

**MINUTES OF THE THIRD MEETING OF THE MIGRATION ADVISORY COMMITTEE HELD ON 15 FEBRUARY 2008**

Present:

|                                    |   |
|------------------------------------|---|
| Chair                              | Professor David Metcalf   |
| Members                            | Dr Diane Coyle<br>Dr Martin Ruhs<br>Professor Jonathan Wadsworth<br>Professor Robert Wilson             |
| Secretariat                        | Mark Franks (Secretary)<br>Stephen Earl<br>Vanna Aldin<br>Andrew Watton<br>Cordella Dawson<br>Anne Ball |
| Observers                          | Andy Honeyman (Border and Immigration Agency)<br>Dan James (Researcher joining the secretariat shortly) |
| Presenters (present for items 1-4) | Mark Sedwill (UKvisas)<br>Paul Brooks (UKvisas)   |

**Agenda Item 1 – Welcome and round-table summary of Committee and secretariat activity since previous meeting**

1. Committee members and the secretariat briefly described activities since the last meeting. The BIA observer informed members that Tier 1 of the new points based system, and also the sponsorship element, would launch in the UK on 29 February.
2. Apologies for absence were received from Mike Campbell and Paula Higson.

**Agenda Item 2 – Minutes of previous meeting held on 25 January 2008**

3. The minutes of the previous meeting were agreed without amendment.

**Agenda Item 3 – Presentation on Visas and the Points Based System by Mark Sedwill, Director of UK Visas**

4. The Chairman introduced Mark Sedwill, Director of UKvisas, and thanked him for agreeing to provide a presentation to the Committee on the work of UKvisas.

5. Mr Sedwill said that UKvisas would become part of the UK Border Agency from 1 April 2008. He described how they managed 146 visa issuing posts around the world, many in conjunction with commercial partners. Over 100 nationalities required a visa to come to the UK and in 2006/07 2.75 million applications were made which was an 8% increase on 2005/06. 81% of applications resulted in a visa being issued. 66% were issued within 24 hours. UKvisas had approximately 2,500 staff, 2,300 of which were overseas. An Independent Monitor scrutinised visa decisions.
6. Mr Sedwill explained how the introduction of biometric data capture was helping to keep UKvisas ahead of the increasingly sophisticated way visas were being applied for fraudulently. Mr Sedwill said that it was important that UKvisas played their part in trying to attract the right people to the UK, but it was also important that the UK was protected from those who might pose a threat (immigration abuse, criminality and terrorism).
7. Mr Sedwill said that Tier 1 of the new Points Based System would go live in India first, in April. The rest of the world would follow during the summer. Tiers 2, 4 and 5 would follow. Mr Sedwill said that apart from other important documentation checks at application stage, UKvisas would need to seek evidence of an applicant's qualifications and salary, and would also check references with employers.

#### **Agenda Item 4 – Demonstration of biometric capturing**

8. The Committee were given a demonstration of biometric data capturing. This involved taking ten digital fingerprints and a photograph and cross checking the details with previous visa applications and any previous criminal activity.

#### **Agenda Item 5 – February Report – Paper 3.1**

9. The Government work plan for the Committee requires that by the end of February 2008, it reports on where there are gaps in the current data required by the Committee in relation to labour market shortages, how those data gaps should be filled, and how the Committee proposes to report on shortage occupations in the meantime. The secretariat introduced a paper that set out the progress in preparing this document.
10. The secretariat explained that there were three major sets of conceptual issues that needed to be addressed. These were:
  - what constituted a “skilled” occupation;

- whether there was a “shortage” of labour within a skilled occupation; and
- whether it was “sensible” that migrant labour from outside the EU and EEA could be used to fill the shortage.

11. The secretariat thanked members of the Committee for their input in developing the relevant sectors of the draft report relating to these issues. The Secretariat said that in the three areas an attempt had been made to suggest indicators, the practicalities of using those indicators, methods of gathering evidence, and limitations. The Committee discussed each of the three conceptual issues in turn.

### Skilled

12. The Chairman outlined a number of possible indicators for defining ‘skilled’. He said that there were already four broad skill levels within the SOC classification and that it would make sense to use that as one, albeit very aggregated, indicator.

13. Research also existed on occupations that had a high proportion of graduates within the workforce. That suggested that 149 of the 353 SOC 2000 4 digit occupations were ‘graduate’ jobs. Three “top down” options for defining skilled workers were highlighted:

- 1) based on the research described above use the 149 graduate occupations (cross-checked and amended as necessary) and add additional occupations to cover NVQ level 3 skills;
- 2) look at the stock of NVQ level 3+ qualifications and set an indicator of x% of a workforce; and
- 3) use earnings as a proxy for skill.

It was agreed that all three approaches were potentially worth using.

### Shortage

14. It was agreed that defining a shortage was a complex topic and the subject of much literature. It was noted that employers’ perceptions of labour shortages are important and need to be considered by the committee although they need to be complemented by looking at other key indicators such as earnings and employment demand. Members commented that when looking at trying to define a shortage, there is sometimes potential overlap with defining what was sensible.

### Sensible

15. Once a significant shortage of skilled labour in an occupation had been identified, it would then be up to the Committee to consider

whether it was sensible to fill that shortage with migrant workers. It was agreed that any definition of the concept depended upon the underlying policy objectives as determined by the Government.

16. Indicators could include the efforts employers have made or could make to pursue alternative sources of labour, the number of trainees coming through, and raising wages and improving employment conditions.
17. It was agreed that for each of the three conceptual issues no one indicator could be relied upon, but that a range of indicators, combined with 'bottom-up' evidence, would be required. In this respect the Committee will be setting up a small Stakeholder Panel, establishing a larger forum, carrying out visits across the UK and issuing a call for evidence.
18. The Committee agreed that it did not have to reach a definite decision on these issues in time for the February report, but it would be useful to set out the Committee's initial thinking so that stakeholders had a clear view of the proposed indicators and that opinion could be sought during the call for evidence.
19. The Committee agreed that the February report would aim to ensure that the approach to identifying shortage occupations was as clear and as transparent as possible. However, the issues were complex, and further refinement of the approach would be required between now and June after having gathered more evidence and spoken to employers, employees and other stakeholders.

#### Call for evidence

20. The Committee agreed that the February report should be used as a basis for issuing its call for evidence. The call for evidence questions should remain broad in order that those who responded were not unduly constrained in providing evidence and information. It was agreed that evidence should be sought on the Committee's thinking on the three conceptual issues and also on specific occupation shortages. The secretariat agreed to allow members the opportunity to agree the final wording of the call for evidence before it was issued.

#### **Agenda Item 6 – Research update – Paper 3.2**

21. The secretariat introduced a paper updating the Committee on short-term research projects:
  - **Project 1** – A review of theoretical and practical issues in the conceptualisation and measurement of labour shortages, skill

shortages and skills gaps – invitations to tender had been issued and the aim was to award the contract by the end of February.

- **Project 2** – Customised assessment and analysis of NESS data - the invitation to tender letter was being drafted and would be sent out shortly.
- **Project 3** – A review of processes/outcomes of the current work permit system - an invitation to tender had been sent out.
- **Project 4** – A set of review papers on the micro-level nature and determinants of employer demand for migrant labour and the alternatives to immigration for responding to labour shortages in key sectors of the UK economy - expressions of interest had been received and it was hoped the contract could be awarded by the end of February.
- **Project 5** – A review of relevant data available from LFS and ASHE – this in-house project would start once the February report had been finalised.

### **Agenda Item 7 – Scotland meeting and visits – Paper 3.3**

22. The secretariat introduced a paper outlining proposals for the next meeting of the Committee on 28 March 2008, which will be held in Scotland. Members were informed that visits were being arranged to employers on Thursday 27 March in both Aberdeen and Glasgow. The Committee meeting would take place in Glasgow on the morning of Friday 28 March and a lunch was being arranged on the same day with a group of approximately thirty representatives of Scottish employers and employer organisations.
23. The secretariat said that they would issue further details on plans for Scotland shortly.

### **Agenda Item 8 – London Regional Visit**

24. The secretariat reported back to the Committee on a regional visit that had taken place in London on Thursday 14 February, attended by the Chairman of the Committee and the secretariat. The party had visited London First, Linklaters and Credit Suisse First Boston.

### **Agenda Item 9 – Regional visits – Paper 3.4**

25. The secretariat introduced a paper outlining progress in arranging regional visits for Committee members. The Committee felt it was important that as many employers are visited as possible, from as wide a range of sectors as possible, in order to help inform the

'bottom-up' evidence that is necessary to help produce the first shortage occupation list for June.

26. The secretariat tabled an update on visiting proposals for the nine English regions, plus Scotland, Northern Ireland and Wales.

**Agenda Item 10 – Date of, and agenda for, next meeting**

27. The Chairman reminded members that the date of the next meeting was Friday 28 March in Scotland.

**Agenda Item 11 – Any other business**

28. There were no items of any other business.

**Migration Advisory Committee Secretariat  
February 2008**