

United Kingdom

Migration Advisory Committee publishes rapid review of the Immigration Salary List

Executive summary

On 23 February 2024, the Migration Advisory Committee (MAC), an independent body that provides evidence-based advice to the government on migration issues, published a <u>rapid review</u> of the Immigration Salary List (ISL) for the UK.

Background

On 4 December 2023, the UK announced <u>several changes</u> to the immigration system related to the Skilled Worker route, which included the following:

- The Shortage Occupation List (SOL) will be replaced with the ISL.
- ► The 20% "going rate" discount on the SOL will be abolished.

On 17 January 2024, the government commissioned the MAC to carry out a rapid review of the new ISL. The report is intended to be used as an interim measure for the implementation of the new rules announced on 4 December 2023, ahead of a full review of the ISL expected to start later this year. The MAC has requested the government to consider the points outlined in this report prior to conducting a full review.

Key developments

Among other recommendations, the MAC review suggests 21 occupations for inclusion in the ISL, which represents 8% of the job roles eligible for the Skilled Worker route based on employment. If this recommendation is adopted, the interim ISL will be smaller than the current SOL. These 21 occupations consist of 18 recommendations for the UK-wide ISL and three for the Scotland-only ISL.

A summary of the changes, including a detailed list of the recommended occupations to be included in the ISL (and those that are not recommended to be included) can be found here.

The MAC informed that due to both time constraints and the limited scope of their review, they were unable to undertake stakeholder consultation. However, they confirmed that they have referenced the available data and the stakeholder evidence which was previously published in their major reviews of the SOL in 2020 and 2023.

As part of a full review of the ISL, the MAC intends to carry out extensive stakeholder consultation, including a Call for Evidence, stakeholder roundtables and a renewed assessment of labor market conditions against the new salary thresholds.

The MAC also suggested conducting an analysis and providing recommendations on what the benefits of the ISL should be prior to conducting a full review (where they are expected to review which occupations should be included in the ISL) to enable stakeholders to provide evidence with a clear understanding of the benefits. Following agreement from the government on the benefits, the MAC could then carry out a full review.

The MAC informed that it is expecting to receive the commission for a full review of the ISL and the graduate route as was announced by the government in December 2023.



Impact on employers

If the government decides to adopt the MAC's recommendations, employers may lose the benefits of having certain occupations in the ISL, which will increase the costs of hiring foreign nationals in these occupation codes.

Key steps

EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.

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