Briefing Paper 3.14



Revised List of occupations that qualify under Tier 2 of the Points Based System

1. PBS Tier 2 (General) is designed for people coming to the UK with a skilled job offer to fill a gap in the workforce that cannot be filled by a settled worker. The job must be on the Shortage Occupation list (which tests for national shortages) or the employer must have carried out a Resident Labour Market Test (RLMT).

2. The government plans to limit PBS Tier 2 (General) jobs to 'graduate level' occupations. They are also to be subject to an out of country annual limit of 20,700.

3. Accordingly, the Migration Advisory Committee (MAC) was asked to come up with a new list of jobs that could be considered as graduate level for PBS Tier 21. In doing so it took the government's explicit instruction to define graduate level as National Qualifications Framework (NQF) Level 4. This level includes BTEC, NVQs at level 4 and certificates of higher education. A true graduate level is NQF level 6 which includes advanced BTECS, bachelor degrees and graduate diplomas.

4. All jobs are classified by a 4 digit Standard Occupation Code (SOC) e.g. 1111 Senior Officials in National government. The MAC then looked at three criteria for people performing each job: Median earnings, percentage qualified to NQF level 4 or above and the SOC skill level, another skill level classification. Thresholds for these criteria based on their distribution within the UK population were set: : Median salary £13.40 per hour, 41% qualified to NQF level 4 and SOC level 4. If a job meets two of these three criteria it makes it onto the list of graduate level jobs; 121 of the 310 occupations made it into the list. Currently the skill required for PBS Tier 2 is NQF level 3 and 192 jobs make it onto the list.

5. The same criteria were used to examine the jobs on the Shortage Occupation list2. Where an occupation type as a whole did not meet the requirements specific job titles within that occupation were examined. This has led to care home workers and most chefs being recommended for removal from the list as they are not considered to be at NQF level 4. Overall only 35% of those issued visas through the Shortage Occupation route in 2010 would have met the new criteria.

6. The MAC expects this list of 'graduate' jobs and the new Shortage Occupation list to become operational in April 2011.

7. The MAC recognises that a true definition of graduate jobs is at the NQF level 6 and, despite not being asked to do so, has also performed the analysis at this level and has found that it would further reduce the list of jobs to 87. It would also further reduce the number of roles on the Shortage Occupation list.

Updated 4 March, 2011

NOTES

- 1 <u>http://www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/workingwithus/mac/analysis-of-the-pbs</u>
- 2 <u>http://www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/workingwithus/mac/mac-analysis-of-pbs/report.pdf?view=Binary</u>