

Migration Advisory Committee
3rd Floor
Seacole Building
2 Marsham Street
London
SW1P 4DF

From the Physical Secretary and Vice-President Professor Alexander Halliday FRS, and the Foreign Secretary and Vice-President Professor Sir Martyn Poliakoff CBE FRS

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Dear Committee Members,

The Royal Society is the National Academy of Science for the UK. It is a self-governing Fellowship of many of the world's most distinguished scientists working across a broad range of disciplines in academia and industry. The Society draws on the expertise of the Fellowship to provide independent and authoritative scientific advice to UK, European and international decision makers. We therefore welcome the opportunity to respond to the Migration Advisory Committee's (MAC) Call for Evidence on Minimum Salary Thresholds for Tier 2 visas.

At the outset we should point out that many outstanding foreign scientists make huge contributions to the UK, such as Sir Konstantin Novoselov who, as a young researcher, came to the UK then went on to win the 2010 Nobel Prize for his work on graphene in Manchester. This is now the kernel for what is fast becoming the UK's 'Northern Powerhouse' in materials science. Whatever changes are made to immigration policies and processes the UK has to ensure that such young brilliant intellects are encouraged to move here, rather than going elsewhere to develop their research careers. These are not well paid workers – junior to mid-career top academics in the UK do not earn as much as those in their equivalent level institutions in the US, for example. Therefore, we have to create other incentives to bring them here, such as our world-leading universities. Similarly, if we want to improve global competitiveness and productivity we must make it easy, not hard, to recruit them from abroad.

We cannot achieve this with UK talent alone. The world's scientific workforce is highly skilled and internationally mobile, and there is global competition for top talent. The UK's excellence in science attracts some of the best minds to work in its world-leading institutions and the research base is truly international; at the last count, 26% of the academic workforce in UK universities were non-UK nationals, with 11% from outside the EU.¹ The proportions are significantly higher at some of the UK's top universities Oxford, Cambridge, UCL and Imperial College. The ability of UK institutions to recruit the best talent, wherever it is found, is crucial for the UK to maintain its role as a major hub for internationally leading research, and to reap the benefits of public investment in science and innovation.

¹ Higher Education Statistics Agency (2015) Staff in Higher Education 2013/14



The Society notes the extremely short time given for partners to submit evidence to this call, and for the MAC to give its advice to Government. This is insufficient for proper and careful analysis, as is necessary to support these significant changes to immigration policy. The Society's initial analysis indicates that increases to minimum salary thresholds could significantly damage opportunities for many scientists to come to the UK, from promising PhD graduates and outstanding early career researchers through to highly expert teaching staff. In science, salary is not a good proxy for the value of an individual to the UK. Academics are not particularly well paid. Allowing only higher paid staff to use Tier 2 could be damaging to UK science, the economy and society.

UK science and Tier 2

Most scientists taking up positions in UK academia and industry enter through the Tier 2 (General) route, which provides a clear avenue for institutions to bring these skilled workers to the UK. 'Natural and social science professionals' enter the UK under the '211' SOC codes, and 'higher education teaching professionals' enter under the '2311' code. This letter focuses predominantly on these roles.

The future of UK science relies on a range of other skilled professionals who use Tier 2, and we are concerned that restricting the ability of these workers to come to the UK could affect the health and performance of the research system as a whole. For example, researchers in industry might use the Tier 2 (ICT) route, and without science and maths teachers—roles on the Shortage Occupation List—the UK will not be able to train home-grown talent to do the skilled jobs of the future.²

Current and proposed minimum salary thresholds per occupation

For most sectors, the appropriate salary rates for new entrants and experienced workers are set at the 10th and 25th percentile, respectively, on the Annual Survey of Hours and Earnings (ASHE) distribution.³ However, when these levels were set, the MAC acknowledged the concern of the scientific community that these figures were not appropriate for science and research professionals,⁴ and the appropriate salary rates were set slightly lower than the ASHE levels. The Society hopes that the MAC will once again be able to take account of the science community's views, as submitted in response to this Call for Evidence, and recommend to the Government that these levels are inappropriate for science and research professionals.

We have used 2014 provisional ASHE data as an indication of the scale of increase to minimum salaries implied by the percentile points proposed in the Call for Evidence. For new entrant natural and social scientists (211), the Call for Evidence proposes that the minimum salary threshold would increase from £21,000 to the 25th percentile, £28,746, or the 50th percentile, £36,299. For experienced workers it would increase from £27,200 to the 50th percentile, £36,299 or the 75th percentile, £45,628.⁵

² The Royal Society (2014) Vision for science and mathematics education.

<https://royalsociety.org/education/policy/vision/>

³ Office for National Statistics (2014) Annual Survey of Hours and Earnings.

<http://www.ons.gov.uk/ons/rel/ashe/annual-survey-of-hours-and-earnings/index.html>

⁴ Migration Advisory Committee (2012) Analysis of the Points Based System.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/257273/Tier2-codesofpractise.pdf

⁵ Office for National Statistics (2014) Annual Survey of Hours and Earnings – 2014 Provisional Results, Table 14.7a

<http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-337425>

For new entrant higher education teaching professionals (2311), the Call for Evidence proposes that the minimum salary threshold would increase from £25,000 to the 25th percentile, £37,637 or the 50th percentile, £45,978. For experienced workers it would increase from £31,400 to the 50th percentile, £45,978 or the 75th percentile, £54,885.⁶

Roles affected by increases to minimum salary thresholds per occupation

The above figures can be related to the Higher Education Statistics Authority's single pay spine⁷ and then cross-checked with a random selection of institutional pay scales,⁸ to provide an indication of the job roles to which these thresholds relate in UK universities. We do not know what the exact effects of the proposed increases would be, or what proportion of Tier 2 (General) applications would be excluded. Nevertheless, we are concerned that increasing the minimum salary threshold as proposed could deprive the UK of the talented scientists it depends upon.

Natural and social scientists

The SOC code for natural and social scientists includes a number of job roles suitable for recent PhD graduates through to those with many years of experience. Raising the minimum salary threshold for new entrants to the 25th percentile (£28,746) would exclude non-EU researchers from postdoctoral Research Associate roles at some institutions, and at others mean they must be paid towards the top end of the salary scale.⁹ Raising the threshold to the 50th percentile (£36,299) would be likely to exclude new entrants from Research Associate roles across the board. Researchers in roles above this level typically have more than three years of post-education experience—the maximum allowed to new entrants—so such an increase would effectively close the 'new entrant' component of the Tier 2 (General) route for natural and social scientists.

Raising the minimum salary threshold for experienced workers to the 50th percentile (£36,299) would also exclude those with more than three years of post-education experience from Research Associate roles.¹⁰ Raising the threshold to the 75th percentile (£45,628) would exclude these workers as Research Fellows at most institutions.¹¹ As an example, the Royal Society's University Research Fellows are paid *up to* £38,165.85. This scheme supports outstanding scientists with the potential to become leaders in their field, and is among the UK's most competitive early career Fellowships. Applicants can have up to eight years of postdoctoral research experience.

Higher education teaching professionals

The SOC code for higher education teaching professionals captures roles from junior lecturers through to Professors, thereby covering a broad range of career stages with a wide salary range. All of the proposed increases to minimum salary thresholds for new entrants or experienced workers represent

⁶ Office for National Statistics (2014) Annual Survey of Hours and Earnings – 2014 Provisional Results, Table 14.7a <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-337425>

⁷ Higher Education Statistics Authority (2015) <https://www.hesa.ac.uk/content/view/2881#sal>

⁸ Internal analyses.

⁹ Internal analyses.

¹⁰ Internal analyses.

¹¹ Internal analyses.

significant jumps up the salary scale, and would effectively restrict recruitment of foreign scientists and engineers to more senior roles.

Implications for recruitment of scientists

Science is a global enterprise, and the UK's leading role in it depends on its excellent institutions being able to recruit the best scientists to the UK. Freedom of movement is crucial at all career stages and the UK's attractive power depends on maintaining a visa system that is open to excellence at all levels. If changes to Tier 2 prevent UK institutions from having full access to the global talent pool, outstanding scientists will take their skills elsewhere, to the detriment of the UK economy and society.

Scientists have a high value to the wider UK economy, but the salaries paid to scientists are not a good proxy for their value. This is a fact that is recognised by the extra points awarded to PhD-level jobs within Tier 2 (General). Raising the minimum salary threshold so that non-EU scientists could only be recruited to higher paid roles would not be equivalent to selecting for those scientists from whom the UK stands to benefit the most.

The SOC codes through which scientists are recruited capture a wide range of roles and career stages. Scientists' salaries can also vary considerably between disciplines, institutions, funding bodies and jobs. Yet researchers across the full breadth of the salary distribution are equally valuable to the UK, as they play different, complementary roles in the research and innovation ecosystem. For any given role, a scientist's suitability relates more to the *nature* of their expertise in a particular niche area than to the *level* of their experience, which might be indicated by their salary.

Increasing minimum salary thresholds for Tier 2 might incentivise employers to pay higher salaries to recruit skilled workers from overseas. However, academic employers often have very limited ability to vary the salary offered on a role-by-role basis, as the vacancy might be at a particular point on the funder or institution's pay scale, or linked to a particular grant award. Academic employers would have very limited ability to adapt to a threshold change in the short term. This is particularly true for publicly funded roles, such as those funded via the Research Councils, as these salaries are subject to restrictions on pay across the civil service, which is currently frozen.

Where flexibility allows, increasing minimum salary thresholds could encourage institutions to offer higher salaries to non-EU scientists regardless of their relative ability. This could disadvantage EU and UK citizens, and avoiding disparities in pay could require uplifts to salaries across the board. However, this would be extremely costly to UK research institutions at a time when budgets are tight. For funding organisations with finite means, it must ultimately mean funding less science. Employers in industry might have greater flexibility and be able to increase salaries further, a move which could increase the disparity between academic and industry pay, creating a skewed local market for scientists.

Aims and outcomes of the proposed changes

The proposed changes to minimum salary thresholds aim to ensure that Tier 2 is used by highly-specialised and/or highly-skilled experts. This description fits all of the scientists that currently use Tier 2 (General), and any changes to salary thresholds should therefore not restrict the ability of UK institutions to recruit these scientists.

The proposed changes also aim to ensure that the route does not allow employers to undercut the UK labour market. As far as we are aware, the current appropriate salary rates for science and research

professionals are sufficient to achieve this aim. For roles on the Shortage Occupation List, such as science and maths teachers, undercutting should not be a problem as we already know that the UK economy needs these skilled people to thrive.

The current minimum salary for Tier 2 (General) as a whole, £20,800, is close to the appropriate salary for a new entrant natural and social science professional, £21,000. We therefore recommend that any increase to the minimum salary for Tier 2 be considered in relation to the appropriate salary for new entrants in these roles.

Sources of data on salaries

The ASHE includes data on science and research professionals' salaries, but the relevant SOC codes cover workers at all career stages and level of skill or specialisation. Other relevant sources include the Higher Education Statistics Authority, or research funders and institutions' publicly available records.

Conclusions

Successive governments' support for research and innovation have helped to build a truly excellent research and innovation ecosystem in the UK, which brings broad benefits for society and has a key role to play in the UK's economic future. This low cost investment leads to top research being conducted in the UK, improved competitiveness for funding within Europe and new spinout companies being set up and allowed to grow here rather than abroad. As such, undermining this is not in the interest of the UK and its economic competitiveness and productivity.

Increasing the minimum salary thresholds might force employers to recruit fewer workers from overseas, but in doing so it would limit the ability of UK research institutions to recruit the best and brightest staff. Without skilled workers at all career stages, the UK cannot reap the benefits of its public investment or maintain its position as a world-leading scientific nation.

From our analyses it is clear that the proposed increases to minimum salary thresholds could be detrimental to UK science, and we hope that the MAC can reflect this in its advice to Government. A more-considered approach to skilled migration policy is needed to ensure that any changes to Tier 2 do not put the UK at a disadvantage. We note that the MAC will be conducting a wider review of Tier 2 later this year, and The Society looks forward to contributing evidence at the appropriate time. The Society would also be pleased to convene a group of relevant experts for discussion with the MAC in due course.

Please contact Eleanor Beal (eleanor.beal@royalsociety.org; 020 7451 2219) if you have any queries or would like to discuss any of these matters further.

Yours Faithfully,



Professor Alexander Halliday



Professor Sir Martyn Poliakoff