	3-5	Professional, scientific and technical activities	UK-wide	Add only Laboratory technicians with 3 or more years' full-time experience
3217	Pharmaceutical technicians	3-5	Human health and social work activities	UK-wide	
5236	Boat and ship builders and repairers	3-5	Manufacturing	Scotland- only	
5312	Bricklayers and masons	3-5	Construction	UK-wide	
5313	Roofers, roof tilers and slaters	3-5	Construction	UK-wide	
5319	Construction and building trades n.e.c.	3-5	Construction	UK-wide	Add only job title "retrofitters" on the SOL
6139	Animal care services occupations n.e.c.	3-5	Other service activities	UK-wide	Add only job titles "racing grooms", "stallion handlers", "stud grooms", "stud handlers" and "work riders"
6145	Care workers and home carers	1-2	Human health and social work activities	UK-wide	Private households or individuals (other than sole traders sponsoring someone to work for their business) cannot sponsor SW applicants
6146	Senior care workers	3-5	Human health and social work activities	UK-wide	

Chapter 2: Overview of the UK and sectoral labour markets

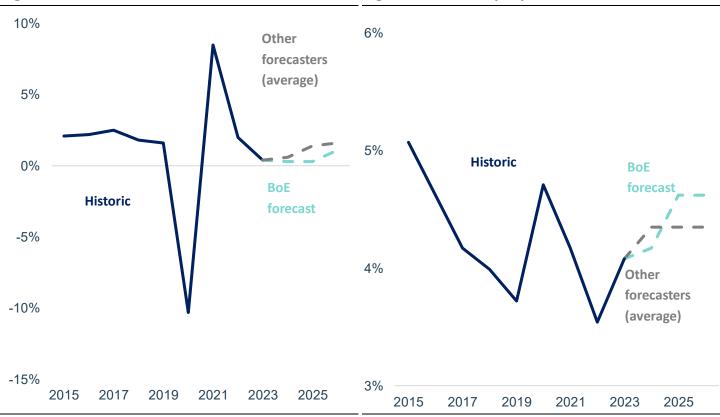
In this chapter, we outline the broad economic context of the UK labour market. This is important to identify the extent of labour shortages and to assess whether migration may be a sensible solution to fill such gaps. It is also important in assessing which occupations should be considered for the Shortage Occupation List (SOL), as the overall and sectoral economic context can have substantial impact on occupations labour demand and supply. Although the Skilled Worker (SW) route is occupation-based (where eligibility for the route is based on occupation rather than sector), it is useful to consider broad trends that often reflect common patterns across occupations within a sector, which also tends to be timelier and more robust. This is particularly important given current issues with timely occupation data that are discussed in Chapter 3. Whilst this chapter provides a high-level economy-wide overview, our dashboard of labour market indicators provides more detailed data on wages, employment, and vacancies at the occupation-level. These data, alongside stakeholder evidence, are an important factor we use to consider our SOL recommendations.

The UK labour market

Gross domestic product (GDP) is expected to increase slightly throughout the rest of 2023, and in 2024 and 2025, according to the most recent Bank of England (BoE) forecasts illustrated in Figure 2.1. Prior to the COVID-19 pandemic, unemployment had been declining steadily since 2015. Following a rise during the lockdowns, the unemployment rate returned to historic lows in Q2 2022. More recently however, the unemployment rate rose to 4.2%. The BoE forecast that the unemployment rate will remain constant in 2024 before following an upward trend, projected to be at 4.8% in Q3 2025 and 2026. However, the BoE's August 2023 projection for 2025 Q3 is 1.5 percentage points lower than the August 2022 forecast for the same period. This highlights the uncertainty on how severe any downturn in the labour market will be. Figure 2.2 shows that other economic forecasters project a more resilient labour market in the medium-term compared to the BoE.

Figure 2.1: Growth in real GDP

Figure 2.2: Unemployment rate



Source: Office for National Statistics (ONS) & Bank of England August 2023 Monetary Policy Report.

Note: 4 quarter growth, Q3 2015-Q3 2026. Historic figures are reported for Q3 annually, apart from 2023 which is Q2 (the most recent historic data point). Forecasts are reported for Q3 annually. "Other forecasters" refers to the Bank of England's most recent survey of external forecasters.

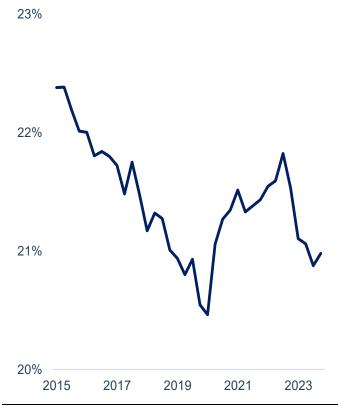
Source: ONS Labour Force Survey & Bank of England August 2023 Monetary Policy Report.

Note: Q3 2015-Q3 2026. Historic figures are reported for Q3 annually, apart from 2023 which is Q2 (the most recent historic data point). Forecasts are reported for Q3 annually. "Other forecasters" refers to the Bank of England's most recent survey of external forecasters.

It is important that the metrics in this chapter are considered as a whole. Whilst unemployment has remained low, there has been a notable rise in economic inactivity since the start of the pandemic (Figure 2.3) which has not been reflected in most other Organisation for Economic Co-operation and Development (OECD) economies, reaching 21.7% in Q3 2022. This was largely driven by an increase in young people entering or remaining in full-time education, rising inactivity amongst those aged 50-64, and an increase in inactivity due to long-term illness. In recent months there has been a notable decline in inactivity rates, with approximately half of the increase observed during the aftermath of the pandemic reversed. The BoE does not forecast any substantial change in labour market participation over the next couple of years. The Spring Budget 2023 contained a number of measures to address the UK's rising inactivity rate by helping people into employment; people with long-term sickness or a disability; extending work lives; as well as employer focused policies that encourage employers to support people back to work. While inactivity in the UK is 5.2 percentage points lower than the OECD average, the Budget highlights that the UK has fallen from having the 8th lowest inactivity rate to 15th in the OECD since the pandemic, with specific concern for the inactivity rate for those aged 55-64.

Figure 2.3: Economic inactivity aged 16-64

Figure 2.4: Vacancies and real wage growth





Source: ONS, Q1 2015 - Q2 2023.

Note: Q1 2015-Q2 2023 Seasonally adjusted data, includes all aged 16-64. Quarterly estimates, year labels relate to first quarter.

Source: ONS, Q1 2015 - Q2 2023.

Note: Q1 2015-Q2 2023 Wages refers to Total Pay. Wage growth is the percentage change year on year (3-month average). Vacancies are in quarterly thousands.

Figure 2.4 shows trends in vacancies and real wage growth since 2015, both of which help inform the assessment of labour shortages. Since reaching lows in Q2 2020 during the pandemic, vacancies reached a record high level of 1.3 million during 2022 - although there has been a substantial decline since this high, with almost 300,000 fewer vacancies in the most recent data. The combination of high vacancy levels at a time of low unemployment and declining labour force participation, highlights the tight labour market that the UK has recently been experiencing, in common with many other OECD economies. Within the context of such a tight labour market, employers could be more inclined to resort to migration to fill vacancies, where domestic labour is falling short. Real wage growth had been decreasing since Q2 2022, primarily due to rising inflation (nominal wage growth is relatively high) and remained negative until Q2 2023.

Sectoral use of the immigration system

The SW route is the main route for skilled work into the UK. Under this route, the range of jobs that can be filled by migrants includes those skilled at Regulated Qualifications Framework (RQF) 3+ (at A-level or above, National Vocational Qualification 3 or equivalent). The occupations skilled at RQF 3-5 eligible for addition to the SOL in this review are not subject to a binding going rate threshold or national pay scales, so being on the SOL offers a benefit in terms of the salary threshold that must be met. Occupations skilled at RQF 1-2 are unable to use the SW route, but the Government have asked us to consider them for addition to the SW route

and SOL in this review, following our recommendation of the inclusion of care workers on the SOL. Table 2.5 illustrates the sectoral employment distribution of occupations eligible for this SOL review, skilled at RQF 1-2 and RQF 3+ level. This highlights which sectors could gain the most benefit from the SOL. The biggest sector by employment skilled at RQF 1-2 is retail and wholesale (24%), followed by hospitality (12%) and manufacturing (10%). The biggest sector by employment skilled at RQF 3+ is education (17%), followed by retail and wholesale (15%) and manufacturing (11%).

Table 2.5: Proportion of occupations eligible for this SOL review				
Sector	RQF 1-2	RQF 3+		
Manufacturing	10%	11%		
Construction	4%	6%		
Wholesale and retail	24%	15%		
Transportation	9%	3%		
Hospitality	12%	7%		
Communication	1%	3%		
Finance	3%	2%		
Professional and scientific	4%	7%		
Administration	7%	4%		
Public administration	5%	7%		
Education	6%	17%		
Health and social care	7%	9%		
Arts and entertainment	3%	4%		
Other services	3%	2%		
Other sectors*	4%	4%		
Total	100%	100%		

Source: Annual Population Survey (APS) 2017-2019

Note: *Other sectors refers to mining; energy supply; water supply; private households; agriculture; real estate.

Table 2.6 looks at how the immigration system is used across the country by looking at the share of visas for SOL eligible occupations in each region by sector. Hospitality has the largest proportion of applications in England, Scotland, and Wales, but it only makes up 18% of applications in Northern Ireland. Applications in the arts and entertainment, finance, communication, other services, and professional and scientific sectors are more common in London compared to the rest of the UK. Manufacturing represents a much higher proportion in Northern Ireland than the rest of the UK, which is mainly due to Butchers which make up 63% of manufacturing visa applications in Northern Ireland. Health and social care visa numbers exclude the Care worker and Senior care worker occupations as they are not in scope for this review.

Table 2.6: Proportion of visa applications for occupations eligible for this SOL review

		England excluding		Northern		
Sector	UK	London	London	Ireland	Scotland	Wales
Hospitality	33%	33%	32%	18%	48%	44%
Administrative	2%	1%	3%	4%	2%	1%
Agriculture	1%	1%	0%	3%	7%	1%
Arts and entertainment	4%	3%	8%	0%	2%	1%
Construction	5%	6%	6%	4%	5%	0%
Education	4%	4%	4%	0%	3%	2%
Finance	2%	1%	5%	0%	1%	1%
Health and social care*	3%	3%	3%	1%	2%	3%
Communications	5%	3%	8%	0%	1%	2%
Manufacturing	13%	17%	3%	65%	11%	26%
Other services	5%	4%	6%	0%	3%	5%
Professional and scientific	6%	5%	10%	3%	5%	4%
Transportation	4%	5%	2%	0%	2%	0%
Wholesale and retail	10%	12%	10%	1%	6%	9%
Other sectors**	1%	1%	2%	0%	2%	1%
Total	100%	100%	100%	100%	100%	100%

Source: Home Office Management Information January 2022 to June 2023.

Note: *Excluding care workers and senior care workers who are not included as they are not subject to review. **Other sectors refers to Activities of extraterritorial; private households; energy supply; mining; public administration; real estate; water supply. 2022-2023 Used Certificate(s) of Sponsorship data. Certificate(s) of Sponsorship data is assigned to a migrant by their sponsoring employer and the migrant can then use the certificate number to make an application. European Union workers included from January 2021. Eligible occupations are not subject to a binding going rate threshold or national pay scales and therefore eligible for consideration for the SOL.

Sectoral labour markets

Employment

Figure 2.7 compares the growth in the number of employee jobs in selected sectors over the last decade and since the easing of pandemic restrictions. Over the last decade, the strongest growth in employees has been in hospitality and the professional and scientific sector, with notably slow growth in agriculture, construction, and retail and wholesale. This pattern is replicated when we focus explicitly on the bounce-back from the pandemic.

Figure 2.8 presents a comparable picture for self-employment. It is important to remember that the SW route and the SOL cannot be used for self-employment, as the route requires employer sponsorship. Retail and wholesale, hospitality, construction, and health and social care have experienced declining self-employment over the past decade, and since the easing of lockdown restrictions. Agriculture and manufacturing exhibited the highest growth (4% and 3% respectively) in self-employment since the easing of pandemic restrictions, however, as employees in agriculture declined strongly overall employment still fell by 7%. Self-employment is

Figure 2.7: Percentage growth in employee jobs in selected sectors

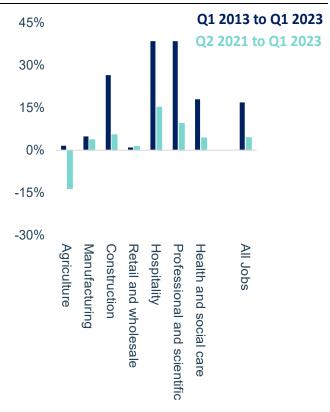
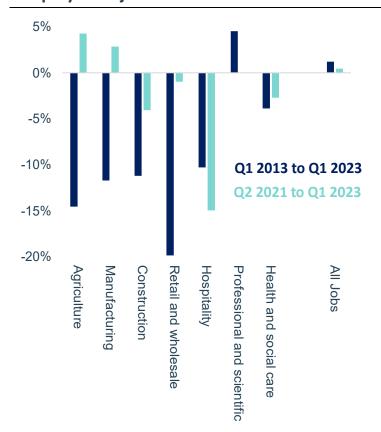


Figure 2.8: Percentage growth in selfemployment jobs in selected sectors



Source: ONS Workforce jobs by industry, Q1 2013-Q1 2023. Note: The sectors shown in this figure represent the largest employment by SOL eligible occupations, or large proportion of Call for Evidence responses. A full set of sectoral data is available alongside this report.

Source: ONS Workforce jobs by industry, Q1 2013-Q1 2023.

Note: The sectors shown in this figure represent the largest employment by SOL eligible occupations, or large proportion of Call for Evidence responses. A full set of sectoral data is available alongside this report.

Both the decision to leave the European Union (EU) with the consequent ending of Freedom of Movement (FoM), and the COVID-19 pandemic, have had significant effects on the employment of non-UK workers across sectors. Figures 2.9 and 2.10 show the percentage point change in the share of foreign pay rolled employments since March 2016 (before the EU referendum) and December 2019 (before the COVID-19 pandemic) up to December 2022. Figure 2.9 shows the strong increase in the share of non-EU workers whilst the share of EU workers across the UK has remained the same. The share of non-EU workers has risen most in health and social care, hospitality, and professional and scientific. However, hospitality and agriculture have seen a decline in the overall share of foreign workers in employment.

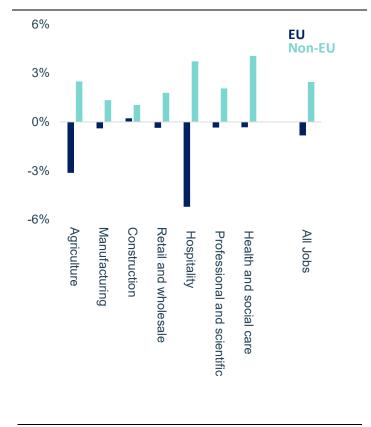
The short-term trend evident in Figure 2.10 captures, amongst other things, the effects of the new immigration system, and so unsurprisingly shows a reduction in EU workers compared to non-EU workers after the ending of FoM. From 2019 to 2022, the share of EU workers has declined compared to non-EU, apart

from construction where the share of EU workers has marginally increased. All sectors saw a rise in non-EU workers, and this is again most evident in hospitality, health and social care and administration.

Figure 2.9: Change in the share of foreign payrolled employments in selected sectors







Source: His Majesty's Revenue and Customs (HMRC) payrolled employments in the UK by industry, March 2016 - December 2022.

Note: The sectors shown in this figure represent the largest employment by SOL eligible occupations, or large proportion of Call for Evidence responses. A full set of sectoral data is available alongside this report.

Source: HMRC payrolled employments in the UK by industry, December 2019 - December 2022.

Note: The sectors shown in this figure represent the largest employment by SOL eligible occupations, or large proportion of Call for Evidence responses. A full set of sectoral data is available alongside this report.

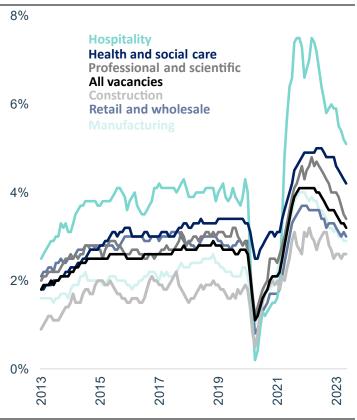
Vacancies

Figure 2.11 compares the change in vacancy rates across sectors. The largest sectoral increases in the vacancies rate have been seen in hospitality (2.6 percentage points Jan-Mar 2013 to May-July 2023), health and social care (2.4 percentage points) and professional and scientific (1.4 percentage points). Long term vacancy rate growth in these sectors have matched or exceeded the UK average (1.4 percentage points) over the same period. Figure 2.11 shows vacancies across sectors dipped during the pandemic, before peaking again in mid-2022, and then gradually declining.

Figure 2.12 compares job postings for occupations skilled at RQF 3-5 and RQF 1-2 in selected sectors and for the total UK. Comparing the 3 months to June 2021 with the 3 months to July 2023, job postings in all sectors

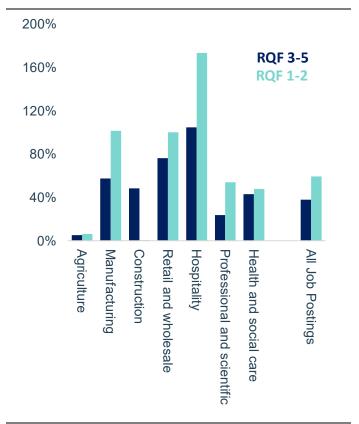
have increased more in occupations skilled at RQF 1-2 compared to those skilled at RQF 3+. This is most prevalent in hospitality, construction and manufacturing.

Figure 2.11: Vacancy rates in selected sectors



Source: ONS vacancy survey, April-June 2013 to May-July 2023. Note: Percentage point change. 3 month rolling rates. The sectors shown in this figure represent the largest employment by SOL eligible occupations, or large proportion of Call for Evidence responses. A full set of sectoral data is available alongside this report.

Figure 2.12: Percentage change in online job postings in selected sectors



Source: Lightcast Analyst job postings data, April-June 2021 to May-July 2023.

Note: Lightcast data records online job vacancy data only. The sectors shown in this figure represent the largest employment by SOL eligible occupations, or large proportion of Call for Evidence responses. A full set of sectoral data is available alongside this report.

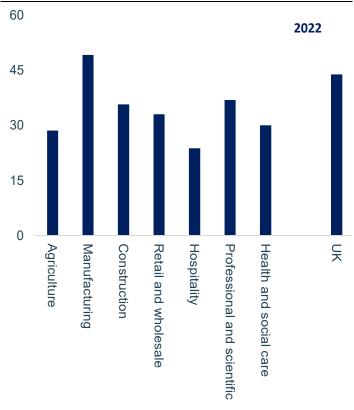
Productivity and wages

Real wage growth in the UK has been slow since the 2008 financial crisis, and real wages have fallen considerably in recent months as inflation has peaked at over 10%. Figure 2.13 shows the median real wages in selected sectors, compared to the UK average and the National Living Wage (NLW). Over the period displayed the national minimum wage has risen significantly faster than economy-wide wages, particularly since the introduction of the NLW in 2016. Inevitably, therefore, sectors with pay closer to the NLW have generally seen larger rises in real wages over these periods, such as hospitality. Generally, wage growth for sectors with pay higher than the NLW has been weak over the 10-year period. In all sectors selected in Figure 2.13 except for hospitality, real wage growth has been negative since the easing of pandemic restrictions partly due to inflationary pressures, most predominately in retail and wholesale (-3.3%) and manufacturing (-3.6%) which are larger than the UK average decline of 2.9%.

Figure 2.13: Percentage change in real median hourly wages in selected sectors







Source: Annual Survey of Hours and Earnings (ASHE), April 2012 – April 2022. ONS Consumer Price Index including owner occupiers' housing costs, April 2012 – April 2022.

Note: The National Living Wage was introduced in 2016. The sectors shown in this figure represent the largest employment by SOL eligible occupations, or large proportion of Call for Evidence responses. A full set of sectoral data is available alongside this report.

Source: ONS Output per hour worked, 2022.

Note: Figures are in GBP current prices. The sectors shown in this figure represent the largest employment by SOL eligible occupations, or large proportion of Call for Evidence responses. A full set of sectoral data is available alongside this report.

Figure 2.14 compares the annual level of real output per hour worked and the average for the whole economy in 2022. The UK output per hour in 2022 is £44 (current prices). The most productive sector is manufacturing (£49), whilst the lowest is hospitality (£24).

Summary

The ending of FoM and the COVID-19 pandemic have had significant impacts on shortages across the economy, and the economy is still adjusting to the shock. This is important sectoral context to factor into our decision making taken alongside our consideration of whether immigration is the sensible solution to shortage.

Chapter 3: The role of the SOL

The SOL in the current immigration system

The Shortage Occupation List (SOL) is a component of the Skilled Worker (SW) route, which replaced the previous Tier 2 General work visa as the primary immigration route for working in the UK. When sponsoring a migrant worker on the SW route, employers must pay the higher of either the general salary threshold for the route (which as of April 2023 sits at £26,200 per annum), or the going rate for the occupation in question. The going rate is the 25th percentile of full-time annual wages for a specific occupation. For occupations on the SOL, employers pay the higher of either a reduced SOL general threshold of £20,960 (a 20% reduction), or 80% of an occupation's going rate.

The SOL lists occupations where employers face a shortage of suitable labour **and** where the MAC judges that migration is a sensible response to that shortage. Occupations on the list are given some dispensations within the immigration rules, designed to make it easier for employers to access migrant labour to fill vacancies in those areas of identified shortage. The SOL serves a relatively minor function in immigration policy, complementing the SW route; it has never served to support other Government policies, and this remains the case. The SOL can also be a misleading name, as some employers and government departments interpret it as purely a list of all occupations in the UK that are currently in shortage. The Government may wish to consider renaming the SOL to avoid this confusion, and we make a recommendation on this in <u>Chapter 1</u>.

Changes made with the implementation of the current immigration system in 2021, following the recommendations of the MAC in its 2020 Points-Based System report, included the removal of the Resident Labour Market Test (RLMT), and suspension of the cap on work visas. Together, these changes fundamentally altered the benefits of being on the SOL. Today, the key benefit for an occupation being on the list, as opposed to using the standard SW route, is the reduced salary threshold. Additionally, visa fees for those working in a SOL job are slightly reduced. Contrary to the belief of many stakeholders, visa applications under the SOL are not dealt with any faster than standard applications under the SW route.

We are in favour of a systematic approach to reviewing the SOL, and made specific recommendations relating to this in our 2020 SOL review. Based on factors including the availability of data and resource and a desire to not overburden stakeholders, alongside comparison with other countries' shortage lists, we recommended that the SOL be reviewed on a scheduled annual basis. This would allow employers to prepare their evidence accordingly and for SOL reviews to be responsive to the labour market. We suggested a major/minor review cycle, with a minor review taking place annually and a major review every third year. Whilst minor reviews would be light touch, with no occupations being unexpectedly removed from the SOL and additions only being made when there was compelling new evidence provided, a major review would reconsider all occupations for inclusion on the SOL. A major review could also be triggered by any changes made by the Government to the scope of the SOL, for example altering the eligible occupations or the benefits accruing to inclusion on the SOL. This approach to major/minor reviews provides the certainty employers need to enable them to plan their

response, whilst also offering a degree of timeliness and responsiveness that previous SOL reviews have lacked.

The Government agreed to the above proposals and accepted our recommendation that a major review should not take place before 2022 to enable enough time for evaluation of the new immigration system, and for the labour market to recover following the COVID-19 pandemic. The Government commissioned us to conduct a major review of the SOL in August 2022. However, issues with Office for National Statistics (ONS) data, and a subsequent request by the Government to pause the review, means that it has now been almost 3 years since the SOL was last reviewed. This has caused understandable concern among businesses and stakeholders and has prevented us reviewing the SOL in a regular and timely manner. If the Government wishes to retain the SOL in its current form, we intend to conduct a minor review of the SOL in Spring 2024, unless otherwise directed by the Government.

Stakeholders should not assume that any occupation that is added to the SOL as part of this review will be retained following the next major review in 2026, and they will need to submit evidence at that time to continue to justify inclusion on the SOL. We will expect to see evidence of substantial progress in reducing the need to rely on foreign workers.

Proposed changes to the system for 2023

(1) Going rate discount removal and exclusion of pay scale occupations

At present, employers can pay a discounted going rate (80% of the full rate) or the SOL general threshold of £20,960 (whichever is higher) when recruiting for an occupation on the SOL. We have consistently made the case to the Government to remove the going rate discount. The going rate is designed to prevent undercutting of resident workers and to prevent exploitation of migrants. There is no good reason why such protections should be waived when an occupation is experiencing shortage. It is also perverse to suggest that a labour shortage can be eased by paying lower wages. Indeed, in 2021 and 2022, under 14% of all used visas (CoS) for occupations on the SOL reported using the discounted wage threshold (3,000 and 5,100 CoS respectively). This suggests that in practice this is not an effective solution to shortage.

Furthermore, our analysis of visa data suggests that women are around 7% more likely than men to be paid below the going rate when an occupation is on the SOL, raising concerns over discrimination. We therefore recommend that the SOL going rate discount should be removed. SOL occupations should continue to receive a discount on the £26,200 general threshold where this is the relevant constraint, with the minimum payable wage to remain at £20,960. Our recommendation also means that occupations that have a going rate below the general threshold of £26,200, but above the minimum SOL threshold of £20,960 will only see their salary threshold reduced to the going rate. Table 3.1 gives examples of the impact our recommendation will have on minimum salaries if placed on the SOL. Other going rate discounts, such as for new entrants, will continue to apply.

In the <u>commissioning letter</u> received for this review, the Government agreed that we could proceed on the basis that the going rate discount would be removed if that was our recommendation. In practice, this means that any occupation whose going rate sits above the general threshold of £26,200 will no longer be eligible for the SOL, as the benefits of inclusion would be negligible.

Table 3.1: Examples of salaries payable for current SOL occupations, depending on going rate

Occupation (SOC10 Code and title)	Going rate (2021)	Salary payable given new SOL rules
3111 - Laboratory technicians	£18,900	£20,960 (minimum SOL threshold)
5312 - Bricklayers and masons	£23,300	£23,300 (going rate payable)
2216 - Veterinarians	£33,700	£33,700 (ineligible for the SOL)

Source: Skilled Worker visa: going rates for eligible occupation codes - GOV.UK (www.gov.uk)

In addition to allowing us to proceed assuming the removal of the going rate discount, the Government specifically asked us to consider excluding occupations where there is a "negligible benefit" of being on the SOL. Given the main benefit of inclusion on the SOL is a reduced salary threshold, we therefore recommend that all occupations on a national pay scale, alongside those where the going rate exceeds the general threshold, be made ineligible for the SOL. The rationale for this was discussed with stakeholders and was highlighted in our 2021 Annual Report.

This change means that occupations on national pay scales and those with higher salaries, that may have been on previous SOLs, are now excluded from the SOL. This decision **does not mean** that we believe these occupations are not in shortage in the UK, but rather that their inclusion on the SOL would not help those occupations use the immigration system any more effectively to address shortages. We therefore advised employers in these occupations to refrain from responding to our consultation, as we would not have considered the evidence provided and it would not lead to their inclusion on the SOL. Should the benefits of the SOL change due to an amendment in the system by the Government at any future date, then this exclusion would need to be revisited.

Although we commenced the review on this basis, we received evidence from several stakeholders which argued against excluding many of these occupations. The arguments provided, and our stance on each of them, are discussed below.

The SOL as a marketing tool

Several government departments and large public sector bodies argued that the SOL was a useful marketing tool for recruiters and potential recruits. They suggested that inclusion on the SOL signalled that the Government accepted there was shortage in a sector or occupation, that the occupation was valued and that the issues faced (at least in terms of shortage) were understood by the Government. The SOL was said to shape workers' perceptions of the UK as a place looking to attract new talent because of job shortages.

Removing an occupation from eligibility for the SOL was said to be putting the UK at a global competitive disadvantage and driving prospective migrants to other destinations, because it fostered perceptions that the UK is more expensive and less open to migration than other countries. Being on the SOL was considered to signal selective, focused migration targeted towards public need, so respondents argued that being removed from eligibility diminished this perception. Confusion over the new immigration system, and whether it was necessary to be on the SOL to secure workers, was also raised.

We note that no actual evidence was provided for any of these assertions. We would have expected evidence that showed that the SOL was actively used in recruitment campaigns and that recruitment was easier when the job was on the SOL. We are sceptical about the importance of the SOL in influencing the applications of international workers. It is notable, for example, that the main NHS website focused on recruitment of international health professionals provides a cursory reference to the SOL – which is surprising if it is such an important element of international recruitment. Given the lack of understanding about the SOL that has been clear from our engagement with many stakeholders in the UK, it stretches credibility to believe that migrant workers are deeply informed about the SOL.

It has never been the purpose of the SOL to indicate the value of a given sector or to help with marketing jobs. We have seen no evidence that migrants are aware of the SOL when considering where to work overseas, despite some Government recruitment campaigns referencing it. For sectors, the focus should be on honing marketing techniques to encourage international recruits through other routes for which they are eligible, whilst for government departments, there remains the option to advocate for something akin to the Government's plan for growth to show the value of these occupations to the UK. It cannot be sensible for the MAC and the Home Office to determine the sectoral priorities of the Government in an exercise that is not focused on that question.

The determination of the going rate

Stakeholders across the creative and construction sectors raised their concerns about going rates and starting salaries not being universal for all occupations within a Standard Occupational Classification (SOC) Code or geographically across the UK.

Respondents said that the MAC's approach to excluding occupations from SOL eligibility on the basis of UK-wide going rates would mean that many occupations with effective going rates lower than £26,200 would be unfairly excluded from the SOL. Representatives of the construction sector provided evidence to indicate substantial variation in median salaries between regions. Representatives from the creative industries highlighted that there are also differences within SOC Codes. For example, the occupation Arts officers, producers and directors (SOC Code 3146) contains more junior roles, such as "junior effects editor" which pays below the going rate for the occupation as a whole.

We have previously <u>rejected the idea of regional salary thresholds</u>. We originally recommended that the going rate be the 25th percentile (rather than the median) of full-time annual wages for each occupation as it partly

accounts for sectoral, regional, and job differences. We made it clear during stakeholder engagement that this argument could be used as part of the sensible consideration for inclusion of an occupation on a Devolved Nation-only SOL if there was clear evidence of a substantial difference in going rates for a particular occupation across areas. In practice, wages vary much more within regions than across regions. As seen in our 2022 annual report (see Figure 3.9), our analysis suggests that migrants on the SW route are paid higher than the regional labour market rate, with little evidence that national salary thresholds enable widespread undercutting in any region. We recognise that 4-digit occupation categories often combine several different occupations with varying wages. On a practical level, it is not possible to estimate job-level going rates with the official data available to us and we are concerned that trying to allow such flexibility would likely open the system to more exploitation of migrant workers and the undercutting of resident workers. In addition, more junior roles will generally require less previous experience and training and so employers should be focused more strongly on the domestic labour market to fill these needs. On balance, we think occupation-level going rates provide a reasonable solution to these issues.

Lower visa fees

One of the additional current benefits of being on the SOL is that the visa fee for SW applicants is reduced by £292 for a 3-5 year visa or £146 for visa lasting up to 3 years — roughly £50 per year. Health and care occupations pay an even lower visa fee, and so get no visa fee benefit from being placed on the SOL. We received submissions in the Call for Evidence (CfE) which suggested that this visa fee discount is important and that excluding some occupations from consideration for the SOL (because they are on national pay-scales or occupations subject to the going rate threshold) will adversely impact recruitment as a result. Even at the SOL minimum threshold salary of £20,960, a £50 higher annual visa fee is less than 0.25% of annual pay. This figure would be even smaller for those on higher salaries. Such a small difference could only have significant effects on recruitment if the responsiveness of labour supply to wages was extraordinarily high. There is no evidence that we know of to suggest that this is true, nor did stakeholders provide any evidence on such elasticity.

In addition, we note that there appears to be some confusion regarding the legal and economic incidence of the visa fee. The immigration rules do not prevent sponsoring employers paying the visa application fee on behalf of an SW applicant. It is in fact fairly common practice for sponsors, particularly in the private sector, to cover these costs. Therefore if the additional £50 per year is a real barrier, employers will need to subsidise it.

Separately, the Department of Health and Social Care (DHSC) estimated that the removal of health occupations from the SOL would cost £18 million per year due to a reimbursement arrangement between DHSC and the Home Office related to the difference in visa fees on the Health and Social Care Visa and the SW route. This additional spend, it was argued, could have a knock-on effect on a sector under pressure. This, however, is an argument for government departments to collaboratively agree cross-departmental funding arrangements, not an argument about the SOL.

Equality, diversity and inclusion

A representative organisation in the education sector argued that changes to eligibility for inclusion on the SOL could have equality, diversity and inclusion impacts, and requested that we conduct an Equality Impact Assessment (EIA) before making these changes. It is not within the MAC's remit to conduct EIAs. We highlight to the Home Secretary where we feel there is an equalities impact, and it is the Home Office's duty to assess these matters.

The respondent raised concerns about specific occupations which would no longer be eligible for the SOL (due to the removal of the going rate discount), stating: "our analysis of HESA data indicates that many of the occupations that would no longer be eligible for the SOL due to changes to the salary threshold discount are male-dominated, and we are concerned about the impact this may have on gender pay gaps." They suggested that this would particularly impact individuals with caring responsibilities, disabled people and women. However, the data supplied (3-digit SOC Codes) as supporting evidence were majority female-dominated occupations.

The argument being made suggests that by removing the going rate discount, the employer would increase salaries to the going rate, thereby increasing pay levels in predominantly male-dominated occupations within the stakeholder's sector. We know that women are more likely to be paid less than men for the same work and are also more likely to be paid at a discount to the going rate than men. There is therefore the possibility that allowing a discount on the going rate allows for inequality to be perpetuated rather than addressed. A more appropriate way to address the gender pay gap would be to focus on initiatives improving female representation in those occupations and ensuring equal pay across genders for the same work.

The fact that women are more likely than men to work part-time hours was a motivation behind our recommendation on salary thresholds in 2020 (which was rejected) for those with parental and caring responsibilities to have flexibility at the settlement stage of the migrant journey, and the Government may wish to consider this again.

(2) Asylum rules

Another current function of the SOL is that asylum seekers can request permission to work from the Home Secretary if their application has been pending for at least 12 months, but if granted they are only allowed to work in SOL occupations.

We question the value of restricting work to roles on the SOL. This was never the purpose of the SOL and the SOL methodology is not suited to determining which occupations asylum seekers should work in. Furthermore, under the approach we are following in this report, the rule would not allow a civil engineer to be employed because the occupation is no longer being considered for the SOL, but it would allow a carpenter to be employed. This would surely be an odd outcome.

We therefore recommend that, if granted the right to work, asylum seekers should be able to work in any job. If the Government does not see fit to accept this recommendation, then we recommend that asylum seekers with the right to work should be permitted to work in any job eligible for the SW route. This recommendation applies regardless of whether the duration of work restrictions for asylum seekers remains at 12 months or is lowered as we have previously recommended.

We also look forward to the publication of the <u>Government's impact assessment</u> on asylum seekers' right to work, following the commitment made to the House of Lords in February 2022.

(3) Creative Worker visa

The SOL is also an element of the <u>Creative Worker (CW) visa</u>, which is intended for individuals within the creative sector who have been deemed capable of making a unique contribution to the UK labour market, and have been offered short-term work for up to 12 months. Between January and June 2023 3,427 individuals entered the UK via this route. An option exists to extend their stay for up to 24 months if employed by the same sponsor. Furthermore, individuals on this visa can perform supplementary work (up to 20 hours per week) in an occupation that is either in the same sector or on the SOL.

The SOL also influences the <u>sponsorship rules</u> for this route which determine that, where a role has no associated <u>Code of Practice</u>, the sponsor must ensure that they 'will not be displacing a suitable settled worker'. However, if the occupation is on the SOL, this test is waived. This test echoes the intentions of the RLMT that was abolished with the introduction of the current immigration system. The MAC has previously made clear its scepticism that the RLMT was effective in protecting the resident labour force and argued that *"the bureaucratic costs of the RLMT outweigh any economic benefit"*.

We also note the lack of a salary threshold currently attached to the CW visa and flag the risk of this route being used to undercut SW salary thresholds. The <u>CW Codes of Practice</u> ensure that, for some specific roles in the sector, payment is either commensurate with industry standards or at least at the level of the appropriate UK market rates. Workers in all roles on the route must be paid at least the National Minimum Wage (NMW). Nevertheless, it is important that the Creative Visa is not a means for undercutting the salary thresholds attached to the SW route, which have been implemented to help maintain a robust immigration system that prevents both the undercutting of resident workers and the potential exploitation of migrant workers. The lack of regulation attached to some roles on this route, and having only the NMW as a minimum threshold, potentially exposes workers on the route to exploitation and to the undercutting of resident workers.

We therefore recommend that the sponsorship rules for the CW visa route be updated, with the reference to the SOL being removed and to allow employers to sponsor any occupation that is currently eligible for the SW route without having to perform a labour market test. We want to emphasise to the Government that, should it not implement these recommendations, and in light of the changes to eligibility for the SOL which we discuss above, immigration arrangements for the CW visa would inadvertently be made more restrictive and costly.

We also recommend that the Home Office attach a minimum salary threshold to the CW visa. Such a threshold should ensure that there is no economic advantage in using the CW visa to pay lower salaries than under the SW route for the same job, in turn minimising the risk of exploitation and the undercutting of resident workers.

(4) Inclusion of RQF 1-2 roles

In the 2020 review of the SOL, we did not consider RQF 1-2 occupations for inclusion, as these were not eligible for the SW route. As set out in our 2022 Social Care report, there were exceptional reasons for the inclusion of Care workers (classed as RQF Level 2) on the SOL. For this latest review of the SOL, the Government stated that we could consider other RQF 1-2 occupations for potential inclusion on the SOL. The Government made clear that should we consider them, such inclusions should be rare (see Annex A for more details). We also made it clear in our 2023 Interim SOL review that exceptional evidence of a shortage and the resultant impact on the UK economy was needed, with a clear and convincing demonstration of attempts that had been made to use the domestic labour market to tackle shortages.

In line with the above, we have reviewed all RQF 1-2 occupations for which we received evidence. Based on our recommendation to remove the SOL going rate discount, RQF 1-2 occupations which pay above the general threshold are not eligible for the SOL. However, we have still considered these occupations for addition to the SW route. In total, evidence was submitted for 65 RQF 1-2 occupations, which were reviewed for inclusion. 53 of these were triaged out at an early stage, as they did not meet the minimum criteria for consideration (see Annex D for more detail on our triage process). The remaining 12 were reviewed in detail but none demonstrated an exceptional need for inclusion on the SOL by providing the necessary high bar of evidence, and as a result none have been recommended to be added to the SOL.

RQF 1-2 occupations typically require a shorter timescale to train potential employees and often do not require specific qualifications. In these cases, the domestic labour market is usually adequate, so we required a higher standard of evidence for those who submitted evidence in support of an RQF 1-2 job being added to the SOL, consistent with the Government's commission. We note that whilst the domestic labour market should be able to supply sufficient workers for the vast majority of these occupations, employers may still experience difficulties recruiting – this is largely driven by low pay and adverse conditions in these roles which may make them unattractive. We are firmly of the view that this is best resolved by improving pay and conditions or reducing demand for workers via automation, not recruiting migrant workers.

We intend not to consider RQF 1-2 occupations as part of minor SOL reviews. The Government should notify us if they would like us to take an alternative approach.

SOC2020 data problems

In July 2022 <u>the ONS identified an issue</u> with the collection of occupational data for several of its surveys, including the Annual Population Survey (APS) and the Labour Force Survey (LFS), both of which are extensively used by the MAC.

The issue meant that much of the occupation data which uses the new SOC2020 occupational code standard was not usable for this review of the SOL. In most cases, this meant that the most recent data available to us was from 2020/2021 and newly created job titles may not have been accurately reflected in the 2010 classification. Where this was the case, we asked stakeholders to choose a SOC Code most closely related to their SOC2020 job title and clearly highlight this in their CfE response. Annual Survey of Hours and Earnings (ASHE) was unaffected by this issue, so analysis which used this data could be updated fully. However, the nature of SOL reviews means that the MAC must be consistent in its approach and assesses data over a time series. SOC2010 was therefore used for this review, ensuring consistency between all data sources.

Given the data limitations, we encouraged stakeholders to provide their own data and analysis as part of responses to our CfE. The ONS has since begun to rectify the miscoding of occupations and in July issued some revised data. We anticipate that for the next SOL review, SOC2020 will be used. Any consequential changes to the MAC's evidence base will be considered in full, regardless of whether the review at the time is major or minor.

Future of the SOL

We have recommended to the Government that the SOL is either abolished or heavily reformed. If the Government intends to retain a SOL in its current form, then in line with our approach to reviewing the SOL on a regular basis and within our proposed major/minor review framework, we intend to launch our next review of the SOL in Spring 2024 — unless otherwise directed by the Government. This will consist of a minor review, where an assessment will be made as to whether any further occupations should be added to the SOL. The intention will be to avoid removing any occupations from the list. We will communicate the exact scope of the review clearly to stakeholders in advance of the launch.

We will also run an 8-week Call for Evidence that will be published on our <u>website</u> and promoted through stakeholder engagement. We hope that by providing this advance notice, stakeholders will be able to effectively plan and compile up-to-date evidence and data to include within submissions to our consultation.

Finally, we are expecting salary thresholds to be uprated in April 2024 and SOC2020 to be fully adopted. We ask the Home Office to provide confirmation by the end of January 2024 that they will move to SOC2020 and update the salary thresholds in line with SOC2020 in the Spring 2024 Immigration Rule changes. If they do not make these changes, we recommend suspending SOL reviews until the switch is made.

Chapter 4: Occupation Review

We received Call for Evidence (CfE) responses for a total of 145 eligible occupations for this review.

We conducted a triage process for Regulated Qualification Framework (RQF) 1-2 occupations based on the high bar for evidence that the Government had asked us to apply to such requests. As part of this process 53 occupations were triaged out of consideration, leaving 92 occupations eligible for review. Table 4.1 provides a breakdown of these occupations by RQF level and eligibility.

We received several responses from large representative bodies and government departments which merely listed Standard Occupational Classification (SOC) Codes that they believed should be added to the Shortage Occupation List (SOL). A list of these occupations can be found in <u>table 4.3</u>. Given our extensive engagement with stakeholders, we were disappointed to receive such responses with no attempt to explain why these occupations should be added to the SOL. A lack of evidence means we have not presented overviews of these occupations in this report.

We also received evidence for several job titles which were not linked to specific occupations. In these cases, we attempted to match the job title to an appropriate occupation. Where there was a less than perfect fit, we reached out to stakeholders to obtain their agreement as to which occupation best matched the job title for which they submitted evidence. There was a single occasion where we received evidence for a very broad cluster of jobs, "offshore wind workers". This cluster of jobs had no suggested SOC Codes for inclusion on the SOL and we were unable to map such a broad category to appropriate occupations for review under SOC2010. We encourage stakeholders who would like to see these jobs added to the SOL in future to submit evidence on specific occupations in future reviews when we expect we will have transitioned to SOC2020.

Finally, in addition to the 92 occupations which were eligible for review, stakeholders provided responses for several occupations which are ineligible for the SOL under the terms of our review. We summarised the arguments put forward in these responses in <u>Chapter 3</u>.

Table 4.1 Occupations in scope				
	RQF 1-2	RQF 3-5	RQF 6+	Total
All occupations	114	152	96	362
SOL eligible	114	110	5	229
Eligible and received responses	65	75	5	145
Final occupations in scope (post triage)	12	75	5	92

Sector-by-sector recommendations

Preceding each occupation is a summary table which includes the current SOL status, the recommendation, and some key statistics for the occupation. Below is an example table with each statistic defined.

Table 4.2 Occupation summary template	
Statistic	Definition
RQF level	Regulated Qualification Framework level of the occupation,
	either RQF level 1-2, 3-5, or 6+
Going rate threshold	The 25 th percentile annual wage for the occupation
Minimum salary if on SOL	The minimum wage payable, if on the SOL
SOL discount on general threshold (%)	The key benefit of being on the SOL - % saving over the general
	threshold (which is the SW route minimum salary threshold) if
	the occupation is put on the SOL
Proportion of jobs below general	The estimated % of jobs in the occupation which are paid
threshold	below the general threshold (£26,200)
APS employment 2020	Total number of employees recorded in the occupation in the
	UK from the Annual Population Survey 2020
Total visas issued since 2021	HO Management Information number of visas issued January
	2021 to March 2023 inclusive
Visas per thousand employed	Ratio of visa applications (2021-2023) aggregated per year, to
	employment in the occupation in 2020, shown as visas per
	thousand employed
Median salary for visa applications	Average median salary listed on total visa applications (2021-
	2023) for the occupation

Note: HO management information suppresses figures when there are 5 or less visas for an occupation in a given quarter. Therefore, the '-' for the 'total visas issued since 2021' and the 'visas per thousand employed' statistics indicates either a figure of 0 or a low figure.

In some instances, where a stakeholder named and provided evidence for a specific job title in their CfE submission, and where salary information is not clear from ONS data (for example because SOC Codes contain many job titles), the mean salary reported by Indeed is used for additional context. This is calculated using salaries reported by users to Indeed and the salaries advertised on job listings there in the last 36 months.

Accommodation and food service activities

1221 Hotel and accommodation managers and proprietors	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£21,800
Minimum salary if on SOL	£21,800
SOL discount on general threshold (%)	17%
Proportion of jobs below general threshold	40-45%
APS employment 2020	67,200
Total visas issued since 2021	251
Visas per thousand employed	1.7
Median salary for visa applications	£27,000
Recommendation	Do not recommend adding occupation to the SOL

Overview

We received 7 CfE responses from stakeholders for this occupation.

Sector representatives argued that having access to a wider pool of workers would allow employers to mitigate staffing issues in the short term, whilst they worked on rebranding to improve the image of the sector.

Whilst increasing pay was mentioned as a method for mitigating shortages, stakeholders suggested it was difficult to implement for reasons such as increased costs of operation. It was unclear how some of these efforts that the sector had undertaken related to the needs of this specific occupation and the steps taken to improve the training pipeline of potential applicants from resident labour market.

Recommendation

Do not recommend adding occupation to the SOL. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on the steps they are taking to attract resident workers and to make their evidence more specific to the occupation rather than the sector as a whole.

1223 Restaurant and catering establishment managers and proprietors	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£19,600
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	60-65%
APS employment 2020	130,400
Total visas issued since 2021	1419
Visas per thousand employed	4.8
Median salary for visa applications	£26,000
Recommendation	Do not recommend adding occupation to the SOL

We received 7 CfE responses from stakeholders for this occupation.

Similar to SOC Code 1221, sector representatives argued that having access to a wider pool of workers would help in reducing the staffing crisis in the sector in the short term, whilst the sector works on rebranding to improve the image of the sector. Sector representatives explained efforts made to fill shortages in this occupation such as offering training and where possible increasing pay.

In addition to adding this occupation to the SOL, 1 stakeholder also favoured an extension of the YMS to enable employers to widen the pool of workers. They reported costs and processing times associated with recruiting using the SW route were problematic.

Recommendation

Do not recommend adding occupation to the SOL. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence and to make their evidence more specific to the occupation rather than the sector as a whole.

1224 Publicans and managers of licenced premises	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£21,800
Minimum salary if on SOL	£21,800
SOL discount on general threshold (%)	17%
Proportion of jobs below general threshold	45-50%
APS employment 2020	39,300
Total visas issued since 2021	-
Visas per thousand employed	-
Median salary for visa applications	Low sample size
Recommendation	Do not recommend adding occupation to the SOL

We received 2 CfE responses from stakeholders for this occupation, pertaining to Scotland specifically.

The evidence provided was limited and did not provide a clear rationale for why this occupation should be added to the SOL.

1 stakeholder explained that the sector advertised through a variety of different avenues, however more overseas workers were required.

There have been no visas issued for this occupation since the launch of the SW route. 1 stakeholder said that adding this occupation to the SOL would allow businesses to operate for longer hours.

Recommendation

Do not recommend adding occupation to the SOL. The qualitative evidence does not explain specifically how this occupation would benefit from being added to the SOL other than a statement that it would allow operating for longer hours. We welcome more detailed evidence from stakeholders in future reviews.

5434 Chefs	
Current SOL status	Not on the SOL
RQF Level	3-5
Going rate threshold	£17,100
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	80-85%
APS employment 2020	228,200
Total visas issued since 2021	5162
Visas per thousand employed	10.1
Median salary for visa applications	£26,000
Recommendation	Do not recommend adding occupation to the SOL

We received 11 CfE responses from stakeholders for this occupation.

There was evidence that this occupation was in shortage for several reasons, including lack of interest from domestic workers to fill these roles due to working conditions (e.g., unsociable hours) and negative perceptions of the sector.

Quantitative and qualitative evidence together suggested a shortage in this occupation. Some stakeholders conducted their own surveys or analysis to support the argument that this occupation was in shortage.

The sector presented its attempts to address these shortages, including specific tools such as welcome bonuses for new chefs. There were mentions of increased training – though without detail on how this training was different to the training that was previously provided.

There was a consensus amongst respondents that they did not favour any increases in wages because this would harm companies' profits. Sectoral responses indicated an increase in wages as an issue, saying that they would increase business costs or act only as a temporary fix.

1 stakeholder stated that the most beneficial change in the immigration system for the occupation would be an extension of the Youth Mobility Scheme (YMS). This stakeholder explained that it would welcome adding chefs to the SOL but said that this should be accompanied by reducing the costs, processing time and bureaucracy associated with the visa system in the UK. Despite not being on the SOL, employers are still frequently using the SW route for chefs.

In the MAC's 2020 report, we recommended removing chefs from the SOL, as we believed that there was not enough being done to train chefs from the domestic workforce and that continued inclusion on the SOL was potentially reducing the pressure to address the structural issues in the occupation. As in this review, there was enough evidence to suggest a shortage of chefs. However, adding them to the SOL does not meet

the sensible criterion given the challenging working conditions, and failure of employers to improve the pipeline of suitably skilled applicants from within the domestic workforce.

Recommendation

Do not recommend adding occupation to the SOL. There is evidence for a shortage in this occupation, but the MAC remains of the same view expressed in the 2020 SOL report concerning the slow progress that the sector is making to improve the terms and conditions of chefs and enhancing the pipeline of domestic talent. The number of chefs coming on the SW route is already substantial in spite of not being on the SOL, and we do not want the immigration system to further contribute to downward pressure on wages in the occupation.

5436 Catering and bar managers	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£18,600
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	85-90%
APS employment 2020	75,700
Total visas issued since 2021	1001
Visas per thousand employed	5.9
Median salary for visa applications	£26,000
Recommendation	Do not recommend adding occupation to the SOL

We received 4 CfE responses from stakeholders for this occupation.

There was clear quantitative and qualitative evidence that this occupation was in shortage. However, there was no clear justification for why the SOL would be an appropriate way to address these shortages.

The sector expressed unhappiness about the increases in wages associated with this occupation, even though addressing shortages is likely to require an increase in wages to attract workers. The SOL cannot be the only solution to the shortages in the sector, without employers first increasing wages to mitigate these shortages.

1 stakeholder argued that the most beneficial change in the immigration system would be an extension of the YMS. This stakeholder explained that it would welcome adding occupations to be on the SOL, but that must be accompanied by reducing costs, processing time and the bureaucracy associated with the visa system in the UK.

Recommendation

Do not recommend adding occupation to the SOL. The evidence provided does not present a strong rationale for why immigration is the suitable solution to shortage. The sector is already making substantial use of the SW route for this occupation, despite not currently being on the SOL and we do not want the immigration system to further contribute to downward pressure on wages in the occupation.

Agriculture, forestry and fishing

5111 Farmers	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£21,100
Minimum salary if on SOL	£21,100
SOL discount on general threshold (%)	19%
Proportion of jobs below general threshold	50-55%
APS employment 2020	115,400
Total visas issued since 2021	117
Visas per thousand employed	0.5
Median salary for visa applications	£28,000
Recommendation	Do not recommend adding occupation to the SOL

Overview

We received 3 CfE responses from stakeholders for this occupation.

Stakeholders provided evidence of shortage, including references to industry surveys. They cited factors such as unsociable hours, rural remote locations and pay as contributing to shortages. They also highlighted the public value of the sector for food production and food security.

The sector provided some evidence of the efforts taken to address shortage, with some specific reference to the training requirement of dairy technicians. However, overall, the evidence on this was insubstantial, and further evidence would be welcome at the next SOL review on the sector's long-term strategy to address training, wages and other factors over the next few years.

Recommendation

Do not recommend adding occupation to the SOL. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on the long-term strategy to address training and wages in this occupation.

5112 Horticultural Trades	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£19,000
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	15,600
Total visas issued since 2021	6
Visas per thousand employed	0.2
Median salary for visa applications	Low sample size
Recommendation	Do not recommend adding occupation to the SOL

We received 4 CfE responses from stakeholders for this occupation.

Stakeholders provided evidence of shortage including industry surveys, and evidence of attempts to automate. There were barriers identified to uptake/lead-in time for automation to be successfully implemented.

We previously recommended this occupation for inclusion on the Northern Ireland-only SOL in our 2020 review. We received very limited evidence in this SOL review on specific concerns for horticulture and horticultural occupations in Northern Ireland and would welcome further detail at our next review. We cannot recommend adding occupations to the SOL during a major review without substantive evidence being submitted by stakeholders.

Recommendation

Do not recommend adding occupation to the SOL. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on the long-term strategy to address training and wages in this occupation, and further detail on long-term resourcing plans for this occupation.

5119 Agricultural Trades n.e.c.	
Current SOL status	On the SOL – only jobs in the fishing industry
RQF level	3-5
Going rate threshold	£22,000
Minimum salary if on SOL	£22,000
SOL discount on general threshold (%)	16%
Proportion of jobs below general threshold	55-60%
APS employment 2020	31,900
Total visas issued since 2021	17
Visas per thousand employed	0.2
Median salary for visa applications	£25,600
Recommendation	Do not recommend adding occupation to the SOL

We received 11 CfE responses from stakeholders for this occupation.

The evidence provided demonstrated shortage, citing reasons such as unsociable hours, difficult working conditions and uncertainty of pay based on catch as factors for limited interest to work in the occupation. The sector also highlighted the importance of fishing for rural communities. Chart D from the MAC dashboard also showed an increase in the vacancy rate for the occupation.

1 organisation highlighted a survey by the <u>University of Nottingham</u> focusing on transit visas in fishing occupations. This survey found evidence of exploitation of migrant workers including wage discrepancies, contractual discrepancies and some migrants being unclear of their rights or afraid to raise concerns.

Some evidence was provided of training and funding for the sector in the medium term including a DEFRA £10 million Skills and Training pillar under the £100 million UK Seafood Fund, and the apprenticeship scheme launched by the Cornish Fish Producers Organisation in southwest England and a Higher Education course in Devon.

Recommendation

Do not recommend adding occupation to the SOL. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on the long-term strategy to address training and wages in this occupation. We are also concerned about potential exploitation within the fishing sector for migrant workers given the experience on other visas. We note that the fishing jobs within this occupation were added to the SOL in July 2023 and the Government may wish to consider whether it is desirable to remove these jobs from the list so soon after inclusion. If the Government are minded to maintain the status quo, we would expect to review this occupation again in the next minor SOL review planned for 2024.

9111 Farm workers	
Current SOL status	Not on the SOL
RQF level	1-2
Going rate threshold	£19,900
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	60-65%
APS employment 2020	53,400
Total visas issued since 2021	N/A
Visas per thousand employed	N/A
Median salary for visa applications	N/A
Recommendation	Do not recommend adding occupation to the SOL

We received 9 CfE responses from stakeholders for this occupation, either referencing farm workers in general or specific job titles within the occupation (such as "pig husbandry", "dairy farm workers", and "mushroom pickers" in Northern Ireland). However, mushroom pickers fall under SOC Code 9119 - Fishing and other elementary occupations n.e.c. This occupation is RQF 1-2, and therefore can only be added to the SOL in exceptional circumstances.

Quantitative evidence suggested that the occupation was in shortage, as highlighted by the vacancy rate rising much faster than for the overall UK labour market over the recent past. There was also evidence provided by stakeholders of shortage.

However, evidence is conflicting on efforts to alleviate shortage by the sector. The dashboard suggests that real hourly pay has been stagnant for the last few years (although data

is not available for 2023), whilst stakeholder evidence suggested pay has been increasing over the last few years, albeit evidence was provided in nominal terms. In addition, the sector attributed the unsociable hours of the work as the main reason why they struggle to employ domestic employers. There is however little evidence of employers trying to address these issues.

The Seasonal Worker visa (SWV) was referenced several times in submissions as being used as a "sticking plaster" solution to resolve shortages in the role. However, stakeholders outlined that some roles, such as pig husbandry, are year-round and claimed that mushroom pickers require 12 weeks training and therefore argued that SWV was not a sustainable option. We are currently reviewing the SWV and will publish a report on it in 2024. We welcome stakeholder evidence for that review.

Recommendation

Do not recommend adding occupation to the SOL As the occupation is RQF 1-2, the evidence provided does not reach the high threshold required for being placed on the SOL. The needs of the sector will be reviewed as part of the ongoing MAC SWV review.

9119 Fishing and other Elementary Occupations n.e.c.	
Current SOL status	On the SOL – only deckhands on large fishing vessels
	(9m and above) with at least 3 years' full-time experience using their skills.
RQF level	3-5
Going rate threshold	£18,000
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	80-85%
APS employment 2020	30,400
Total visas issued since 2021	8
Visas per thousand employed	0.1
Median salary for visa applications	Low sample size
Recommendation	Do not recommend adding occupation to the SOL

We received 20 CfE responses from stakeholders for this occupation.

Some stakeholders provided overarching evidence for agriculture cutting across the SOC Codes 5119 (Agricultural trades n.e.c.) and 9119 (Fishing and other elementary occupations n.e.c.).

Stakeholders provided evidence highlighting the factors influencing recruitment and retention, such as unsociable hours, difficult working conditions and rural locations.

A stakeholder in Northern Ireland also highlighted that some mushroom pickers may be trained in Northern Ireland and then go to the Republic of Ireland to work for 5 years instead due to the different immigration rules with the Republic being part of the EU. Stakeholders also stated that the SWV was not fit for purpose for mushroom pickers given the training time required and 6 months being the maximum in any 12-month period under the SWV.

Stakeholders described attempts taken to automate and the barriers to uptake/lead in time for automation to be successfully implemented. Stakeholders in the fishing industry cited the challenges in increasing salaries due to supermarket buying power.

An organisation also highlighted a survey by the <u>University of Nottingham</u> focusing on transit visas in fishing occupations. This survey found evidence of exploitation of migrant workers including wage discrepancies, contractual discrepancies and some migrants being unclear of their rights or afraid to raise concerns.

We previously recommended deckhands on large fishing vessels (with 3 years' experience) for inclusion in our SOL 2020 report and the Home Office subsequently included this role on the SOL in July 2023. However, during this review of the SOL we received limited evidence outlining the specific circumstances that warrant inclusion for this job title.

Recommendation

Do not recommend adding occupation to the SOL. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on the long-term strategy to address training and wages in this occupation, and the effectiveness of measures that have already been taken. We are also concerned about potential exploitation within the fishing sector for migrant workers given the experience on other visas. We note that the deckhand role within this occupation was added to the SOL in July 2023 and the Government may wish to consider whether it is desirable to remove these jobs from the list so soon after inclusion. If the Government are minded to maintain the status quo, we would expect to review this occupation again in the next minor SOL review planned for 2024.

Arts, entertainment and recreation

2452 Archivists and curators	
Current SOL status	Not on the SOL
RQF level	6+
Going rate threshold	£24,500
Minimum salary if on SOL	£24,500
SOL discount on general threshold (%)	6%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	21,500
Total visas issued since 2021	16
Visas per thousand employed	0.3
Median salary for visa applications	£30,100
Recommendation	Do not recommend adding occupation to the SOL

Overview

We received a CfE response from 1 stakeholder for this occupation, covering the job titles "museum curators", "museum archivists", and "archaeological archivists".

The response noted a decline in higher education courses on offer in the UK, which was likely to increase shortage, while indicating that many roles require a PhD and years of practical experience – but not specifically in relation to archivist roles. Much of the evidence presented in this response related to SOC Code 2114 and the job title "archaeologists", rather than the roles included in SOC Code 2452.

The respondent stated that archaeological services overall were in demand due to large infrastructure projects such as HS2, Crossrail, and the restorations of the Palace of Westminster and Buckingham Palace. The respondent also argued that a lack of expertise around conservation and archaeology in the construction sector would damage the UK's national heritage. These arguments appear to be more closely aligned to a case for archaeologists.

Recommendation

Do not recommend adding occupation to the SOL. We recognise the demand on archaeological and conservation services that stakeholders highlight, with reference to large infrastructure projects. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further detail on the role of archivists and curators in these projects. We would also require more detail on rates of pay for these roles as we are sceptical that a wage discount is needed for the roles highlighted. We note that where the occupation already uses the SW route it pays substantially above the general threshold.

3411 Artists	
Current SOL status	On the SOL
RQF level	3-5
Going rate threshold	£20,500
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	64,500
Total visas issued since 2021	258
Visas per thousand employed	1.8
Median salary for visa applications	£38,000
Recommendation	Do not recommend adding occupation to the SOL

We received 6 CfE responses from stakeholders for this occupation. 3 responses focused on the job title "VFX artists" (roles within visual effects) within this occupation, while 1 response focused specifically on Artists within the video games industry.

Respondents made a strong case for a shortage of VFX artists and the contributing factors: a rapidly changing technological landscape in which these roles are at the centre; a highly specialised role and skillset and a global industry where international competition is far more relevant than domestic competition. In addition, the industry stated its commitment to establishing a domestic skills pipeline for many of the job titles that sit under this occupation.

However, pay data provided by the sector for these roles indicated that employers pay well above the general threshold and can already use the SW route to recruit from abroad.

We acknowledge that most respondents for this occupation are not looking to use the SOL for its salary threshold reduction. Rather, they want this occupation to remain on the SOL because it allows for use of the Creative Worker (CW) visa without having to prove that employers "will not be displacing a suitable settled worker". We hope that the sector is reassured by our recommendations in Chapter 3, where we recommend streamlining the CW visa to address this issue.

Recommendation

Do not recommend adding occupation to the SOL. Stakeholders acknowledge that they can already make unlimited use the SW route and we believe that our recommendation to streamline the CW visa will address the issues raised in their responses.

3414 Dancers and choreographers	
Current SOL status	On the SOL – only skilled classical "ballet dancers" or skilled "contemporary dancers" who meet the standard required by internationally recognised UK ballet or contemporary dance companies
RQF level	3-5
Going rate threshold	£21,200
Minimum salary if on SOL	£21,200
SOL discount on general threshold (%)	19%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	22,900
Total visas issued since 2021	5
Visas per thousand employed	0.1
Median salary for visa applications	£29,200
Recommendation	Do not recommend adding occupation to the SOL

We received 4 CfE responses from stakeholders for this occupation.

Stakeholders set out the case for shortage in the UK, particularly in Scotland, and why companies should be able to use the immigration system given the highly specialised skills required. This case was particularly focused on skilled "ballet dancers" and the global talent pool that exists within this artform.

There was varied stakeholder evidence on pay in the occupation, particularly for ballet dancers. Some respondents claimed to pay well above the general threshold, while others claim to pay just below the general threshold. Based on this evidence, we expect that most employers can already access the SW route to recruit from overseas for the specific roles that are reported to be in shortage.

Respondents also requested to regrade this occupation to RQF 6. It was claimed that this reclassification would allow employers unlimited use of the SW route and the CW visa. This is incorrect as employers can already use both routes to recruit for this occupation at its current RQF level. Therefore, we have not considered this as a formal reclassification request.

Recommendation

Do not recommend adding occupation to the SOL. Employers stated that many job titles pay above the going rate for this occupation and therefore can already access the SW route without inclusion on the SOL. We do not want to see the SOL being used to undercut domestic workers or risk exploitation of migrants.

Construction

3114 Building and civil engineering technicians	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£23,000
Minimum salary if on SOL	£23,000
SOL discount on general threshold (%)	12%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	19,900
Total visas issued since 2021	13
Visas per thousand employed	0.3
Median salary for visa applications	£27,000
Recommendation	Do not recommend adding occupation to the SOL

Overview

We received 4 CfE responses from organisations for this occupation.

In isolation, evidence from the MAC dashboard did not conclusively demonstrate shortage, and the change in the vacancy rate was slower than UK average (Chart D).

Stakeholders argued that there is shortage in this occupation, and that although long-term plans exist for training, being on the SOL would benefit employers in the short term.

Recommendation

Do not recommend adding occupation to the SOL. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on shortage, the efforts utilised to overcome this, and the specific benefits of being on the SOL.

5311 Steel erectors	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£23,900
Minimum salary if on SOL	£23,900
SOL discount on general threshold (%)	9%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	5,500
Total visas issued since 2021	47
Visas per thousand employed	8.5
Median salary for visa applications	£43,900
Recommendation	Do not recommend adding occupation to the SOL

We received 4 CfE responses from stakeholders for this occupation.

They provided evidence of difficulty in recruiting and filling vacancies as well as sector-wide initiatives on workforce recruitment, training, and retention, but limited evidence at the occupational level. There was also limited quantitative data available to support arguments related to shortage, although real pay growth did increase strongly from 2021 to 2022. No substantial evidence was provided to demonstrate why the occupation should be added to the SOL at this point.

Stakeholders also disagreed with the argument made in the 2023 Interim SOL review that "based on projected pay growth it is likely that this occupation's pay will be high enough for most jobs to meet the general threshold and therefore there is little justification for a SOL salary discount". If wage growth does increase in line with the construction sector, then the occupation will be able to use the SW route. This likelihood is supported by the median salaries paid to visa holders, which are comfortably above the general threshold (£43,900).

Recommendation

Do not recommend adding occupation to the SOL. Pay growth in construction since 2021 suggests that the occupation will exceed the general threshold and be able to use the SW route freely. The evidence on salaries actually paid to workers on the SW route confirms this.

5312 Bricklayers and masons	
Current SOL status	On the SOL
RQF level	3-5
Going rate threshold	£23,300
Minimum salary if on SOL	£23,300
SOL discount on general threshold (%)	11%
Proportion of jobs below general threshold	35-40%
APS employment 2020	67,300
Total visas Issued since 2021	210
Visas per thousand employed	1.4
Median salary for visa applications	£25,600
Recommendation	Recommend adding occupation to the SOL

We received 3 CfE responses from stakeholders for this occupation.

MAC indicators show that the vacancy rate has been increasing faster than the UK trend, suggesting a potential shortage. Wages in the occupation have risen, although not notably more so than the UK trend.

Respondents provided sufficient evidence of shortage and highlighted recruitment difficulties through quantitative data and surveys, also highlighting the development of apprenticeships and other training pathways. 1 respondent provided Scotland-specific evidence on "stonemasons" and the maintenance of older buildings. There has been a consistent net loss to the workforce each year. This occupation has public value in contributing towards housebuilding targets. Evidence received suggested that per 10,000 homes built, bricklayers are needed in the highest quantity of all construction jobs.

This occupation was recommended for addition in our <u>2023 Interim SOL review</u> in March. We continue to place weight on the public value of the construction sector for the UK economy and society. The evidence received has not demonstrated that shortages have improved, so addition to the SOL may help in the short term, enabling employers to access the skills required in greater volume.

Recommendation

Recommend adding occupation to the SOL. There is clear evidence of a shortage in the occupation, and employers are struggling to hire enough workers to replace those leaving or retiring.

Due to the public value of the occupation, any cost savings and efficiency benefits that arise from having wider access to the immigration system will likely bring economic benefits to the UK. Addition to the SOL will help more employers solve short-term shortages as the UK strives to meet its housebuilding and net-zero targets. We do, however, have concerns about exploitation within low-wage jobs in the construction sector and recommend that the Home Office monitors the risks of exploitation within these job titles and if evident, to immediately remove this occupation from the SOL to prevent abuse of the system.

5313 Roofers, tilers and roof slaters	
Current SOL status	On the SOL
RQF level	3-5
Going rate threshold	£20,200
Minimum salary if on SOL	£21,000
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	65-70%
APS employment 2019	48,500
Total visas issued since 2021	6
Visas per thousand employed	0.1
Median salary for visa applications	£25,600
Recommendation	Recommend adding occupation to the SOL

We received 3 CfE responses from stakeholders for this occupation.

The MAC dashboard shows that the online vacancy rate for this occupation has risen significantly faster than the UK average in the last few years, though there is evidence of some easing (Chart D).

The sector has demonstrated that it has developed and is further developing new training standards and apprenticeships to try to drive domestic recruitment, and these could help to alleviate shortage.

Annual pay data from ASHE suggests this occupation would benefit considerably from inclusion on the SOL. We estimate that 65-70% of jobs pay below the general threshold of £26,200 and so are unable to access the SW route. This is supported by the very low numbers of visas that have been granted and the reported median salary being exactly the previous binding general threshold.

This occupation was recommended for addition in our <u>2023 Interim SOL review</u> in March. We continue to place weight on the public value of the construction sector for the UK economy and society.

Recommendation

Recommend adding occupation to the SOL. There is evidence of shortage both from the quantitative data and from stakeholders. Whilst the Committee would have liked more detailed occupation-specific information about strategies for addressing shortages, we are persuaded that the sector is trying to address these issues domestically and much of the occupation cannot realistically access foreign workers given the binding general threshold unless they receive the SOL discount.

We do, however, have concerns about exploitation within low-wage jobs in the construction sector and recommend that the Home Office monitors the risks of exploitation within these job titles and if evident, to immediately remove this occupation from the SOL to prevent abuse of the system.

5315 Carpenters and joiners	
Current SOL status	On the SOL
RQF level	3-5
Going rate threshold	£22,500
Minimum salary if on SOL	£22,500
SOL discount on general threshold (%)	14%
Proportion of jobs below general threshold	40-45%
APS employment 2020	216,400
Total visas issued since 2021	351
Visas per thousand employed	0.7
Median salary for visa applications	£28,600
Recommendation	Do not recommend adding occupation to the SOL

We received CfE responses from 5 stakeholders for this occupation.

Respondents indicated that there have been persistent difficulties in recruiting Carpenters and joiners and that the occupation is among the most frequently reported by their members for shortages.

Recommendation

Do not recommend adding occupation to the SOL. We suggest that stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on why the occupation cannot use the SW route already, given the salaries paid to existing visa users. We note that this occupation was added to the SOL in July 2023 and the Government may wish to consider whether it is desirable to remove these jobs from the list so soon after inclusion. If the Government are minded to maintain the status quo, we would expect to review this occupation again in the next minor SOL review planned for 2024.

5319 Construction and building trades n.e.c.	
Current SOL status	On the SOL
RQF level	3-5
Going rate threshold	£22,200
Minimum salary if on SOL	£22,200
SOL discount on general threshold (%)	15%
Proportion of jobs below general threshold	40-45%
APS employment 2020	207,300
Total visas issued since 2021	91
Visas per thousand employed	0.2
Median salary for visa applications	£26,000
Recommendation	Recommend adding only the job title "retrofitters" to the SOL

We received 3 CfE responses from stakeholders for this occupation. 1 stakeholder argued that "retrofitters" should be added to the occupation, which is an issue we addressed in our 2023 Interim SOL review in March.

Quantitative evidence was not strongly indicative of shortage, with real pay falling and vacancy rates being no higher than the UK average rate.

Generally, evidence focused on localised issues; the scale of these issues across the labour market was not made clear. The benefits of the occupation code being on the SOL and attempts at alleviating shortage were not addressed fully in the evidence provided. More convincing evidence was however provided, which demonstrated shortage of retrofitters, a job title which sits within this occupation code, and their public value in ensuring the UK meets net zero targets.

Recommendation

Recommend adding only the job title "retrofitters" to the SOL. Evidence of shortage and attempts to alleviate shortage were generally not convincing. However, strong evidence was provided for the shortage of retrofitters and their public value, and therefore we recommend this job title alone should be added to the SOL. We note this occupation was added to the SOL in July 2023 and the Government may wish to consider whether it is desirable to remove these jobs from the list so soon after inclusion. If the Government are minded to maintain the status quo, we would expect to review this occupation again in the next minor SOL review planned for 2024.

We also have concerns about exploitation within low-wage jobs in the construction sector and recommend that the Home Office monitors the risks of exploitation within these job titles and if evident, to immediately remove this job title from the SOL to prevent abuse of the system.

5321 Plasterers	
Current SOL status	On the SOL
RQF level	3-5
Going rate threshold	£24,000
Minimum salary if on SOL	£24,000
SOL discount on general threshold (%)	8%
Proportion of jobs below general threshold	35-40%
APS employment 2020	34,900
Total visas issued since 2021	27
Visas per thousand employed	0.3
Median salary for visa applications	£25,900
Recommendation	Do not recommend adding occupation to the SOL

We received 3 CfE responses from stakeholders for this occupation.

Evidence suggested that specific job titles within this occupation attracted particularly high salaries: 1 respondent reported a salary range of £28-£52k for "ceiling fixers" and £36-£55k for "dry liners" and "plasterers". Whilst respondents provided evidence of shortage, there was insufficient evidence provided by stakeholders about measures that had been taken to try to attract more workers.

The occupation is of clear public value but attempts to fill the shortages should be made by the industry with the tools available, such as efforts to increase direct employment, creating attractive terms and conditions and benefits packages, and using the existing SW route. Only if these attempts are made but do not solve shortages, should the SOL be considered as a next step.

A request was made to move ceiling fixers to this occupation code, so they can be recruited using the SW route, which is covered separately at the end of <u>Chapter 4</u>.

Recommendation

Do not recommend adding occupation to the SOL. In the interim review, this request was granted, but the evidence was not convincing – the benefit of the doubt was given due to the timelines asked of stakeholders and the public value argument. However, the picture is still the same, evidence from stakeholders in terms of their efforts to alleviate shortages remains unconvincing. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on shortages, what steps have been taken to alleviate shortage and why it would be beneficial to add this occupation to the SOL. We note that this occupation was added to the SOL in July 2023 and the Government may wish to consider whether it is desirable to remove these jobs from the list so soon after inclusion. If the Government are minded to maintain the status quo, we would expect to review this occupation again in the next minor SOL review planned for 2024.

8141 Scaffolders, stagers and riggers	
Current SOL status	Not on the SOL
RQF level	1-2
Going rate threshold	£26,600
Minimum salary if on SOL	£26,600
SOL discount on general threshold (%)	0%
Proportion of jobs below general threshold	20-25%
APS employment 2020	20,300
Total visas issued since 2021	N/A
Visas per thousand employed	N/A
Median salary for visa applications	N/A
Recommendation	Do not recommend adding occupation to the SOL

We received 4 CfE responses from stakeholders for this occupation.

Stakeholders provided general examples of initiatives to enhance the recruitment and training of industry workers from the domestic workforce.

No evidence was provided that specifically indicated a case for why employing migrants was a sensible and temporary solution to shortages, particularly as this is an RQF 1-2 level occupation. No occupation-specific evidence was provided on the training requirement for the role.

Given the 2021 going rate of the occupation is £26,600, being on the SOL would not provide a salary discount but would provide access to the SW route. It is likely wages have increased further beyond these levels recently.

Recommendation

Do not recommend adding occupation to the SOL. There was a lack of evidence provided through the CfE, including arguments for the existence of shortage, attempts to alleviate shortage and why it would be sensible for the occupation to be placed on the SOL, and consequently the occupation did not meet the high bar for RQF 1-2 occupations to be recommended.

8221 Crane drivers	
Current SOL status	Not on the SOL
RQF level	1-2
Going rate threshold	£28,400
Minimum salary if on SOL	£28,400
SOL discount on general threshold (%)	0%
Proportion of jobs below general threshold	15-20%
APS employment 2020	15,200
Total visas issued since 2021	N/A
Visas per thousand employed	N/A
Median salary for visa applications	N/A
Recommendation	Do not recommend adding occupation to the SOL

We received 2 CfE responses from stakeholders for this occupation.

The MAC's quantitative indicators for this occupation are inconclusive due to sample size and data availability. Respondents sufficiently evidenced that there is a skill shortage operating a specific subset of cranes, which are more complex than the majority of cranes used. This appears to be localised to a handful of firms who use these complex cranes, and not an industry-wide shortage.

The evidence provided does not, though, make a compelling argument as to why domestic workers cannot be trained to fill these roles. It is noted that the types of contracts that crane operators work on are usually short-term, but there are other construction sector apprenticeships which take 18-24 months, and it is not clear why these can work but a similar crane driver apprenticeship or training scheme could not.

If the sector works to create an apprenticeship skilled at RQF 3+ level, which takes years to complete (evidence received states that training can take "months to years") this would be a good indicator that the skill classification needs to be reconsidered. Stakeholders asserted that this occupation was incorrectly coded at skill level RQF 1-2, however no convincing argument was made explaining why.

As an RQF 1-2 occupation, evidence must be exceptional to prove why the UK economy will suffer without granting the occupation access to the SOL, and these conditions have not been met.

Recommendation

Do not recommend adding occupation to the SOL. The high bar for evidence for RQF 1-2 occupations seeking to gain access to the SOL is not reached. Evidence has suggested that shortage is localised and not industry wide. This is supported by the MAC's indicators and the stakeholder submissions, which concerned individual companies with complex cranes, not industry needing many crane drivers for typical construction projects.

8229 Mobile machine drivers and operatives n.e.c.	
Current SOL status	Not on the SOL
RQF level	1-2
Going rate threshold	£23,800
Minimum salary if on SOL	£23,800
SOL discount on general threshold (%)	9%
Proportion of jobs below general threshold	30-35%
APS employment 2020	44,100
Total visas issued since 2021	N/A
Visas per thousand employed	N/A
Median salary for visa applications	N/A
Recommendation	Do not recommend adding occupation to the SOL

We received 4 CfE responses from stakeholders for this occupation.

These responses evidenced shortage of "rig operatives" and "plant operatives". The MAC dashboard showed vacancy rate growth is lower than UK labour market average.

The sector demonstrated attempts to alleviating shortage by implementing training programmes and increasing wages. However, the evidence was broad and not occupation specific, except for 2 job titles. The bar for addition of an RQF 1-2 occupation to the SOL is high, and the evidence does not meet this threshold.

Recommendation

Do not recommend adding occupation to the SOL. Although some evidence is provided of shortage and attempts to alleviate shortage, the high bar for RQF 1-2 occupations is not met.

Education

2319 Teaching and other educational professions n.e.c.	
Current SOL status	Not on the SOL
RQF level	6+
Going rate threshold	£22,400
Minimum salary if on SOL	£22,400
SOL discount on general threshold (%)	15%
Proportion of jobs below general threshold	40-45%
APS employment 2020	308,400
Total visas issued since 2021	217
Visas per thousand employed	0.3
Median salary of visa applications	£26,700
Recommendation	Do not recommend adding occupation to the SOL

Overview

We received a CfE responses from 1 stakeholder for this occupation, which was specific to the job title "nursery managers".

There was a clear narrative provided for the social benefits of providing early care, such as affecting mainly women's ability to be economically active. However, the majority of the evidence was tailored to Nursery workers, a job title which is part of SOC Code 6121.

For nursery managers, Indeed report a mean salary of £30,673.

Recommendation

Do not recommend adding occupation to the SOL. A clear argument has been made for the social value of early childcare. However, the evidence shows that for the specific role of nursery managers under this occupation, the sector can use the current SW route and there is no clear justification for requiring a reduced salary threshold.

3563 Vocational and industrial trainers and instructors	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£24,500
Minimum salary if on SOL	£24,500
SOL discount on general threshold (%)	6%
Proportion of jobs below general threshold	30-35%
APS employment 2020	159,500
Visas issued since 2021	108
Visas per thousand employed	0.3
Median salary for visa applications	£40,200
Recommendation	Do not recommend adding occupation to the SOL

We received 2 CfE responses from stakeholders representing this occupation.

Chart D from the MAC dashboard shows that vacancies have grown by 142% since 2020/21 alone, with the vacancy rate growing at a faster rate when compared to that of the labour market average.

Evidence received was generic to the rail sector, rather than occupation specific, with reported difficulty finding people with the right skills. Arguments made suggest that increased wages are counterproductive and responsible for wage inflation. There was also confusion about what benefits the SOL provides, from a sponsorship perspective, with 1 stakeholder suggesting placement on the SOL could help "reduce some of the bureaucracy around sponsorship." As discussed previously, this is incorrect.

We were told that due to the nature of roles, employers cannot be flexible in terms of location or hours, but respondents reported they are using apprenticeships and upskilling internally to address gaps. Whilst stakeholders pointed to wage inflation, they have not provided evidence of wage increases, why this common reaction to a shortage is unsustainable, nor why allowing migrants to be hired at a lower wage (in turn suppressing wage growth for UK workers) would be a sensible response to shortage.

Recommendation

Do not recommend adding occupation to the SOL. With a median wage of £40,164 for jobs that are filled using the SW route, this occupation should remain able to use this route going forward. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on shortages in the occupation, steps taken to alleviate shortage, and why the occupation would benefit from being on the SOL.

6123 Playworkers	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£13,300
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	95-100%
APS employment 2020	28,600
Total visas issued since 2021	-
Visas per thousand employed	-
Median salary for visa applications	Low sample size
Recommendation	Do not recommend adding occupation to the SOL

We received 3 CfE responses from stakeholders for this occupation.

Chart A from the MAC dashboard shows that pay within the occupation has for the most part been on the rise, growing by 14.2% between 2016 and 2021. Chart D shows that since the start of the pandemic, vacancies have grown by 246%, compared to a labour market average change of 99%.

As part of our 2020 review of the SOL, we received evidence relating to this occupation from Scotland which referenced legislative changes occurring at the time. That evidence did not include a request to add the occupation to the SOL, so a recommendation was not made.

For this review, we received submissions from stakeholders in Wales, where similar legislative changes are occurring – the Flying Start initiative. Stakeholders told us that the childcare sector is facing recruitment challenges, specifically due to difficulties in finding workers "with the appropriate qualification and who are willing to work part-time with fragmented hours, low pay and fewer progression opportunities."

Whilst good evidence was provided regarding the social benefits of providing early care, migrants entering the UK on the SW route would struggle to take up secondary employment due to fragmented hours and the availability of work outside term time and would also be unable to access public funds. It is therefore difficult to see how any migrant on the SW route would be able to do this work for the wages on offer. If the wages were to increase, that would likely reduce the need for migrant labour.

Recommendation

Do not recommend adding occupation to the SOL. Stakeholder evidence shows that playworkers are important to the provision of early childcare. However, this work is low paid with often few guaranteed hours of work – usually only during term-time. Migrants using the SW route who are taking up a second job are required to do so in the same SOC code and given the fragmented nature of the work it is difficult to see how the salary threshold could be reached. Therefore the MAC does not consider the SW route, even if the occupation were added to the addition of the SOL, to be an appropriate route for this occupation.

Human health and social work activities

6121 Nursery nurses and assistants	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£15,000
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	90-95%
APS employment 2020	209,900
Total visas issued since 2021	130
Visas per thousand employed	0.3
Median salary for visa applications	£25,600
Recommendation	Do not recommend adding occupation to the SOL

Overview

We received 8 CfE responses from stakeholders for this occupation.

The evidence provided showed persistent, high vacancy levels that are on track to grow further. We were told that for childcare settings to be allowed to run, they need to maintain specific ratios of qualified to unqualified staff. Respondents also told us that there are declining places on offer at Further Education (FE) colleges, declining uptake and high drop-out rates. Although employers are willing to sponsor trainees (their business model depends on having trainee-level, level 2 and fully qualified level 3 staff, meaning that apprentice and level 2 staff form part of the recruitment pipeline) the number of fully qualified staff leaving FE colleges is very low. 1 large childcare provider provided evidence from a specific city showing the current year's FE cohort was likely to result in 29 childcare providers, with 145 vacancies, recruiting from a cohort of 6 qualified staff.

Department for Education (DfE) evidence was cited to demonstrate high vacancies in this occupation, making it difficult to meet current levels of demand. There are policy commitments in all nations of the UK (for example in the March 2023 Budget announcement) to increase funded hours available, which will increase demand further. The sector is making efforts to recruit, including some use of the SW route, and evidence was provided to show that this included raising salaries. It was argued inclusion on the SOL would allow recruitment internationally closer to current wages and with lower fees.

Recommendation

Do not recommend adding occupation to the SOL. The sector has made convincing arguments about shortage in the sector and the occupation clearly has a high public value. Nevertheless, we are concerned that — as with social care — the primary reason for shortage in the occupation is because of an overall lack of funding in the sector. We are concerned that by expanding the need for the occupation through increasing funded hours, without also raising funding to allow wages to rise and recruit more of the domestic population, the Government has created a situation whereby large-scale immigration of minimum-wage

workers is the only way to fill the gap. This has happened with social care, and we are concerned that if this occupation was added to the SOL, we would see an increase in exploitation as has happened on the Health and Social Care Visa. We would need to see clear evidence that the level of funding being provided would be sufficient to improve pay and conditions and that a well-developed workforce strategy was in place, before we were willing to consider placing the occupation on the SOL. As many of these issues are devolved, we would welcome evidence from the UK Government and the Devolved Administrations on their funding commitments.

6122 Childminders and related occupations	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£17,500
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	75-80%
APS employment 2020	107,300
Total visas issued since 2021	32
Visas per thousand employed	0.1
Median salary for visa applications	£26,000
Recommendation	Do not recommend adding occupation to the SOL

We received 2 CfE responses from stakeholders for this occupation, both in Wales.

One of these cited a recent survey showing that the childminding workforce is ageing, and that most recent leavers would not consider a return to childminding. Since 2020/21, vacancy postings have risen more in Wales than in the UK as a whole (by 134% compared to 99%).

There was convincing evidence provided for the public value for the childcare sector as a whole and for the specific value of childminders. It was highlighted that childminders are particularly likely to be used in rural areas and by families or individuals with children who have additional support needs.

Evidence was provided indicating that childminding registrations in Wales are declining. As with SOC Code 6121, demand for childminding services is expected to increase following policy commitments to increase the number of funded hours available. Since 2019, the Welsh Government has funded 30 hours of childcare for working parents of children, aged 3 and 4, as well as 12.5 hours of childcare provision for parents of 2-year-olds in areas of socioeconomic disadvantage, through the Flying Start programme.

The number of children being born in 2022 is expected to increase. This, coupled with a declining number of registrations (the qualification also takes 12-18 months to complete), means that there is concern about the Welsh Government meeting these commitments.

Recommendation

Do not recommend adding occupation to the SOL. As with SOC Code 6121, convincing evidence was received to show shortage (in Wales) but we remain unconvinced that the occupation should be added to the SOL. As with SOC Code 6121, we believe that funding should rise sufficiently to enable the sector to pay a wage that can attract the domestic workforce. We also note that au pairs, a group that may be particularly at risk of exploitation, are included under this SOC (although noting also that households will not generally be sponsors on the route, so the potential for au pairs to be employed is limited).

3217 Pharmaceutical technicians	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£22,200
Minimum salary if on SOL	£22,200
SOL discount on general threshold (%)	15%
Proportion of jobs below general threshold	55-60%
APS employment 2020	29,100
Total visas issued since 2021	13
Visas per thousand employed	0.2
Median salary for visa applications	£25,600
Recommendation	Recommend adding occupation to the SOL

To Note: 3217 has been considered along with 7114, please see the overview and recommendation below.

7114 Pharmacy and other dispensing assistants	
Current SOL status	Not on the SOL
RQF level	1-2
Going rate threshold	£17,000
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	95-100%
APS employment 2020	83,500
Visas per thousand employed	N/A
Total visas issued since 2021	N/A
Median salary for visa applications	N/A
Recommendation	Do not recommend adding occupation to the SOL

We received 5 CfE responses from stakeholders on these occupations (7114 and 3217) combined.

The rate at which numbers of online job postings have risen (186% for 3217 and 91% for 7114, from 2016/17 to 2022/23) compared to the UK average (38% over the same period) suggest that recruitment is difficult – this was backed up by written evidence from employers.

Evidence from employers suggested that a shortage of pharmaceutical technicians was particularly apparent in community pharmacies, especially in rural and remote areas: the occupation has clear high public value overall but may therefore be especially valuable to these communities. Respondents to the CfE indicated that they have tried raising pay and that salary packages are competitive. A representative organisation stated that employers cannot recruit to these positions despite offering funded training, and that vacancies can remain unfilled for several months.

Although internationally qualified pharmaceutical technicians can practise in the UK, they must complete additional UK qualifications and work experience before they are able to do so. Inclusion on the SOL may therefore be of limited benefit.

Recommendation

Recommend adding 3217, but not 7114, to the SOL. The evidence convincingly demonstrated shortage, and there is clear public value to both occupations, particularly in rural areas. Inclusion on the SOL for occupation 3217 may be of limited benefit given the need to have UK experience and qualifications to practise as a pharmaceutical technician, but we are nevertheless recommending its addition. We considered the case for adding occupation 7114 to the SOL to allow pharmaceutical technicians from overseas to work in this occupation while obtaining the relevant qualifications but decided against this. The job is RQF 1-2, meaning it could not be restricted to qualified technicians, and we have concerns about how progression to qualified technician status could be monitored. We do not think that this meets the high bar required for recommending an RQF 1-2 occupation for inclusion.

Information and communication

3131 IT operations technicians	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£24,700
Minimum salary if on SOL	£24,700
SOL discount on general threshold (%)	6%
Proportion of jobs below general threshold	30-35%
APS employment 2020	114,200
Total visas issued since 2021	164
Visas per thousand employed	0.6
Median salary for visa applications	£28,000
Recommendation	Do not recommend adding occupation to the SOL

Overview

We received 4 responses from stakeholders for this occupation.

There was some evidence of shortage, but this was not particularly convincing. The evidence given was generic, for example "it is challenging to find people with the right skill sets and qualifications."

There was some evidence that a range of strategies have been tried in order to address shortage, but overall, this was limited in relation to this occupation. Little evidence was given for how inclusion on the SOL would benefit the occupation, and that evidence suggested the primary benefit would be to enable employers to reduce wages: "In some cases increases in salaries have been required. This is counterproductive and creates wage inflation."

Recommendation

Do not recommend adding occupation to the SOL. There was limited evidence of shortage or how employers have tried to alleviate this via the domestic workforce, and there is a clear indication from employers that inclusion on the SOL would allow for lowering wages. As employers would only get a small discount by using the SOL, and when the sector uses the SW route for this occupation it is evident that it can pay well above the general threshold, we do not think it is necessary to include this occupation on the SOL. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on what has been done to alleviate shortage and why the occupation would benefit from being on the SOL.

3132 IT user support technicians	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£23,800
Minimum salary if on SOL	£23,800
SOL discount on general threshold (%)	9%
Proportion of jobs below general threshold	30-35%
APS employment 2020	123,900
Total visas issued since 2021	280
Visas per thousand employed	1
Median salary for visa applications	£28,500
Recommendation	Do not recommend adding occupation to the SOL

We received 3 CfE responses from stakeholders for this occupation.

The evidence given showed vacancies in the sector and indicated that the skill set required for filling these vacancies does not exist in the UK labour market. Reference was made to the sector constantly evolving, making skills and experience difficult to find.

The sector also claimed it is growing, with demand outstripping supply. Evidence relating specifically to this occupation, rather than to the sector is limited. There is evidence of sector-specific initiatives to increase supply of the domestic workforce, but again little evidence relating to this occupation specifically. Evidence also indicated employees may leave the occupation for better-paid opportunities, with less workload.

CfE responses suggested that not adding occupations to the SOL would limit service delivery. However, the evidence provided also suggested pay rates were well above the general threshold and therefore it is not clear why the SW route cannot be used to recruit overseas workers.

Recommendation

Do not recommend adding occupation to the SOL. Employers would only get a small discount by using the SOL, and when the sector uses the SW route for this occupation it is evident that it can pay well above the general threshold. Therefore, we do not think it is necessary to include this occupation on the SOL. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews, by providing further evidence on why the occupation would benefit from being on the SOL.

5245 IT engineers	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£21,900
Minimum salary if on SOL	£21,900
SOL discount on general threshold (%)	16%
Proportion of jobs below general threshold	30-35%
APS employment 2020	49,000
Total visas issued since 2021	31
Visas per thousand employed	0.3
Median salary for visa applications	£28,000
Recommendation	Do not recommend adding occupation to the SOL

We received 3 CfE responses from stakeholders for this occupation.

There was some evidence of shortage and lack of skills in the UK labour market, but this was not specific nor convincing: some of the evidence is difficult to attribute directly to the occupation and instead discussed vacancies across a range of different occupations and businesses.

There was very little evidence relating to how adding the occupation to the SOL would help, and that which was received, tended to indicate it would allow for wages to be lowered.

Recommendation

Do not recommend adding occupation to the SOL. Limited occupation-specific evidence was given and the small amount of evidence for being added to the SOL, suggests that the aim is to lower wages. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on what steps have been taken to alleviate shortage and why the occupation would benefit from being on the SOL.

Manufacturing

3115 Quality assurance technicians	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£24,100
Minimum salary if on SOL	£24,100
SOL discount on general threshold (%)	8%
Proportion of jobs below general threshold	45-50%
APS employment 2020	37,200
Total visas issued since 2021	86
Visas per thousand employed	1
Median salary for visa applications	£26,000
Recommendation	Do not recommend adding occupation to the SOL

Overview

We received 4 CfE responses from stakeholders for this occupation.

Overall, the evidence provided by stakeholders on the existence of shortage and attempts to alleviate them, was not suitably occupation specific to make a convincing argument, and limited reasons were provided as to why the SOL was a sensible response to address shortage.

Further, there was limited quantitative evidence to suggest that shortages in this occupation were more pressing than in the wider UK labour market, with vacancy rates converging on the UK average.

Recommendation

Do not recommend adding occupation to the SOL. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on why the SOL is a sensible response to address shortages and the benefits of the occupation being added to the SOL.

3116 Planning, process and production technicians	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£26,000
Minimum salary if on SOL	£26,000
SOL discount on general threshold (%)	1%
Proportion of jobs below general threshold	25-30%
APS employment 2020	31,400
Total visas issued since 2021	124
Visas per thousand employed	1.8
Median salary for visa applications	£26,000
Recommendation	Do not recommend adding occupation to the SOL

We received 2 CfE responses from stakeholders for this occupation.

Evidence of shortage, specific to the occupation was limited, and examples of attempts to alleviate shortage were also very general (i.e., relating to broad industry wide initiatives to attract and retain workers). As the occupation's 2021 going rate is £26,000, being on the SOL would only give a 1% discount on the salary threshold.

Further, given recent likely increases in wages, the occupation's current going rate may now exceed the general threshold and this further weakens the argument for being placed on the SOL. Quantitative evidence of shortage in the occupation was also lacking, with job vacancy growth well below the UK average.

Recommendation

Do not recommend adding this occupation to the SOL. Whilst data submitted by stakeholders did indicate some shortage in this occupation, we anticipate that current rates of pay should allow many employers to use the SW route to recruit from overseas should they need to do so.

5213 Sheet metal workers	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£20,700
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	55-60%
APS employment 2020	11,500
Total visas issued since 2021	46
Visas per thousand employed	1.8
Median salary for visa applications	£26,800
Recommendation	Do not recommend adding occupation to the SOL

We received 4 CfE responses from stakeholders for this occupation.

Evidence provided demonstrated a clear public value argument for the wider construction sector and, its importance for homebuilding and major infrastructure projects (such as nuclear, oil and gas decommissioning, and offshore wind). However, evidence of shortage in the occupation was more mixed: stakeholders provided evidence of both increasing demand for sheet metal workers and high numbers of job adverts, but also relatively low numbers of difficult to fill vacancies. Furthermore, at the occupational level there was a lack of detail on attempts to alleviate shortage or why it would be sensible to be added to the SOL.

Quantitative evidence of shortage in the occupation was also mixed, whilst vacancy growth has tracked above the UK average, real pay growth is below the wider UK labour market.

Recommendation

Do not recommend adding occupation to the SOL. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on shortages, what steps have been taken to alleviate shortage and why it would be beneficial to add this specific occupation to the SOL.

5215 Welding trades	
Current SOL status	On the SOL - Only "high integrity pipe welders", where the job requires 3 or more years related on-the-job experience. This experience must not have been gained through illegal working.
RQF level	3-5
Going rate threshold	£23,100
Minimum salary if on SOL	£23,100
SOL discount on general threshold (%)	12%
Proportion of jobs below general threshold	40-45%
APS employment 2020	55,700
Total visas issued since 2021	292
Visas per thousand employed	2.3
Median salary for visa applications	£27,000
Recommendation	Do not recommend adding occupation to the SOL

We received 9 CfE responses from stakeholders for this occupation.

Respondents provided data indicating that, companies were struggling to fill vacancies, job adverts relating to the occupation had climbed steadily, and that several thousand welders would be required over the next few years. Stakeholders highlighted efforts to alleviate shortage through providing training, apprenticeships and increasing wages. Public value arguments, and the importance of welders for UK Energy Security Strategy and Net Zero policies, were also clear.

Overall, the quantitative evidence of shortage in the occupation was mixed, with recent real pay growth tracking the UK labour market but vacancies increasing faster than the wider UK average. However, given high existing use of the SW route as well as a median salary above the general threshold, adding this occupation to the SOL would likely encourage undercutting of resident workers by employers paying lower wages. For this reason, we do not recommend adding this occupation to the SOL.

Recommendation

Do not recommend adding occupation to the SOL. Despite evidence of shortage and clear public value arguments, high existing use of the SW route and a high median salary suggests that this occupation can successfully recruit through existing migration routes, and hence that addition to the SOL could lead to wage undercutting of resident workers.

5221 Metal machining setters and setter-operators	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£24,000
Minimum salary if on SOL	£24,000
SOL discount on general threshold (%)	8%
Proportion of jobs below general threshold	35-40%
APS employment 2020	47,200
Total visas issued since 2021	68
Visas per thousand employed	0.6
Median salary for visa applications	£27,300
Recommendation	Do not recommend adding occupation to the SOL

We received 5 CfE responses from stakeholders for this occupation.

Respondents provided data on difficulties in recruiting for a specific job title, "CNC setter operators", within the occupation, as well as showing that pay has increased in the occupation between 2021 and 2022.

Aside from these data points, evidence of shortage and attempts to alleviate it, as well as arguments setting out why the occupation should be placed on the SOL and demonstrating public value, were more sector focused. Further, quantitative evidence of shortage in the occupation was mixed, with vacancy growth tracking above the UK average but real wage growth slower than the wider labour market.

Recommendation

Do not recommend adding occupation to the SOL. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on shortages, what steps have been taken to alleviate shortage and why it would be beneficial to add this occupation to the SOL.

5223 Metal working production and maintenance fitters	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£24,700
Minimum salary if on SOL	£24,700
SOL discount on general threshold (%)	6%
Proportion of jobs below general threshold	25-30%
APS employment 2020	216,000
Total visas issued since 2021	324
Visas per thousand employed	0.7
Median salary for Visa Applications	£36,500
Recommendation	Do not recommend adding occupation to the SOL

We received 12 CfE responses from stakeholders for this occupation. Some responses had regional arguments (relating to Scotland, Northern Ireland and the South West).

There was insufficient evidence to demonstrate significant shortage from quantitative data. The MAC dashboard indicated a similar situation to the UK labour market. Stakeholders argued that there was shortage, largely through references to wage increases since 2021 which could indicate attempts to alleviate shortage. Additional evidence suggested that 6-8% of companies took longer than 12 months to fill vacancies in this area.

Public value arguments were stronger in some submissions and covered projects related to Net Zero and nuclear energy. There were also some mentions of importance of the occupation to automotive and aerospace industries.

The main argument made by stakeholders was that being on the SOL would provide benefit to the occupation to help alleviate shortfalls, in an occupation where 2-6 years training or apprenticeships are common.

Recommendation

Do not recommend adding occupation to the SOL. The MAC dashboard did not indicate that shortage in the occupation was worse than the UK average, with decreasing vacancies in 2022/23. Additionally, the evidence on SW route visa use and salaries suggested that employers are already using the SW route effectively. Inclusion on the SOL may encourage lower wages to be paid.

5224 Precision instrument makers and repairers	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£23,300
Minimum salary if on SOL	£23,300
SOL discount on general threshold (%)	11%
Proportion of jobs below general threshold	40-45%
APS employment 2020	20,700
Total visas issued since 2021	6
Visas per thousand employed	0.1
Median salary for Visa Applications	£29,000
Recommendation	Do not recommend adding occupation to the SOL

We received a CfE response from 1 stakeholder for this occupation.

Quantitative evidence from the MAC dashboard suggested shortage, with an increase in wages since 2019 and a vacancy rate rising quicker than the UK average in recent years. Stakeholder evidence referred to existing vacancy numbers from an internal survey, but nothing was provided beyond this.

Stakeholders briefly mentioned some efforts to alleviate shortage through increased pay, training, and flexible working but it was unclear why the domestic population is not sufficient to fill vacancies, and there was little evidence of a long-term plan to alleviate shortage.

The going rate for this occupation was £23,300 in 2021, indicating SOL inclusion might provide a financial benefit. However, stakeholder evidence appeared to misinterpret the main benefit of the SOL — the salary discount — focusing part of the response on how the SOL would have no effect on pay for their occupation. We encourage stakeholders to provide further evidence on the benefits of being on the SOL for this occupation in future reviews.

Recommendation

Do not recommend adding occupation to the SOL. Although the MAC dashboard did suggest shortage in the occupation, with faster-than-average rising vacancies and increasing wages noted, the CfE response did not provide persuasive evidence for why the domestic population was not sufficient to fill vacancies. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on why it would be beneficial to add this occupation to the SOL.

5236 Boat and ship builders and repairers	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£23,800
Minimum salary if on SOL	£23,800
SOL discount on general threshold (%)	9%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	17,200
Total visas Issued since 2021	-
Visas per thousand employed	-
Median salary for visa applications	Low sample size
Recommendation	Recommend adding occupation to the Scotland-only SOL

We received a CfE response from 1 stakeholder for this occupation, specifically related to the Scottish Highlands.

Small sample size meant that quantitative evidence from the MAC dashboard was inconclusive.

Stakeholder evidence indicated that population drain from rural areas was the largest reason for shortage, alongside skills shortages and unattractive roles due to wage instability and unsociable hours. Stakeholders mentioned some specific efforts to alleviate shortage long-term, including a Scottish Qualification Authority (SQA) Maritime Skills course aimed at local students, but stated that rules for workers require basic seamanship and personal safety qualifications, which take time to acquire, and that an existing pool of skilled workers to recruit from would help fill shortages. We appreciate this stakeholder faced a unique challenge considering the location of the work and judge that SOL inclusion is important to support the rural economy.

Recommendation

Recommend adding occupation to the Scotland-only SOL. It was not possible to determine shortage from the MAC dashboard conclusively in isolation, and we encourage stakeholders to provide their own evidence on these measures in future reviews. However, we note that population drain from rural areas can have a significant impact on local economies and that the industry is important in Scottish rural areas. We are recommending inclusion only on the Scotland SOL as we received no evidence from outside Scotland.

5411 Weavers and knitters	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£18,600
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	1,400
Total visas issued since 2021	-
Visas per thousand employed	-
Median salary for visa applications	Low sample size
Recommendation	Do not recommend adding occupation to the SOL

We received a CfE response from 1 stakeholder for this occupation.

Small sample size meant only 1 of the charts on the MAC dashboard was available, and quantitative evidence of shortage was not indicated by wage data.

The CfE response was largely sector level, with no information provided specifically on shortage within the occupation or attempts to alleviate shortage.

Recommendation

Do not recommend adding occupation to the SOL. It was not possible to determine shortage from the MAC dashboard conclusively in isolation, and we encourage stakeholders to provide their own evidence on these measures in future reviews. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on shortages, what steps have been taken to alleviate shortage, and why it would be beneficial to add this occupation to the SOL.

5412 Upholsterers	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£18,400
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	15,500
Total visas issued since 2021	32
Visas per thousand employed	0.9
Median salary for visa applications	£26,000
Recommendation	Do not recommend adding occupation to the SOL

We received CfE responses from 5 stakeholders for this occupation.

Small sample size meant only 2 of the charts on the MAC dashboard were available, and quantitative evidence of shortage was not strong. Stakeholders mentioned there were 2,000-3,000 vacancies in the sector and argued being on the SOL was needed to fill a third of these vacancies.

Evidence from stakeholders focused on an inability to increase wages due to tight profit margins, and employees moving to roles in other sectors due to better pay and working conditions.

Stakeholders also argued that the education system is not set up to address these shortages, indicating that only 9% of students achieve industry skills from fashion/textiles courses which focus on design over manufacturing. Stakeholders highlighted their contributions to apprenticeship standards, the Craft & Design T-level, and lobbying government departments. There were several sector-level processes and schemes mentioned to relieve shortage: United Kingdom Fashion & Textile Association's (UKFT) Futures campaign, His Majesty's Prison Service (HMPS) skills strategy, and working with ex-offenders. However, it was unclear which issues were specifically relevant to this occupation or how these training initiatives related to the shortages the occupation is facing.

Recommendation

Do not recommend adding occupation to the SOL. It was not possible to conclusively determine shortage from the MAC dashboard in isolation, and we encourage stakeholders to provide more of their own evidence on these measures in future reviews. We note that there have been numerous efforts to alleviate shortage within the sector, and there are potential issues within the education system that make this difficult. However, it was unclear where the evidence was specifically related to this occupation, rather than the industry as a whole. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further detail on shortages in this occupation.

5413 Footwear and leather working trades	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£17,100
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	7,100
Total visas issued since 2021	-
Visas per thousand employed	-
Median salary for visa applications	Low sample size
Recommendation	Do not recommend adding occupation to the SOL

We received 3 CfE responses from stakeholders for this occupation.

Small sample sizes meant data was not available for 3 of the 4 charts in the MAC dashboard, and the remaining chart should be treated with caution due to the age of the data.

Stakeholder evidence detailed the challenges they face in recruitment, with low or negative population growth in the regions where they operate, and an aging workforce with many imminent retirees. Efforts had been made to improve recruitment and retention, including wage rises and developing vocational qualifications. Interestingly, stakeholders provided evidence that pay for the jobs highlighted as in shortage, was substantially higher than for the overall occupation, reporting median salaries of £26,750, compared to £19,700 in ASHE 2021 (statistic S4 in the dashboard).

Recommendation

Do not recommend adding occupation to the SOL. It was not possible to conclusively determine shortage from the MAC dashboard in isolation, and we encourage stakeholders to provide their own evidence on these measures in future reviews. The evidence submitted by stakeholders suggests that for the job titles highlighted as having shortages, there is no substantial reason why employers cannot already hire migrant workers through the SW route given the salaries that are reported. We are concerned that placing the entire occupation on the SOL would allow lower wages to be paid.

5414 Tailors and dressmakers	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£18,000
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	17,400
Total visas issued since 2021	10
Visas per thousand employed	0.6
Median salary for visa applications	£25,600
Recommendation	Do not recommend adding occupation to the SOL

We received 3 CfE responses from stakeholders for this occupation.

Small sample sizes meant data was not available for 3 of the 4 charts in the MAC dashboard and the remaining chart should be treated with caution due to the age of the data. Similarly, the lack of quantitative data was cited in the rationale for not including this occupation in our 2020 review of the SOL. However, we also noted that the proportion of migrants in the occupation was well above the UK average, and that 'shortages may worsen following the end of freedom of movement [FoM]'.

Evidence from stakeholders suggested shortage is an issue, though this was generally reported at a sector rather than occupational level. There was relatively little quantitative evidence. Employers argued they had increased pay in the sector but can only do this so much when competing in a global market given the relatively high costs of production in the UK. Stakeholders were clear that they struggled to recruit UK workers, and they believed this was due to younger workers not being interested in the sector, as well as a lack of vocational skills (directly, but also in related subjects) being taught in the UK.

Whilst some visas have been issued for this occupation, the current going rate of the occupation is £18,000, which is below the lower threshold, so some organisations may struggle to use the SW route. For the quoted job title of 'cutters', the Indeed jobs site shows an average advertised salary of £27,800, which is above the general threshold.

Recommendation

Do not recommend adding occupation to the SOL. Whilst evidence from stakeholders suggests there may be shortage, this was evidenced mostly at a sector rather than occupational level, with insufficient statistics or other evidence to demonstrate that efforts to recruit within the UK labour market had been exhausted. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on what steps have been taken to alleviate shortage.

5419 Textiles, garments and related trades n.e.c	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£15,800
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	13,700
Total visas issued since 2021	-
Visas per thousand employed	-
Median salary for visa applications	Low sample size
Recommendation	Do not recommend adding occupation to the SOL

We received 2 CfE responses from stakeholders for this occupation.

It was not possible to determine shortage from the MAC dashboard as insufficient data was available for 2 of the 4 charts, with the vacancy rate (Chart D) increasing broadly in line with the UK average since the beginning of the pandemic.

Stakeholders argued that they had historically relied on migrant workers, predominantly from Eastern Europe, but that many of these workers had now returned to Eastern Europe after the ending of FoM and the pandemic, leaving an ageing workforce with imminent retirees. Statistic S2 in the MAC dashboard showed just over 25% of the occupation's workforce were migrants in 2019. Respondents raised the challenges of competition from other sectors, which they believed workers perceived as "easier" but with comparable wages. Whilst both respondents had tried many options to improve recruitment, neither had contracted work out or redefined existing jobs. Whilst salary increases were referenced, the extent to which they had been raised was unclear, and whether this meant using the SW route was viable.

The going rate of the occupation is £15,800, which is well below the lower threshold, suggesting organisations would struggle to use the SW route. However, for the quoted job title of "cutter", the Indeed jobs site shows an average advertised salary of £27,800, which is above the general threshold. No visas were issued for this occupation between Q1 2021 and Q1 2023.

To encourage a domestic workforce, both organisations indicated they had offered training to less well qualified recruits, and 1 had increased its trainee or apprentice scheme, though they felt training had only helped retain existing workers rather than aiding further recruitment. The organisations felt that younger British workers were not interested or did not have the skills to work in the sector.

Recommendation

Do not recommend adding occupation to the SOL. It was not possible to determine shortage from the MAC dashboard due to insufficient data, and so we would encourage stakeholders to provide their own evidence on these measures in future reviews. Whilst we received some stakeholder evidence which suggested shortage, this was mostly at a sector rather than occupational level.

5442 Furniture makers and other craft woodworkers	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£20,000
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	55-60%
APS employment 2020	35,100
Total visas issued since 2021	-
Visas per thousand employed	-
Median salary for visa applications	Low sample size
Recommendation	Do not recommend adding occupation to the SOL

We received a CfE submission from 1 stakeholder for this occupation.

The information provided was generally at a sector rather than occupational level. Broadly, the evidence argued that the training provision in the UK is not adequate for the needs of the business and that access to the SOL would help them.

The statistics in our dashboard suggested that, compared to the averages for the UK labour market, this occupation has a low change in vacancy rate and low wage growth. Whilst more recent data may contradict some of the metrics, the change in vacancy rate is lower than the UK average for 2016/17 to 2022/23 period, and since the start of the pandemic.

The current (2021) going rate of the occupation is £20,000, which is below the lower threshold, so organisations may struggle to use the SW route. However, for the quoted job title of "cabinet makers", the Indeed jobs site shows an average advertised salary of £35,000 which is above the general threshold.

Recommendation

Do not recommend adding occupation to the SOL. In isolation, our quantitative data did not indicate shortage. Whilst more recent data may contradict this, with only 1 employer submission for this occupation, it is hard to sufficiently identify this. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on shortages, what steps have been taken to alleviate shortage, and why it would be beneficial to add this occupation to the SOL.

5449 Other skilled trades n.e.c.	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£21,400
Minimum salary if on SOL	£21,400
SOL discount on general threshold (%)	18%
Proportion of jobs below general threshold	55-60%
APS employment 2020	48,200
Total visas issued since 2021	11
Visas per thousand employed	0.2
Median salary for visa applications	£26,000
Recommendation	Do not recommend adding occupation to the SOL

We received 2 CfE responses from stakeholders for this occupation, including from a government body.

The MAC dashboard presented a mixed picture of shortage, but with a relatively high change in vacancy rate.

The government body submission provided additional quantitative data which they argue demonstrates a "very good" level of data to show shortage. This included presenting additional localised data which suggest a large increase in job vacancies between 2019 and 2022, and an increase in median salaries between 2017 and 2020. More recent salary data was not available.

However, across the 2 submissions there was relatively little occupational level evidence on the steps the sector had taken to alleviate shortage, and the benefits being on the SOL would bring. 1 respondent highlighted a regional dimension, noting that advanced manufacturing and engineering is an area of strategic focus in the "10x vision" set out by the Department for Economy in Northern Ireland. They also argued that salaries are generally lower in NI compared to the rest of the UK, increasing the relevance of the SOL salary reduction.

Recommendation

Do not recommend adding occupation to the SOL. Whilst stakeholder submissions provide some further evidence of shortage, the submissions contained insufficient occupation level evidence as to why migration might be considered the sensible solution to this. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on why migration is a sensible solution to the shortages in this occupation.

8118 Electroplaters	
Current SOL status	Not on the SOL
RQF level	1-2
Going rate threshold	£19,300
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	45-50%
APS employment 2020	4,400
Total visas issued since 2021	N/A
Visas per thousand employed	N/A
Median salary for visa applications	N/A
Recommendation	Do not recommend adding occupation to the SOL

We received a CfE response from 1 stakeholder for this occupation, specifically related to Northern Ireland.

Small sample size meant only 1 of the charts on the MAC dashboard was available, and shortage could not be determined through quantitative MAC data. Stakeholders mentioned a 13% wage increase in 2022, as well as labour shortages for particular projects, though without accompanying figures. A reduction in workers from Europe, and Republic of Ireland in particular, was also stated as a contributing factor to shortages.

Stakeholders mentioned a variety of attempts to alleviate shortage, including raising wages, increasing training spend, and engagement with Government schemes and pilots. They also noted the occupation's importance to projects involving pharmaceuticals and data centres, as well as UK infrastructure work. However, little supporting detail was provided on this.

Immigration could be a sensible solution to help alleviate temporary shortage in the occupation while attempts to recruit domestically continue, particularly as there is no access to the SW route. However, the high bar required for RQF 1-2 occupations is not met.

Recommendation

Do not recommend adding occupation to the SOL. It was not possible to conclusively determine shortage from the MAC dashboard in isolation, and we encourage stakeholders to provide their own evidence on these measures in future reviews. Attempts to alleviate shortage within the occupation noted, but stakeholder evidence was insufficient to meet the high bar required for RQF 1-2 occupations.

8133 Routine Inspectors and Testers	
Current SOL status	Not on the SOL
RQF level	1-2
Going rate threshold	£21,600
Minimum salary if on SOL	£21,600
SOL discount on general threshold (%)	18%
Proportion of jobs below general threshold	45-50%
APS employment 2020	76,500
Total visas issued since 2021	N/A
Visas per thousand employed	N/A
Median salary for visa applications	N/A
Recommendation	Do not recommend adding occupation to the SOL

We received 2 CfE responses from stakeholders for this occupation.

The quantitative evidence from the MAC dashboard was not particularly strong. The vacancy rate had risen in the past 2 years, but slower than the UK average. Stakeholder evidence did provide some further evidence for shortage, notably a 200% increase in job postings, but this is an increase on a very low number – there were only 36 unique job postings in 2020. A decrease in employment and decrease in new hires in 2020 was also noted, but this was during the COVID-19 pandemic, and the post-pandemic situation is not possible to determine from these data.

Skills shortages, a small local pool of workers and less attractive roles due to shift work were mentioned as most important reasons for shortage. However, there was little evidence provided for attempts to alleviate shortage.

Recommendation

Do not recommend adding occupation to the SOL. Stakeholder response provided some evidence for shortage, but there was little evidence provided for attempts to alleviate shortage and the high bar for RQF 1-2 occupations could not be met.

8137 Sewing machinists	
Current SOL status	Not on the SOL
RQF level	1-2
Going rate threshold	£15,900
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	90-95%
APS employment 2020	25,200
Total visas issued since 2021	N/A
Visas per thousand employed	N/A
Median salary for visa applications	N/A
Recommendation	Do not recommend adding occupation to the SOL

We received 10 CfE responses from stakeholders for this occupation.

Quantitative evidence from the MAC dashboard indicated a shortage with rising wages, and vacancies increasing faster than UK average.

Stakeholders showed reasonable attempts to alleviate shortage, but noted difficulties for jobs in small, local economies with smaller pools of workers. They mentioned the importance of these roles to rural economies in more deprived regions of the UK.

Reliance on migrant workers before the ending of FoM and the pandemic was apparent, with migrant density at 30% in 2019. This, alongside stakeholder responses regarding difficulties increasing wages and competing with other, more attractive sectors, suggested that this might not be a temporary shortage.

Recommendation

Do not recommend adding occupation to the SOL. The stakeholder evidence did not present a clear long-term plan to alleviate shortage, and the high bar for RQF 1-2 occupations could not be met.

Other service activities

6139 Animal care services occupations n.e.c.	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£17,800
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	80-85%
APS employment 2020	99,500
Total visas issued since 2021	99
Visas per thousand employed	0.4
Median salary for visa applications	£26,000
Recommendation	Recommend adding only job titles "racing grooms", "stallion handlers", "stud grooms", "stud hands", "stud handlers", and "work riders" to the SOL

Overview

We received a CfE response from 1 stakeholder for this occupation.

The response provided evidence of shortage for the job titles "racing grooms", "stallion handlers", "stud grooms", "stud hands", "stud handlers" and "work riders". This outlined the high skill requirements for these roles, the subsequent shortages in the England, Scotland and Wales, and the historic reliance on migrant workers. The required apprenticeships or training range from 18 months to 4 years on average, meanwhile the talent pool is smaller in rural areas where sites are located.

Despite investment in industry recruitment, skills, and retention initiatives, including improving pay and benefits for roles where shortages are most acute, issues persisted. The MAC dashboard indicated shortage; vacancies grew by more than double the UK average between 2016/17 and 2022/23.

The respondent reported many racing yards/stud farms do not have the revenues to pay competitive wages. However, grooms, stud hands and work riders often receive housing allowances from their employers. Although initial salaries may fall below the general threshold, once housing allowances have been added remunerations would exceed the general threshold. Addition to the SOL would allow for migrant workers to be paid at the discounted general threshold rate (£20,960), whilst being provided with housing allowances (which cannot be used to meet the general threshold on the SW route). However, we express concerns that in some cases this could heighten the risk of exploitation suitable housing is not provided.

Recommendation

Recommend adding only job titles "racing grooms", "stallion handlers", "stud grooms", "stud hands", "stud handlers", and "work riders" to the SOL. There is clear evidence of shortage for the listed job titles, with a 2021 going rate of £17,800 for the occupation. Addition to the SOL would provide access to the SW route for many employers. We do, however, have concerns that housing allowances can be exploitative in

some cases, and thus recommend that the Home Office monitors the risks of exploitation within these job titles and if evident, to immediately remove these job titles from the SOL to prevent abuse of the system.

1213 Managers and proprietors in forestry, fishing, and related services	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£24,100
Minimum salary if on SOL	£24,100
SOL discount on general threshold (%)	8%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	12,800
Total visas issued since 2021	-
Visas per thousand employed	-
Median salary for visa applications	Low sample size
Recommendation	Recommend adding only job title "fishing boat masters" to the Scotland-only SOL

We received 2 CfE responses from stakeholders for this occupation.

The responses provided regional evidence of shortage for "fishing boat masters" in the North West Highlands, and highlight a historic reliance on migrant labour in this sector.

Whilst sector-wide attempts to address shortage have had continued success (i.e., recruitment campaigns that include targeting schools and investing in training and development opportunities to resolve retention issues), respondents claimed that the skills are currently not in the Scottish labour market due to the small local labour pool, as a result of population drain from rural areas.

More broadly, respondents provided quantitative evidence which indicated localised shortage in the fishing sector in the North West Highlands, as well as emphasising the public value of the fishing sector, with respect to economic security in terms of export value. Also, respondents claimed, seafood has a hugely important role in Scotland's domestic food security and in providing a high quality, low carbon, healthy food source, which are priorities of the Scottish Government. Due to the size of the occupation and the limited available data we could not refute shortage and acknowledge that this industry is critical to the economy of the North East and North West regions of Scotland.

Recommendation

Recommend adding only job title "fishing boat masters" to the Scotland-only SOL. We encourage stakeholders to provide their own evidence on these measures in future reviews. However, we note that population drain from rural areas can have a significant impact on local economies. Meanwhile, respondents highlighted the important role these jobs have in Scotland's domestic food security and in providing a high quality, low carbon, healthy food source, which are priorities of the Scottish Government.

1253 Hairdressing and beauty salon managers and proprietors	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£20,600
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	29,200
Total visas issued since 2021	72
Visas per thousand employed	1.1
Median salary for visa applications	£25,900
Recommendation	Do not recommend adding occupation to the SOL

We received 4 CfE responses from stakeholders for this occupation.

Respondents provided sector wide qualitative evidence, reporting staff poaching as a major issue and recruitment taking 3-5 months on average.

Both the sector and the Government supported ongoing initiatives to alleviate these shortages including training, apprenticeships, focus on career progression and securing funding from DfE. Despite sector-wide efforts to address shortage domestically, low pay was a barrier in recruiting the domestic population. Such recruitment struggles resulted in many trained potential employees not entering the industry and instead, taking up higher paid roles in other sectors.

While the 2021 going rate (£20,600) sits below the general threshold, the Indeed jobs site showed an average advertised salary of £27,800 for Hair salon managers and Clinic managers in the UK, which is above the general threshold.

Recommendation

Do not recommend adding occupation to the SOL. There was limited quantitative evidence provided that was specific to the occupation Hairdressing and beauty salon managers and proprietors. Despite respondents mentioning efforts to address domestic shortage within the hair and beauty industry, there is limited evidence of occupation-specific efforts to address domestic shortage. In future, stakeholders need to provide us with this occupation specific evidence to include in our review should they wish to be considered.

6221 Hairdressers and barbers	
Current SOL status	Not on the SOL
RQF level	1-2
Going rate threshold	£13,000
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	95-100%
APS employment 2020	158,900
Total visas issued since 2021	N/A
Visas per thousand employed	N/A
Median salary for visa applications	N/A
Recommendation	Do not recommend adding occupation to the SOL

We received 4 CfE responses from stakeholders for this occupation.

Respondents reported staff poaching to be a major issue for this occupation and recruitment taking 3-5 months on average. Both the Government and the sector evidenced support of ongoing initiatives to alleviate these shortages including training, apprenticeships, focus on career progression and securing funding from Department for Education. Despite sector-wide efforts to address shortage domestically, low pay was a barrier in recruiting the domestic population, such recruitment struggles resulted in many trained potential employees not entering the industry, taking up higher paid roles in other sectors.

Notably, the 2021 going rate of £13,000 sits well below the SOL threshold, meaning many jobs would still not meet the minimum SOL threshold of £20,960.

Recommendation

Do not recommend adding occupation to the SOL. Despite clear evidence of shortage, stakeholder evidence was insufficient to meet the high bar required for RQF 1-2 occupations.

Professional, scientific and technical activities

2114 Social and humanities scientists	
Current SOL status	On the SOL – only "archaeologists"
RQF level	6+
Going rate threshold	£25,600
Minimum salary if on SOL	£25,600
SOL discount on general threshold (%)	2%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	35,700
Total visas issued since 2021	108
Visas per thousand employed	1.3
Median salary for visa applications	£34,800
Recommendation	Do not recommend adding occupation to the SOL

Overview

We received 5 CfE responses from stakeholders, specific to the job title "archaeologists" and not to the wider occupation.

For archaeologists, some qualitative evidence was provided of shortage. The responses highlighted that attempts had been made to alleviate shortage. For example, the sector pointed to salary increases in recent years, whilst also outlining training programmes that may increase the likelihood of the domestic labour market filling these shortages. However, given the length of time to train individuals in what is an RQF 6+ role, they argued the SOL would be a sensible short-term solution. Some submissions also outlined that the occupation provided public value through increasing knowledge of heritage sites.

However, the salary discount from being placed on the SOL would be extremely small under our recommendations for reform of the SOL salary discount.

Recommendation

Do not recommend adding occupation to the SOL. There is little evidence on shortage for this occupation. For archaeologists, some evidence submitted by stakeholders suggests there are shortages, but there would be only a marginal reduction in the salary threshold if placed on the SOL. We are concerned that placing this job title on the SOL would allow lower wages to be paid for a highly skilled job.

2141 Conservation professionals	
Current SOL status	Not on the SOL
RQF level	6+
Going rate threshold	£24,900
Minimum salary if on SOL	£24,900
SOL discount on general threshold (%)	5%
Proportion of jobs below general threshold	25-30%
APS employment 2020	15,300
Total visas issued since 2021	53
Visas per thousand employed	1.5
Median salary for visa applications	£30,000
Recommendation	Do not recommend adding occupation to the SOL

We received a substantive CfE response from 1 stakeholder for this occupation.

Whist this evidence demonstrated UK-wide shortage in the conservation sector the quantitative evidence in the MAC's dashboard did not give a clear indication of a shortage.

There was some evidence of training programmes, diversified recruitment and wage increases in the wider sector. It was suggested that training is difficult for smaller practices due to budget and resource constraints, and that this would take time due to the specialist skills required.

The stakeholder evidence also claimed that the SOL offered significant benefits because many skilled workers are paid below the salary threshold and the SOL accommodates this.

Recommendation

Do not recommend adding occupation to the SOL. While we recognise the demand on archaeological and conservation services, and shortages within the wider sector, the salary discount from being placed on the SOL is modest. Additionally, where the SW route is already being used, the salaries being paid are significantly above the general threshold. We are unpersuaded that the salary discount is needed to recruit internationally.

3111 Laboratory Technicians	
Current SOL status	On the SOL
RQF level	3-5
Going rate threshold	£18,900
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	70-75%
APS employment 2020	96,400
Total visas issued since 2021	161
Visas per thousand employed	0.7
Median salary for visa applications	£27,100
Recommendation	Recommend adding occupation to the SOL

We received substantive CfE responses from 5 stakeholders indicating shortage, although much of this evidence was sector wide.

There was some evidence of training programmes, and stakeholders said they had increased salaries where feasible. There were some arguments made around the marketing value of the SOL, the specialist nature of the role, its contribution towards the economy and net zero, and being able to widen the field of available candidates.

The occupation was recommended for addition to the SOL in 2020 due to the public value of laboratory technician roles during the COVID-19 pandemic. A criterion that the MAC uses for inclusion on the SOL is the public value of the occupation and this occupation fulfils that criterion.

Recommendation

Recommend adding occupation to the SOL. We recommend adding an experience criterion to the eligibility for the SOL to ensure that the sector uses it only to recruit experienced workers with 3 years' full-time experience where there are shortages. The sector must focus on training, and improvements in terms and conditions to increase the pipeline of new technicians. We do not want the SOL to be used to replace such activity. We will monitor the use of the SOL to ensure that employers are not using it to bring in workers at the lowest levels and will not hesitate to recommend removal from the SOL if we see evidence of this.

3119 Science, engineering and production technicians n.e.c.	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£22,300
Minimum salary if on SOL	£22,300
SOL discount on general threshold (%)	15%
Proportion of jobs below general threshold	40-45%
APS employment 2020	48,000
Total visas issued since 2021	47
Visas per thousand employed	0.4
Median salary for visa applications	£31,000
Recommendation	Do not recommend adding occupation to the SOL

We received 2 CfE responses for this occupation.

Whilst there is a public value argument relating to nuclear energy, none of the evidence provided was specific to this occupation and therefore difficult to attribute. The evidence did not demonstrate why employers of this occupation cannot use the SW route, given the median salary levels paid for those who have used the SW route in this occupation.

Recommendation

Do not recommend adding occupation to the SOL. Whilst evidence was received for this occupation, it was not specific to these job roles but rather referenced the wider sector. Data suggested most people employed in this occupation could use the SW route, and we received no evidence of how offering a reduced salary would help recruit internationally.

3121 Architectural and town planning technicians	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£25,300
Minimum salary if on SOL	£25,300
SOL discount on general threshold (%)	3%
Proportion of jobs below general threshold	25-30%
APS employment 2020	32,800
Total visas issued since 2021	85
Visas per thousand employed	1.2
Median salary for visa applications	£29,500
Recommendation	Do not recommend adding occupation to the SOL

We received substantial CfE responses from 4 stakeholders for this occupation.

Most of the evidence covered the sector as a whole. 1 stakeholder provided some evidence of shortage in the occupation due to limited availability of labour. There was some evidence of training programmes, diversified recruitment and wage increases in the wider sector.

Stakeholders suggested that adding this occupation to the SOL would ease recruitment of architects and that employers are interested in hiring internationally due to the soft skills that migrants bring in.

Stakeholders also argued that this occupation is contributing to achieving net zero and improving building safety.

Recommendation

Do not recommend adding occupation to the SOL. Whilst evidence submitted by stakeholders indicated some shortage in this occupation, the salary discount from being placed on the SOL is marginal and, where the SW route is already being used, the evidence suggested that employers are paying well above the general threshold.

3412 Authors, writers, and translators	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£26,000
Minimum salary if on SOL	£26,000
SOL discount on general threshold (%)	1%
Proportion of jobs below general threshold	30-35%
APS employment 2020	111,100
Total visas issued since 2021	111
Visas per thousand employed	0.4
Median salary for visa applications	£32,000
Recommendation	Do not recommend adding occupation to the SOL

We received a CfE response from 1 stakeholder for this occupation.

The respondent noted that the creative industry is 1 of 5 key growth sectors for the UK Government, and it is a strategic economic priority.

The response made a case for shortage across the UK video game industry and provided some compelling reasons for the persistence of shortage, including a constantly evolving technological landscape in the sector and the inability of the education system to keep up with these changes. However, this evidence did not specifically relate to this occupation.

The SW route is already being used by employers looking to recruit into this occupation and the evidence suggested that employers are paying well above the general threshold when using the route.

Recommendation

Do not recommend adding occupation to the SOL. There was no occupation-specific evidence provided and the SW route is already being used by employers. We also note that, for employers looking to recruit into this occupation, the salary discount from being placed on the SOL would be marginal.

3417 Photographers, audio-visual and broadcasting equipment operators	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£20,200
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	55-60%
APS employment 2020	104,300
Total visas issued since 2021	54
Visas per thousand employed	0.2
Median salary for visa applications	£30,000
Recommendation	Do not recommend adding occupation to the SOL

We received 2 CfE responses from stakeholders for this occupation.

Stakeholders reported pay for audio-related roles in their industry as being much higher than the general threshold. However, for other employers recruiting for "sound engineers", increasing pay was said to be an issue as although pay had risen, they were unable to increase associated fees from venues and promoters.

Stakeholders argued for this occupation (and several others) to be added to the SOL as it would enable employers to recruit more freely on the CW visa. The same issue is discussed in SOC Code 3417.

Recommendation

Do not recommend adding occupation to the SOL. We received limited evidence which was specific to this occupation. Stakeholders acknowledged that they could freely use the SW route and we believe that our recommendation to streamline the CW visa will address the issues raised in their responses.

3421 Graphic designers	
Current SOL status	On the SOL
RQF level	3-5
Going rate threshold	£23,000
Minimum salary if on SOL	£23,000
SOL discount on general threshold (%)	12%
Proportion of jobs below general threshold	45-50%
APS employment 2020	103,400
Total visas issued since 2021	978
Visas per thousand employed	4.2
Median salary for visa applications	£35,900
Recommendation	Do not recommend adding occupation to the SOL

We received 6 CfE responses from stakeholders for this occupation.

Stakeholders said roles in visual effects (also known as VFX) are high-skilled, have evolving skills needs due to technological developments and skills are in increasing demand due to growth in the sector. Whilst there are ongoing plans to develop the skills pipeline in the UK, such as by improving training at higher and further education, stakeholders reported that businesses employing "VFX artists" will still require skills from outside the UK. This is partly because businesses operate in a global industry where international competition is more relevant than domestic competition and therefore employers need to recruit the most talented workers globally.

Stakeholders reported that their members tended to pay higher salaries than the general threshold (apart from some junior roles) and could recruit via the SW route. However, their concern was being able to recruit workers freely via the CW visa. The same issue is discussed in SOC Code 3417.

Recommendation

Do not recommend adding occupation to the SOL. Stakeholders acknowledge that they can freely use the SW route and we hope that our recommendation to streamline the CW visa will address the issues raised in their responses.

3539 Business and related associate professionals n.e.c.	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£24,200
Minimum salary if on SOL	£24,200
SOL discount on general threshold (%)	8%
Proportion of jobs below general threshold	30-35%
APS employment 2020	227,600
Total visas issued since 2021	755
Visas per thousand employed	1.5
Median salary for visa applications	£33,500
Recommendation	Do not recommend adding occupation to the SOL

We received 7 CfE responses from stakeholders for this occupation, relating to a variety of different jobs within the occupation.

There was some stakeholder evidence provided for shortage for certain jobs in the occupation, namely "project controls managers", "tax specialists", and "data and insights personnel". However, this evidence was limited. Additionally, according to Indeed data, the mean salary for each of these jobs was approximately £40,000. Therefore, employers should already be able to use the SW route and placing this occupation on the SOL may lead to undercutting of domestic workers or exploitation of migrants.

In addition, the evidence of attempts to alleviate shortages provided was limited, and no evidence was provided on why being added to the SOL would be helpful for these roles.

Recommendation

Do not recommend adding occupation to the SOL. There was some evidence of shortage for some jobs in this occupation. However, we received no evidence to show why employers could not already recruit using the SW route for these roles given the pay rates offered on the SW route.

Transportation and storage

6214 Air travel assistants	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£16,300
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	80-85%
APS employment 2020	47,500
Total visas issued since 2021	514
Visas per thousand employed	4.8
Median salary for visa applications	£24,600
Recommendation	Do not recommend adding occupation to the SOL

Overview

We received a CfE response from 1 stakeholder for this occupation. Quantitative evidence of shortage was limited, and real pay growth has been negative since 2016.

The evidence we received argued specifically for the need for air travel assistants at Luton and Gatwick airports in Summer 2023, which has now passed. There was evidence of attempts to alleviate shortage; however, this was limited.

Recommendation

Do not recommend adding occupation to the SOL. Evidence was limited and specifically asked for inclusion during Summer 2023 in certain airports – a time period which has now passed. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on shortages, what steps have been taken to alleviate shortage and why it would be beneficial to add this occupation to the SOL.

8211 Large Goods Vehicle (LGV) drivers	
Current SOL status	Not on the SOL
RQF level	1-2
Going rate threshold	£25,800
Minimum salary if on SOL	£25,800
SOL discount on general threshold (%)	2%
Proportion of jobs below general threshold	25-30%
APS employment 2020	289,500
Total visas issued since 2021	N/A
Visas per thousand employed	N/A
Median salary for visa applications	N/A
Recommendation	Do not recommend adding occupation to the SOL

We received 4 CfE responses from stakeholders for this occupation.

The MAC dashboard showed evidence of rising wages in the occupation and an increase in vacancies post-pandemic, although there was a suggestion of some easing in vacancies in the most recent data. Evidence from stakeholders also highlighted the increase in salaries and provided evidence that training schemes had been introduced, which has started to alleviate some of the recruitment issues.

A stakeholder suggested that many foreign national drivers had left the UK, both after the ending of FoM and during the pandemic, and need to be replaced. Furthermore, after the UK's exit from the EU, UK national workers face restrictions on the amount of time they can spend in the EU, whereas EU citizens are not bound by this constraint. This makes operations difficult for UK companies who operate in the EU, with some considering leaving the UK as a result. It is unclear how wide this problem is across the industry.

Roles also often require prior experience, for instance because insurance costs for newly qualified drivers are viewed as prohibitively high. This is an issue that the industry will need to consider, as it cannot replace retiring workers long-term if it does not hire and train new workers. The time taken to train a driver is not prohibitive, and our view is that such training of new domestic workers should be a priority.

Recommendation

Do not recommend adding occupation to the SOL. Since we covered this occupation in our <u>2021 Annual Report</u>, evidence showed wages had increased and there was some evidence that vacancies were easing. There was evidence that the industry's efforts were improving recruitment issues. Whilst there are still issues around conditions and perception, the industry appears to have long-term plans in place to improve these, and it should improve engagement with individual employers to push the recruitment and training of new drivers. We have concerns that allowing access to the SOL could dampen the incentives to pursue these strategies for recruitment.

We are more persuaded that there may be a role for immigration to address the EU restrictions as hiring UK nationals cannot alleviate this issue. However, the evidence submitted about EU work restrictions did not give a clear indication of how big a problem this is for the sector. As a result, we suggest that the industry engages with the Government to discuss their concerns and explore solutions beyond the SOL and provides further evidence for our next minor SOL review in 2024 which specifically demonstrates how wide-ranging this problem is and how it materially affects the UK economy.

8213 Bus and coach drivers	
Current SOL status	Not on the SOL
RQF level	1-2
Going rate	£22,200
Minimum salary if on SOL	£22,200
SOL discount on general threshold (%)	15%
Proportion of jobs below general threshold	55-60%
APS employment 2020	120,600
Total visas issued since 2021	N/A
Visas per thousand employed	N/A
Median salary for visa applications	N/A
Recommendation	Do not recommend adding occupation to the SOL

We received 4 CfE responses from stakeholders for this occupation.

There was wide-ranging and occupation-specific evidence of shortage across the UK. Stakeholder arguments for inclusion on the SOL focused on the difficulty in increasing wages to attract domestic workers to the industry. Stakeholders suggested migrant workers would help to meet the demand for workers at the current wage, which UK workers were currently unwilling to due to a dislike for shift work.

Recommendation

Do not recommend adding occupation to SOL. Whilst some evidence for the occupation was provided, the high bar required for RQF 1-2 occupations seeking to gain access to the SOL is not reached and there is no substantial reason why domestic workers cannot fill in this role.

8232 Marine and water transport operatives	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£24,300
Minimum salary if on SOL	£24,300
SOL discount on general threshold (%)	7%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	3,400
Total visas issued since 2021	127
Visas per thousand employed	16.6
Median salary for visa applications	£55,800
Recommendation	Do not recommend adding occupation to the SOL

We received 4 CfE responses from stakeholders for this occupation, with a specific focus on Scotland.

There was sufficient evidence to suggest that there is shortage within the industry which could affect local communities and the UK's exports and food security. The evidence specifically mentioned new 2022 legislation preventing stakeholders' ability to hire overseas workers as they had traditionally done. However, this legislation change closed a loophole where workers could have been exploited.

There was evidence that new training schemes had been trialled, but stakeholders reported that employers were hesitant to increase wages. Employers are already using the SW route and paying salaries that are well in excess of the general threshold. We are unconvinced that the salary discount allowed through the SOL is needed.

Recommendation

Do not recommend adding occupation to the SOL. There was evidence that the occupation is facing shortages that require a short-term solution. The occupation recognised the issues it faced and why it faced them, as well as setting out the various efforts it has made to ensure this is not a long-term problem. However, the occupation code is already widely used in SW route visa applications with a very high median salary; the evidence received does not specify any low-wage job titles which would benefit from the salary discount of the SOL.

Wholesale and retail trade; repair of motor vehicles and motorcycles

1190 Managers and directors in retail and wholesale	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£22,400
Minimum salary if on SOL	£22,400
SOL discount on general threshold (%)	15%
Proportion of jobs below general threshold	35-40%
APS employment 2020	331,100
Total visas issued since 2021	338
Visas per thousand employed	0.5
Median salary for visa applications	£26,000
Recommendation	Do not recommend adding occupation to the SOL

Overview

We received 3 CfE responses from stakeholders for this occupation.

The stakeholder evidence indicated shortage and outlined some attempts at alleviation using the domestic workforce, but this evidence was limited. For future reviews, stakeholders should provide further evidence of attempts to attract domestic workers, prior to needing support from the immigration system.

Alongside this, evidence was provided for a specific job title "dairy managers" within this occupation. The evidence from a range of survey data was of good quality. It included information on why domestic workers did not wish to enter the job role, of which some issues were unavoidable. Stakeholders presented evidence of sustained efforts to alleviate shortage by; increasing wages, which over half of farmers were reported to have enacted; attracting a more diverse workforce (ethnic minorities and females); offering training and education in schools; offering a wider range of apprentices and developing undergraduate programs. Stakeholders said they were building longer-term capabilities and acknowledged migration was not a long-term solution for shortages.

Indeed data, which provides job role specific information, indicates that the advertised salaries for both the dairy managers and "herd managers" job titles are greater than £35,000. This figure is above the general threshold required to use the SW route. Therefore, employers should look to use the SW route to attract migrant workers into these roles.

Recommendation

Do not recommend adding occupation to the SOL. For future reviews, we encourage stakeholders to provide specific evidence on dairy managers and its salary, and therefore exhibit why addition to the SOL would provide benefit.

5231 Vehicle technicians, mechanics and electricians	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£22,800
Minimum salary if on SOL	£22,800
SOL discount on general threshold (%)	13%
Proportion of jobs below general threshold	35-40%
APS employment 2020	164,300
Total visas issued since 2021	215
Visas per thousand employed	0.6
Median salary for visa applications	£27,400
Recommendation	Do not recommend adding occupation to the SOL

We received 7 CfE responses relating to this occupation from stakeholders. Evidence related to "Heavy Goods Vehicle (HGV) technicians" in particular.

The MAC dashboard's Chart D shows that the change in vacancy rate over time is very similar to the UK average, but the evidence submitted to the CfE suggested more severe shortage.

Evidence from a representative organisation stated: "There have been just over 153,000 job postings for vehicle technicians since Jan 2021. Postings have continued to increase since the peak of the pandemic and Jan-2023 saw it hit a 5-year high. The monthly post rate has increased by 42% since March 2020".

Evidence received further suggested that this occupation had been adversely affected by the ending of FoM, with stakeholders stating that vacancy numbers had increased due to a decrease in EU workers in this role. Additionally, this occupation has been affected by the shortage of HGV drivers and the consequent rise in wages: "As many technicians already held a category C licence, as HGV driver salaries began to eclipse those of technicians in 2021, we saw a significant number of technicians change roles in order to make more money as a driver". The sector suggested that wages are higher, and rising faster, than the dashboard charts show, with a respondent providing a median salary of £32,400 for this occupation.

The evidence suggested that there is a lack of training places currently, and the mandatory 3-year heavy goods technician apprenticeship takes 3 years. The sector sought inclusion on the SOL to help address shortage over the next 3 years while more technicians are trained. Respondents argued for the importance of properly maintained vehicles and the public value this brought, in terms of safety. Evidence from the sector suggested that within this occupation fewer than 0.5% of employees are female. This may suggest a possibly untapped pool of potential recruits in the UK.

Recommendation

Do not recommend adding occupation to the SOL. The sector has provided detailed and convincing evidence to demonstrate both shortage and public value. However, we are not persuaded that there will be any benefit to adding the occupation to the SOL: at the median salary of £32,400 suggested in the CfE, the occupation would be able to use the SW route – although our evidence does suggest that 35-40% of jobs are below the current SW route threshold. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on why the occupation would benefit from being on the SOL.

5232 Vehicle body builders and repairers	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£22,600
Minimum salary if on SOL	£22,600
SOL discount on general threshold (%)	14%
Proportion of jobs below general threshold	45-50%
APS employment 2020	24,500
Total visas issued since 2021	37
Visas per thousand employed	0.7
Median salary for visa applications	£26,500
Recommendation	Do not recommend adding occupation to the SOL

We received 3 CfE responses from stakeholders for this occupation.

Overall, the vacancy rate in this occupation had decreased by 2% from 2016/17 to 2022/23, while the UK average grew by 38% over the same period. This evidence was contradicted to some extent by the responses we received.

Evidence related mainly to "driver" vacancies, but also to "technician" shortages. Evidence from the industry representative tended to contradict the quantitative indicators for this occupation. "Job postings for these 3 roles have continued to increase, hitting 5-year highs in January 2023, and advertised salaries [are] also increasing as employers attempt to fill vacancies". This representative ascribed shortages to an ageing workforce (24% being 55+), loss of employees from EU (6% of the workforce were EU nationals), and increased job mobility following the pandemic. There is evidence that the employer and sector have tried varied recruitment initiatives and strategies, including raising pay.

There was clear evidence of public value for this occupation: it is necessary to maintain a good public transport system, which is of public value in itself and also supports growth and environmental targets. Evidence for adding the occupation to the SOL related to widening the pool of recruits to help resolve staff shortages; however, the above figures suggested that the sector should already be able to use the SW route. Additionally, evidence from the sector suggested that in this occupation fewer than 0.5% of employees are female: this may suggest a potentially untapped pool of potential recruits in the UK, although there may be multiple other reasons that this is the case.

Recommendation

Do not recommend adding occupation to the SOL. There was limited occupation-specific evidence and at the median salary provided in the CfE, employers would be able to use the SW route. We would need to see more detailed evidence relating to this occupation, potentially including from a wider range of employers, before we could be convinced that it should be added to the SOL.

5234 Vehicle paint technicians	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£23,300
Minimum salary if on SOL	£23,300
SOL discount on general threshold (%)	11%
Proportion of jobs below general threshold	35-40%
APS employment 2020	11,500
Total visas issued since 2021	25
Visas per thousand employed	1.0
Median salary for visa applications	£28,000
Recommendation	Do not recommend adding occupation to the SOL

We received 2 CfE responses from stakeholders for this occupation.

Evidence from the employer related mainly to "driver" vacancies and contradicted some of the quantitative data in the dashboard charts which showed a vacancy rate rise of 80% from 2016/17 to 2022/23, while the UK average grew by 38% over the same period.

The evidence provided also indicated that 95% of employees are male within this occupation, meaning a slightly higher proportion of females than the other occupations considered in this group. Given this, it was surprising that the submission makes the argument that "inclusion of these occupations [5234, 5231 and 5232] on the Shortage Occupation List (SOL) would have significant implications for equity, diversity, and inclusion within the organizations represented, as well as the wider society". There were overall very few arguments made in either CfE submission about how inclusion on the SOL would enable shortage to be addressed, although 35-40% of jobs are below the current SW threshold.

Recommendation

Do not recommend adding occupation to the SOL. We suggest stakeholders could strengthen the case for being added to the SOL in future reviews by providing further evidence on shortages in the occupation and why the occupation would benefit from being on the SOL.

5431 Butchers	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£20,400
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	60-65%
APS employment 2020	34,800
Total visas issued since 2021	2,710
Visas per thousand employed	34.6
Median salary for visa applications	£25,600
Recommendation	Do not recommend adding occupation to the SOL

We received 4 CfE responses from stakeholders for this occupation.

Stakeholders reported that employers have historically relied on EU workers as working conditions are unattractive and deter domestic labour from entering the occupation, in addition to lacking the required skills. Night shifts are inflexible as meat needs to be processed quickly to meet shelf-life requirements. Generally, processing locations have small local labour markets to select from.

Stakeholders evidenced attempts to alleviate shortage for this occupation by upskilling domestic labour through offering apprenticeships, improved salaries, improved flexibility where possible, and improved working conditions.

Notably however, issues with working conditions and pay have been important in leading workers to leaving the occupation for other job roles. Visa statistics show Butchers are large users of the SW route, this means employers in these occupations can continue to use the immigration system to fill vacancies where necessary.

Recommendation

Do not recommend adding occupation to the SOL. The occupation has historically had poor working conditions, with low pay and unsociable hours. This has made domestic recruitment difficult in a buoyant labour market where more attractive employment opportunities are available. It is unclear why the SOL should allow the sector to avoid the necessary adjustments to pay and conditions that is the only sustainable solution for the occupation. We are concerned that including the occupation on the SOL would simply embed these poor conditions further. We also note that many employers are in fact using the SW route which suggests that some at least can pay the general threshold.

5432 Bakers and flour confectioners	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£18,900
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	80-85%
APS employment 2020	36,100
Total visas issued since 2021	78
Visas per thousand employed	1.0
Median salary for visa applications	£26,000
Recommendation	Do not recommend adding occupation to the SOL

We received 3 CfE responses from stakeholders for this occupation.

We estimate that 80-85% of jobs within the occupation pay below the general threshold of £26,200 and so would not be able to realistically access the SW route without inclusion on the SOL.

Stakeholder evidence highlighted attempts made to attract domestic labour to the occupation including increasing pay and offering flexible shifts. However, little data was provided to support these claims and overall minimal occupation specific evidence was provided. Furthermore, no significant reference was made to sector-wide strategies for alleviating shortages and reducing the occupation's reliance on migrant labour in the longer-term.

The SOL was described by stakeholders as a tool that will allow access to cheaper labour, and as a means to improving productivity and tackling stagnation. This was considered important to the food and drink sector which was described as a key contributor to the economy and the UK's food security. However, the evidence suggested a lack of attention placed on alternative strategies for alleviating shortages and that the SOL was primarily being pursued to access cheaper labour. Until such strategies are developed, using immigration would not be a sensible solution to shortage.

Recommendation

Do not recommend adding occupation to the SOL. Evidence from stakeholders suggest little attention is being placed on developing alternative strategies for alleviating shortages in the occupation. We are unconvinced that employers in the occupation have done enough to overcome challenges in attracting workers from the domestic population.

5433 Fishmongers and poultry dressers	
Current SOL status	Not on the SOL
RQF level	3-5
Going rate threshold	£17,100
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	Low sample size
APS employment 2020	5,300
Total visas issued since 2021	528
Visas per thousand employed	44.3
Median salary for visa applications	£25,600
Recommendation	Do not recommend adding occupation to the SOL

We received 13 CfE responses from stakeholders for this occupation.

The evidence we received suggest that difficulties existed in attracting domestic workers to this occupation, often due to their remote nature, and that a limited domestic labour pool exists to recruit from. We received several representations from Scottish stakeholders which highlighted specific demographic challenges which were said to put Scotland at a disadvantage compared to the rest of the UK. Scotland is claimed to have had a historic reliance on migrant labour in this sector. The public value of the fishing sector was also emphasised with respect to economic contribution and the UK's food security.

The evidence highlighted attempts made to attract domestic labour to the occupation, including increasing pay and offering flexible shifts. However, little data is provided to support these claims and overall minimal occupation specific evidence was provided. Furthermore, no significant reference was made to any longer-term strategies for overcoming shortages with only an occasional mention of utilising alternative recruitment methods.

Across several of the submissions, the SOL was described as a tool that will allow access to cheaper labour, and as a means to improving productivity and tackling stagnation. It should be noted, however, that data on visas suggests that this occupation is already heavily using the SW route compared with other similar occupations. It therefore follows that many employers recruiting for this occupation can pay at the general threshold and do not require the benefit of the SOL.

Recommendation

Do not recommend adding occupation to the SOL. Whilst some indicators of shortage exist, visa data suggests that employers can pay at the general threshold attached to the SW route. We are also unconvinced that employers in the occupation have done enough to overcome challenges in attracting workers from the domestic population.

9251 Shelf fillers	
Current SOL status	Not on the SOL
RQF level	1-2
Going rate threshold	£17,300
Minimum salary if on SOL	£20,960
SOL discount on general threshold (%)	20%
Proportion of jobs below general threshold	90-95%
APS employment 2020	88,300
Total visas issued since 2021	N/A
Visas per thousand employed	N/A
Median salary for visa applications	N/A
Recommendation	Do not recommend adding occupation to the SOL

We received 2 CfE responses from stakeholders for this occupation. These related to the fishing sector more broadly with evidence for this occupation largely mirroring evidence submitted for SOC Code 5433.

Respondents indicated that the "shelf filler" role is key to the food processing industry. The evidence we received suggested that difficulties exist in attracting domestic workers to this occupation, often due to the seafood factory environment, and that new hires tend to leave very quickly to pursue alternative employment. Representations from Scotland highlight specific demographic challenges which respondents argued put Scotland at a disadvantage compared to the rest of the UK. It was claimed that Scotland has a historic reliance on migrant labour in this sector and the public value of the fishing sector was emphasised with respect to the UK's food security.

Respondents claimed that attempts have been made to attract domestic labour to the occupation, which included increasing pay and offering flexible shifts. However, little data was provided to support these claims and overall minimal occupation specific evidence was provided. Furthermore, no significant reference was made to any longer-term strategies for overcoming shortages with only an occasional mention of utilising alternative recruitment methods.

Little evidence has been provided to suggest any significant attention is being placed on developing alternative strategies for alleviating shortages in the occupation. We are also unconvinced that employers have done enough to overcome challenges in attracting workers from the domestic population, particularly given the low training requirements attached to this occupation.

Recommendation

Do not recommend adding occupation to the SOL. The quantitative data available for this occupation does not provide strong indicators of shortage. Attempts to alleviate shortage within the occupation are noted, however the stakeholder evidence was insufficient to meet the high bar required for RQF 1-2 occupations.

Reclassification requests

We received 2 reclassification requests for job titles to be moved from 1 SOC Code to another as part of this review - both based on these jobs being more highly skilled than their current SOC Code indicates.

It is not for the MAC to decide which job titles should sit in which SOC Codes; this is a matter for the ONS. However, we have considered in each case whether that job title should be able to access the SW route.

In our interim review of shortage in construction and hospitality occupations, published in March 2023, the MAC asked the Government for guidance on the desirability of adding individual job titles to the SW route and the SOL. As we have not received any such guidance, we consider the option to recommend the addition of specific job titles to the SW route open to us for this review.

Ceiling fixers	
Current SOC Code	8149 Construction operatives n.e.c.
Request	Job title "ceiling fixers" is moved to SOC Code 5321 (Plasterers)
	(Hasterers)

SOC Code 5321 (Plasterers) now includes "dry liners", but "ceiling fixers" are also linked to these jobs (via the existing level 2 apprenticeship standard and the defunct level 3 standard), and stakeholders have requested that this job title should be moved from SOC Code 8149 to SOC Code 5321.

Unlike dry liners, however, the ONS has decided not to move ceiling fixers to a more highly skilled SOC Code as part of SOC2020 Code revisions.

The evidence we received argued that this job title falls into the top 3 areas for shortage in the construction sector, according to the Finishes and Interiors Sector (FIS) Skills Pulse Survey. The same survey estimates that around 26% of the workforce of dry liners and ceiling fixers are aged 50 years plus and will therefore need replacing soon.

The <u>National Careers Service</u> estimates that an experienced ceiling fixer earns £34,000. Indeed reports a mean salary of £40,000 for a "fixer"; however, this includes other types of fixer and not just ceiling fixers.

Stakeholder evidence highlighted that apprenticeships for this job take 18 months to complete and are level 2 standard (the apprenticeship is titled "Interior systems installer"). However, the sector believes that the commercial skills and experienced gained on the job after this takes it to a level 3 equivalent. They report that there was a level 3 apprenticeship, however this was withdrawn due to low take-up as the formal training was not deemed to be needed. Firms are actively working to reinstate a level 3 qualification.

Recommendation

Do not recommend reclassifying "ceiling fixers" to SOC Code 5321 or to RQF 3+ within existing SOC Code. It is not for the MAC to decide which job titles should sit in which SOC Codes; this is a matter for the ONS. On reclassification to RQF 3, we recognise the industry's efforts to reinstate the level 3 qualification linked to this job. Should the industry be successful in doing so, we encourage them to provide us evidence of this qualification and its uptake as part of future reviews of the SOL.

Sommeliers	
Current SOC Code	9273 Waiters and waitresses
Request	Job title "experienced sommelier" is moved to SOC Code 3542 (Business sales executives)
	SOC Code 9273 is updated to include "junior sommelier" job title

We received 1 reclassification request for the job title "sommeliers". It was argued that due to the unique nature of the role, jobs are not always advertised in the same way as other hospitality roles. They estimate that there are approximately 500-600 vacancies for this job role in the UK.

The stakeholder highlighted that the SOC Code 9273 description states there are no training requirements for this role, but that structured training is required to become a sommelier. It is claimed that the industry regards the role as higher in seniority than a "Chef de Partie" (which is already an RQF 3 job) and equivalent in seniority to a "Junior sous chef".

The <u>Wine and Spirit Education Trust</u> (WSET) accredit sommelier qualifications. As of 2019, the most advanced "Master Sommelier" qualification had only been obtained by 249 people. The stakeholder estimates that this qualification typically requires 3 years of vocational experience and study, equivalent to RQF levels 3 or 4. Data on wages from Indeed suggest an average salary of £31,324 for sommeliers in the UK, substantially above the wages paid for the entire occupation.

We recognise the distinctions made by stakeholders between this job title and others within SOC Code 9273, in terms of both salary and training requirements. However, we do not see this role fitting within SOC Code 3542. As noted in the other reclassification request, it is not for the MAC to decide which job titles should sit in which SOC Codes, so we refer industry stakeholders to the ONS on the matter of defining experienced and junior sommeliers as different job titles.

Recommendation

Recommend reclassifying "sommeliers" to RQF 3+ within the existing SOC Code. The MAC is satisfied that the job title should have access to the SW route given the experience required and the wages paid for such a role, but eligibility should be restricted to individuals with 3 or more years' full-time experience in this job. We recognise that this will introduce some eligibility for the SW route for an occupation that is in shortage.

This reclassification must not be used by the sector to bring in waiters and waitresses. As we are not recommending sommeliers be added to the SOL, the general threshold must be paid for all workers and we expect salaries to be substantially above the general threshold in line with the evidence the sector has provided. We would also expect to see small numbers of visas being requested for such a specialised role. If visa numbers are higher than expected, or salaries cluster at the general threshold, we recommend that the Home Office immediately removes the job title from eligibility to prevent abuse of the system.

Occupations for which we received minimal evidence

We received responses from several large representative bodies, government departments and Devolved Administrations which merely listed SOC Codes they believe should be added to the SOL. Without any explanatory evidence provided to support these requests, we have not presented summaries of these occupations in the body of this report.

Table 4.3 Occupations with minimal evidence

SOC Code	Title	RQF level	Sector
1259	Managers and proprietors in other services n.e.c.	3-5	Professional, scientific and technical activities
2451	Librarians	6+	Education
3234	Housing officers	3-5	Wholesale and retail trade; repair of motor vehicles and motorcycles
3543	Marketing associate professionals	3-5	Human health and social work activities
3562	Human resources and industrial relations officers	3-5	Administrative and support service activities
3564	Careers advisers and vocational guidance specialists	3-5	Education
4151	Sales administrators	3-5	Wholesale and retail trade; repair of motor vehicles and motorcycles
4161	Office managers	3-5	Professional, scientific and technical activities
4215	Personal assistants and other secretaries	3-5	Administrative and support service activities
5113	Gardeners and landscape gardeners	3-5	Administrative and support service activities
5211	Smiths and forge workers	3-5	Manufacturing
5323	Painters and decorators	3-5	Construction
6131	Veterinary nurses	3-5	Professional, scientific and technical activities
7130	Sales supervisors	3-5	Wholesale and retail trade; repair of motor vehicles and motorcycles
7220	Customer service managers and supervisors	3-5	Wholesale and retail trade; repair of motor vehicles and motorcycles
8126	Water and sewage plant operatives	3-5	Water supply, sewerage, waste management and remediation activities

Chapter 5: Recommendations

UK-wide SOL recommendations

We recommend the following UK-wide Shortage Occupation List (SOL), to be implemented as soon as possible.

Table 5.1 Recommended UK-wide SOL

SOC Code	Title	RQF level	Sector	SOL	Conditions
3111	Laboratory technicians	3-5	Professional, scientific and technical activities	UK-wide	Add only Laboratory technicians with 3 or more years' full-time experience
3217	Pharmaceutical technicians	3-5	Human health and social work activities	UK-wide	
5312	Bricklayers and masons	3-5	Construction	UK-wide	
5313	Roofers, roof tilers and slaters	3-5	Construction	UK-wide	
5319	Construction and building trades n.e.c.	3-5	Construction	UK-wide	Add only job title "retrofitters" on the SOL
6139	Animal care services occupations n.e.c.	3-5	Other service activities	UK-wide	Add only job titles "racing grooms", "stallion handlers", "stud grooms", "stud hands", "stud handlers" and "work riders"
6145	Care workers and home carers	1-2	Human health and social work activities	UK-wide	Private households or individuals (other than sole traders sponsoring someone to work for their business) cannot sponsor SW applicants
6146	Senior care workers	3-5	Human health and social work activities	UK-wide	

Scotland-only SOL recommendations

We recommend the following additional Scotland-only Shortage Occupation List.

Table 5.2 Recommended Scotland-only SOL

SOC Code	Title	RQF level	Sector	Conditions
1213	Managers and proprietors in forestry, fishing and related services	3-5	Other service activities	Add only job title "fishing boat masters"
5236	Boat and ship builders and repairers	3-5	Manufacturing	

We have not recommended any occupations for addition to the Northern Ireland-only or Wales-only SOLs in this review.

Reclassification requests

Table 5.3 Reclassification requests

Job title	Current SOC Code	RQF level	Sector	Request	Recommendation
Ceiling fixers	8149 (Construction operatives n.e.c.)	1-2	Other service activities	Move to SOC Code 5321 (Plasterers)	Do not reclassify – further evidence on training requirements needed
Sommeliers	9273 (Waiters and waitresses)	1-2	Accommodation and food services	Move to SOC Code 3542 (Business sales executives)	Reclassify to RQF 3+ within existing SOC Code and add to SW route with eligibility restricted to individuals with 3 or more years' full-time experience

SOC2020 equivalent recommendations

We have made our recommendations for the SOL using SOC2010. The reasons behind this decision are discussed earlier in the <u>report</u>. To help the Home Office implement our recommendations, we have provided a list of SOC2020 equivalent recommendations so that these can be used when the Home Office moves to SOC2020.

Table 5.4 Recommended SOL converted to SOC2020					
SOC2010	Recommendation	SOC2020			
5312 Bricklayers and masons	Add to the SOL	Add both: 5312 Stonemasons and related trades 5313 Bricklayers			
5236 Boat and ship builders and repairers	Add to the Scotland-only SOL	5235 Boat and ship builders and repairers			
3217 Pharmaceutical technicians	Add to the SOL	3212 Pharmaceutical technicians			
1213 Managers and proprietors in forestry, fishing and related services	Add only job title "fishing boat masters" to the Scotland-only SOL	Job title sits within 1212 Managers and proprietors in forestry, fishing and related services			
6139 Animal care services occupations n.e.c.	Add only job titles "racing grooms", "stallion handlers", "stud grooms", "stud hands", "stud handlers" and "work riders" to the SOL	Job titles sit within 6139 Animal care services occupations n.e.c.			
3111 Laboratory technicians	Add to the SOL (require 3 years' experience)	3111 Laboratory technicians			
5313 Roofers, roof tilers and slaters	Add to the SOL	5314 Roofers, roof tilers and slaters			
5319 Construction and building trades n.e.c.	Add only job title "retrofitters" to the SOL	5319 Construction and building trades n.e.c.			
6145 Care workers and home carers	Add to the SOL	6135 Care workers and home carers			
6146 Senior care workers	Add to the SOL	6136 Senior care workers			

Recommendations for the role of the SOL in the immigration system

Recommendation: We recommend that the SOL going rate discount should be removed and that all occupations on a national pay scale, alongside those where the going rate exceeds the general threshold, be made ineligible for the SOL.

Recommendation: We recommend that, if granted the right to work, asylum seekers should be able to work in any job – not just in occupations which are on the SOL.

Recommendation: We recommend that the sponsorship rules for the Creative Worker (CW) visa route be updated, with the reference to the SOL being removed and to allow employers to sponsor any occupation that is currently eligible for the SW route without having to perform a labour market test. We also recommend that the Home Office attach a minimum salary threshold to the CW visa.

Recommendations for future SOL reviews

Recommendation: If the Government opposes allowing low-wage employers to pay below the general threshold for the SW route, then we recommend it should either abolish the SOL or heavily reform it to address this issue. We have recommended an alternative approach to the current SOL review process.

Recommendation: If the Government wishes to retain a SOL in its current form, we intend to conduct a minor review of the SOL in Spring 2024 – unless otherwise directed by the Government.

Recommendation: If the SOL is retained, we suggest that the Government changes the name of the SOL to the Immigration Salary Discount List (ISDL) to correctly reflect its function in the immigration system.

Recommendation: We intend not to consider RQF 1-2 occupations as part of minor SOL reviews. The Government should notify us if they would like us to take an alternative approach.

Recommendation: We ask the Home Office to provide confirmation by the end of January 2024 that they will move to SOC2020 and update the salary thresholds in line with SOC2020 in the Spring 2024 Immigration Rule changes. If they do not so, we recommend suspending SOL reviews until the switch is made.