

## Annex B: MAC Call for Evidence Questions for representative organisations

This document provides the list of questions contained in the MAC Call for Evidence online form. This is to help you gather your responses only, please use the online tool to submit your responses.

The questions below are for representative organisations providing their views on behalf of other organisations.

### About you

1. What is the name of your organisation?

University and Colleges Employers Association (UCEA)

2. What is your email address?

r.gregg@ucea.ac.uk

3. Which of the following options best describe your reason for completing this form?

I am providing evidence of recruitment and salaries within my own organisation

I am providing evidence of recruitment and salaries in the sector, on behalf of other organisations/members or as a recruitment business.

**The questions that follow in this form are for those that have chosen the second option in question 3.**

### About your organisation

4. Which of the following best describes your organisation?

Private sector

Public sector

Third sector

Other (please specify) Employers' association representing higher education institutions (HEIs)

5. How many businesses /organisations do you represent?

Under 5

5- 49

50- 499

500- 5,000

5,000+

### **About the businesses/organisations you represent**

6. How have you engaged the businesses/ organisations you represent to inform this consultation response?

Ongoing dialogue as part of business as usual

Specific events/contact arranged to discuss this consultation

**Other (please specify):** We carried out a survey of our members to inform this response. We received 60 complete responses which were analysed. Our answers to multi-choice questions are typically based on the mode of responses. In addition to our survey we analysed official sector data and data from our own salary surveys. We have provided additional detail to our submission separately as an attachment.

7. Thinking of the businesses/organisations you have engaged with, in general are their staff concentrated in specific UK countries/regions or are they nation-wide?

Concentrated

Nation-wide

**Question 8 is for only applicable if you have chosen the first option in question 7 (concentrated). For those that chose the second option (nation-wide) please answer question 9 onwards.**

8. Following on from the previous question, which regions(s)/country(ies) are staff concentrated?

North East

North West

Yorkshire and The Humber

East Midlands

West Midlands

East of England

London

South East

South West

Scotland

Wales

Northern Ireland

England

9. Thinking of the businesses/organisations you engage with, tick all the relevant sectors they cover from the list below: (Please select all that apply)

For more information about the sectors please refer to the link below:

<http://resources.companieshouse.gov.uk/sic/>

Agriculture, Forestry and Fishing

Mining and Quarrying

Manufacturing

Electricity, gas, steam and air conditioning supply

Water supply, sewerage, waste management and remediation activities

Construction

Wholesale and retail trade; repair of motor vehicles and motorcycles

Transportation and storage

Accommodation and food service activities

Information and communication

Financial and insurance activities

Real estate activities

Professional, scientific and technical activities

Administrative and support service activities

Public administration and defence; compulsory social security

**Education**

Human health and social work activities

Arts, entertainment and recreation

Other service activities

Activities of households as employers; undifferentiated goods-

Activities of extraterritorial organisations and bodies

10. Thinking of the businesses/organisations you engage with and their number of employees, tick all size bands that they cover:

0-9 employees

10-49 employees

50-249 employees

250-499 employees

500+ employees

11. Thinking about the businesses/organisations you engage with, are the majority roughly of a similar size in terms of the number of employees (e.g most SMEs or most large organisations)?

Yes

No

**Question 12 is only applicable if you have answered yes to question 11, if you have answered no please answer question 13 onwards.**

12. Thinking of the businesses/organisations you engage with and their number of employees which size band(s) are they concentrated in?

0-9 employees

10-49 employees

50- 499 employees

500+ employees

### **Employment of migrant workers**

13. To your knowledge, have the organisations you have engaged with recruited any of the following workers in the past 5 years: (Please select all that apply)

[Workers from EEA countries: the EEA includes all European Union (EU) countries plus Iceland, Liechtenstein and Norway. We also include Switzerland as part of our definition. Workers from non-EEA countries: workers from outside of EU countries plus Iceland, Liechtenstein Norway and Switzerland.]

UK and/or Irish workers

Workers from EEA countries outside of the UK and/or Ireland

Workers from non-EEA countries

Don't know

14. In the next 12 months are they likely to recruit: (Please select all that apply)

UK and/or Irish workers

Workers from EEA countries outside of the UK and/or Ireland

Workers from non-EEA countries

Don't know

### Experience of Tier 2 (General) visa

**Questions 15- 20 are only applicable if you have answered 'workers from non-EEA countries outside of the UK and/or Ireland' to question 13, others should complete question 21 onwards.**

15. Following on from the previous question, were these non-EEA workers recruited under the Tier 2 (General) visa system?

Yes some

Yes all

No

Don't know

16. Are the salaries required by the Tier 2 (General) immigration rules generally:

Higher than what they would normally pay

About the same

Lower than they what would normally pay

Don't know

17. Have the organisations that you represent experienced any issues with Tier 2 (General) visa salary requirements? If so, what were they?

(In 200 words)

While most respondent HEIs considered the salary requirements to be similar to those they currently pay, 9.8% stated that they were higher. These institutions struggle to employ non-EEA workers using current arrangements with some reporting that they appoint to a salary higher than they ordinarily would. This raises concerns around internal equity of UK and international staff, the gender pay gap, employees reaching the top of the salary scale too quickly and losing the best candidates.

Even amongst those that felt the requirements were generally appropriate, some HEIs struggle to appoint to certain roles/posts. It is feared that this will become a significant problem in future as EEA migrants will also be required to fit these criteria. For example:

- **Those entering under “new entrant” salary requirements** –age requirements for those applying for junior or early career roles are limiting, particularly for researchers into PhD-level roles.
- **Research assistants, language assistants, technicians and other early career researchers** – starting salaries for these roles are below £30,000 and reaching the threshold through normal salary progression would take time.
- **Part-time workers (more generally women)** – would be earning £30,000 FTE but earn less if working part-time and this is not accommodated for in the current system.

18. Have any of the Tier 2 (General) visa employees employed by your members (or organisations you represent) applied or tried to apply for settlement?

Yes

No

Don't know

**Question 19 and 20 are only applicable if you have answered ‘yes’ in question 18, others should complete question 21 onwards.**

### **Experience of Tier 2 continued**

Migrants on Tier 2 (General) visas are eligible to apply for settlement (indefinite leave to remain) after 5 years in the UK. Those migrants coming to the UK on or after the 6th April 2011 have also had to meet a minimum salary threshold, currently £35,800, in order to be successful in their application for settlement. There is an exemption to this salary threshold for migrants employed in shortage occupations.

19. In general, was the settlement income threshold (currently £35,800)?

Above their current salary

About the same as their current salary

Below their current salary

Don't know

**20. Please provide any additional views of Tier 2 (General) visa settlement**

(In 200 words)

The majority of institutions have not experienced significant problems with the settlement threshold requirements. However, 10.3% of institutions say that current requirements are too high with more mentioning that the proposed increase to £40,000 would be too high.

Most academic roles are skilled to PhD-level and are therefore exempt from the ILR minimum salary requirements. Without this exemption many more institutions would struggle with the requirements. For example, for Research Fellows and Lecturers, the current national median salary after 5 years is £34,804 therefore without the exclusion for PhD level roles many highly skilled academics would not qualify for ILR.

Although the majority of applicants for ILR are successful, many apply for extensions rather than ILR. A recent internal report about Tier 2 visa end dates by a Russell Group HEI in England showed that when employees visas ended, (and where eligible) the majority applied for an extension rather than ILR. For those not eligible for an extension, the majority applied successfully for ILR. However, almost all the individuals who left when not eligible for an extension did not meet the minimum salary requirement for ILR.

**The following questions should be answered by everyone.**

**Salary thresholds**

Our commission from the government asks us to consider both the mechanism for setting minimum salary thresholds and the appropriate level.

**21. To what extent would the businesses/organisations you have engaged with agree or disagree with the following statements: (strongly agree, agree, neither agree nor disagree, disagree, strongly disagree)**

There should not be a minimum salary threshold above the legal requirement (the national minimum wage) **Disagree**

If there is a salary threshold it should be applied universally across the economy and UK, with a few exceptions to keep the system simple **Neither agree nor disagree**

If there are salary thresholds, there need to be a variety to reflect employer needs **Agree**

If you have an alternative model you wish to describe, please explain it here (in 200 words)

We have selected "neither agree nor disagree" to a simple salary system because whilst we recognise the value of a simple system which is easy to interpret for those holding visas as well as those implementing, we recognise that sectors and occupations vary significantly with salary not always being an adequate proxy for skill. As laid out in subsequent questions, some variation by sector and occupation would be welcome whilst recognising simplicity across the UK.

22. If there were tailored salary thresholds, to what extent would the businesses/organisations you have engaged with agree that they should be varied by: (strongly agree, agree, neither agree nor disagree, disagree, strongly disagree)

Sector **Strongly Agree**

Region/country **Disagree**

New entrants/young workers **Agree**

Occupation **Strongly Agree**

23. Do the businesses/organisations you engage with most commonly think that jobs judged to be in shortage (such as those on the Shortage Occupation List) should have:

Higher salary thresholds compared to those not in shortage

The same salary thresholds compared to those not in shortage

**Lower salary thresholds compared to those not in shortage**

Don't know

24. Do the businesses/organisations you engage with most commonly think that having a salary threshold equivalent to the 25th percentile of the full-time pay distribution for employees in that occupation is:

[25th percentile: 75% of full-time employees in an occupation earn the threshold amount or more, and 25% earn less]

**Too high**

About right

Too low

Don't know

Please explain your answer (in 200 words)

**Whilst many respondents felt that the current thresholds were about right, this is based upon the current exemption for PhD level roles. Currently, when calculating the salary thresholds for SOC codes 211 and 2311, the Home Office uses the HE pay spine and typical points used by HEIs rather than the ASHE data.**

**When, earlier in 2019, the ASHE data was used to calculate thresholds in error, this led to threshold increases of up to £10,000 and would have been incredibly difficult for HEIs to recruit at this salary point. Thus, the 25<sup>th</sup> percentile based on the ASHE data would be too high and we recommend maintaining the existing sector specific approach that aligns to sector pay scales.**



25. Do the businesses you engage with most commonly think that having a minimum salary requirement of £30,000 for an experienced full-time employee is:

Too high

About right

Too low

Don't know

Please explain your answer (in 200 words) 199

There are essential roles within HEIs where the majority of employees are paid below £30,000. In order to ensure the HE sector can fill roles like these, we suggest a lower threshold than £30,000. This is of particular importance if visa routes are extended to roles currently classified as below RQF level 6.

Examples of such problematic roles include:

- **Technicians:** According to the recent UCEA workforce survey of 87 HEIs, almost 50% of institutions experience at least moderate difficulty recruiting technicians. Over 60% of them hold a degree yet 67% of them earn under £30,000.
- **Language Assistants:** Language assistants are primarily native speakers of the language they instruct with 38% from the EEA and 17% from non-EEA countries. Therefore, the introduction of a visa system for EU nationals will have a high impact on HEIs' ability to recruit this group of staff. 63% of Language assistants earn under £30,000.
- **Research Assistants:** The starting salaries of Research Assistants and other early career researchers are typically under £30,000. Whilst they are 'early career', they are often older than the early career age threshold of 26 years old as they would have spent up to seven years' studying so the £30,000 threshold applies.

26. What do you think should be counted towards the salary for assessing whether an individual meets the threshold? (Please select all that apply)

Company car/ travel allowance

Pension contributions

Employee equity ownership schemes

Part-time working patterns

Commission

Housing allowances

Other cash/non-cash remuneration please specify (in 200 words):

27. Following on from the previous question, please list your responses in order of importance with 1 being the most important and 6/7 being the least.

5	Company car/ travel allowance
2	Pension contributions
6	Employee equity ownership schemes
1	Part-time working patterns
4	Commission
3	Housing allowances
	Other cash/non-cash remuneration please specify (in 200 words):

28. Are there any other issues we should consider? (in 200 words)

As detailed in the additional documents, UCEA believes that other areas for consideration include:

- STEM subjects are at risk of skills shortages, with non-UK staff occupying over 45% of roles in the following areas. The proposed changes will prevent universities from hiring the best talent in these areas
  - Economics & econometrics
  - Chemical engineering
  - Electrical, electronic & computer engineering
  - Mathematics
  - Mineral, metallurgy & materials engineering
  - Physics
  - General engineering
- EU/EEA staff requiring visas is a concern in the majority of universities
- Essential roles such as Technicians, Language Assistants and early career academics largely earn under the £30,000 threshold
- Restrictions to flexible and part-time working for visa-holders may inadvertently deter women and those with families and caring responsibilities from migrating to the UK – and thereby at odds with the stated aim to recruit the ‘brightest and best’
- Pension contributions in the public sector are a large part of total remuneration, not including this disadvantages the HE sector from recruiting.
- “Early career” academics are largely older than 26 due to the length of time taken to study for a PhD which impacts HEIs ability to make use of the “new-entrant” route.

### Australian Points Based System

29. The Government is considering adopting an Australian type Points Based System. In your opinion, please tell us the relative importance of the following characteristics

typically used to award points to migrants by ranking them where 1 is the most important and 8/9 is the least important.

4	Language proficiency
7	Having studied in the UK
3	Work experience
8	Age
5	Education attainment
1	Having a job offer
6	Salary
2	Priority occupations

Other, please specify

Points should be granted for individuals with current family members living in the UK, this would mean they are more likely to have a stable income and fully integrate in the UK economy. If a points-based system is the only route to a visa, organisations should be able to put forward a business case for specific individuals who may not reach the points threshold.

We are aware that in Australia the points-based system is rarely used by HEIs, who usually sponsor researchers and lecturers on the “Temporary skills shortage visa” or the “Employer Nominated Scheme” rather than using the points-based independent visa. Only 67.7% of visas in Australia are from the points-based streams, with the rest on sponsored routes or families.

### **MAC stakeholder database**

**30.** Would you like to be added to our stakeholder database for future research purposes and updates on MAC work?

Yes

No

**31.** We may require follow-up to clarify or supplement your responses to the online form, or for follow-up research.

Do you consent to be contacted to clarify or supplement your responses?

Yes

No

**This is the end of the form**

## **Annex 1: Additional evidence to the Migration Advisory Committee from UCEA**

### **1. Introduction**

#### **This is an addendum to the online response from the Universities and Colleges Employers Association (UCEA) to the Migration Advisory Committee (MAC) consultation on salary thresholds.**

UCEA represents the views of higher education institutions (HEIs) across the UK in their capacity as employers. UCEA is a membership body funded by subscriptions from 163 HEIs in the UK, in addition to eight sector associate members. Our purpose is to support our member HE employers in delivering excellent and world-leading higher education and research by representing their interests as employers and facilitating their work in delivering effective employment and workforce strategies.

Our response is based on views provided by 62 of our member higher education (HE) employers as well as analysis of secondary data sources. This addendum provides additional considerations and context which could not be accommodated within the online consultation form.

UCEA's Workforce Report 2019<sup>1</sup>, shows that one in four HEIs has a high or medium-high degree of concern regarding their ability to recruit and retain EU/EEA staff over the next 12 months, with the majority indicating at least a medium-high level of concern. Concern is lower for non-EU/EEA international staff, this is likely due to the expectation that immigration arrangements for this group will remain similar post-Brexit.

We ask the MAC to consider the following points with regard to the integration of salary thresholds for higher education staff into a new immigration system.

- A high proportion of academic and research staff in UK HEIs hold citizenship from other EU and non-EU countries. This is a consequence of both the international nature of research and specific shortages in expertise. Due to the highly-specialised nature of academic research, there are often limited talent pools nationally and internationally. While there is investment in the talent pipeline, such skills and expertise cannot be developed quickly and therefore access to global talent even on a skills shortage basis must be maintained.
- Many essential staff including language teaching assistants and science technicians are paid below £30,000 and may not meet existing Tier 2 skill thresholds. We support earlier MAC recommendations to lower the skill threshold for Tier 2 workers and to consider the use of lower salary thresholds for these roles.
- We ask the MAC to consider an increase in the age limit for new entrants in PhD-level occupations to 30 years of age. This is based on the level of post-secondary education required to meet the minimum entry requirements for research and lecturing roles.
- We recommend that the MAC look at an approach that enables staff working substantively part-time (e.g. 0.5 FTE or higher) to qualify based on their full-time equivalent salary.
- We ask the MAC to strongly consider the inclusion of employer pension contributions towards the salary threshold. HE and public sector employers contribute significant remuneration to staff in this way relative to private sector employees and it is an accepted and important part of the overall remuneration package of staff.

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<sup>1</sup> <https://www.ucea.ac.uk/library/publications/he-workforce-report-2019/higher-education-workforce-report-2019>

**Immigration is not only valuable but necessary to ensure that the UK continues to lead in research and innovation – particularly in the STEM fields.**<sup>2</sup> The HE sector has one of the highest proportions of non-UK nationals in its workforce of any sector in the UK economy. According to 2017-18 HESA data, 20.5% of HE staff were non-UK nationals compared to 11% in the wider UK workforce (ONS, 2019) - Table 1. Looking at the staff group splits in Table 1, we see that this high representation of international staff is entirely due to the academic staff group with the professional services group very closely resembling the UK labour market as a whole.

**Table 1: Higher education staff, by nationality and staff group, 2017-18**

Staff group	United Kingdom	Ireland	Other EU	Other EEA	Other Non-EU
Academic	69.2%	2.1%	15.6%	0.4%	12.8%
Professional services	89.5%	1.1%	5.6%	0.1%	3.7%
<b>All HE</b>	<b>79.5%</b>	<b>1.6%</b>	<b>10.5%</b>	<b>0.2%</b>	<b>8.2%</b>

Source: HESA, 2017-18. Based on headcount. UK includes Guernsey, Jersey and the Isle of Man. Other European Union countries excludes UK and Ireland. Other EEA countries includes Switzerland.

## 2. STEM and modern languages depend on international staff

UK HEIs are currently highly reliant on EEA and non-EEA staff in modern languages and many STEM subject areas. Sixty six percent of Economics and Econometrics academics working in the UK, for example, are not British (Table 2) whilst in Chemical Engineering and modern languages the respective figures are 56.9% and 51.7%. Because these shortages exist within a broader occupational code (2311), these skill shortages do not translate into the shortage occupation list, yet changes to the immigration system are likely to affect these subject areas the most.

**Table 2: Nationality of academic staff by cost centre, 2017-18 (top 10 by % non-UK national)**

Cost centre	United Kingdom	Ireland	Other EU	Other EEA	Other Non-EU
(129) Economics & econometrics	34.0%	1.1%	36.6%	0.8%	27.5%
(116) Chemical engineering	43.1%	1.3%	25.1%	0.5%	30.0%
(137) Modern languages	48.3%	1.7%	35.6%	0.6%	13.9%
(125) Area studies	50.5%	1.2%	21.1%	0.5%	26.7%
(119) Electrical, electronic & computer engineering	51.6%	1.2%	17.6%	0.2%	29.4%
(122) Mathematics	53.0%	1.6%	25.2%	0.6%	19.5%
(127) Anthropology & development studies	53.4%	1.5%	22.7%	0.7%	21.7%
(117) Mineral, metallurgy & materials engineering	53.4%	0.7%	18.6%	0.2%	27.0%
(114) Physics	53.8%	1.4%	26.0%	0.6%	18.2%
(115) General engineering	54.5%	1.3%	17.2%	0.3%	26.7%

Source: HESA, 2017-18. Based on headcount. UK includes Guernsey, Jersey and the Isle of Man. Other European Union countries excludes UK and Ireland. Other EEA countries includes Switzerland.

<sup>2</sup> <https://www.ucea.ac.uk/member-resources/immigration-and-brexit/ucea-letter-to-chris-skidmore-mp-re-%C2%A330000-proposed-salary-threshold>

Table 3: Specific academic discipline by nationality, 2017-18 (top 25 by % non-UK national)

Current academic discipline	UK	Ireland	Other EU countries	Other EEA	Other Non-EU/EEA
(R410) Spanish language	21.3%	0.5%	70.3%	0.0%	7.9%
(R210) German language	28.3%	0.0%	69.1%	1.9%	0.6%
(R300) Italian studies	29.6%	2.7%	64.1%	0.0%	3.6%
(R110) French language	35.1%	0.8%	63.7%	0.0%	0.4%
(R400) Spanish studies	36.6%	2.5%	53.5%	0.0%	7.3%
(L100) Economics	36.7%	1.3%	35.6%	0.9%	25.5%
(H810) Chemical engineering	38.8%	1.4%	28.2%	0.6%	31.0%
(H680) Optoelectronic engineering	40.8%	0.0%	20.8%	0.0%	38.4%
(R800) European studies	41.0%	1.1%	43.1%	2.3%	12.5%
(R700) Russian & East European studies	41.5%	0.7%	29.3%	0.0%	28.5%
(Q910) Translation studies	42.1%	0.8%	42.6%	1.6%	12.9%
(N300) Finance	42.4%	1.8%	25.0%	0.8%	30.0%
(H620) Electrical engineering	42.5%	1.3%	16.9%	0.0%	39.3%
(R200) German studies	43.7%	2.5%	50.3%	1.5%	2.0%
(R910) Other European languages	43.9%	2.0%	38.5%	1.0%	14.6%
(F340) Mathematical & theoretical physics	44.6%	3.0%	36.8%	0.7%	14.9%
(H400) Aerospace engineering	45.1%	0.6%	26.2%	0.9%	27.3%
(H660) Control systems	45.5%	0.0%	16.8%	0.0%	37.6%
(I520) Bioinformatics	47.3%	0.0%	26.8%	0.8%	25.1%
(G120) Applied mathematics	47.3%	0.8%	30.2%	0.3%	21.5%
(H900) Others in engineering	47.3%	1.1%	16.7%	0.0%	34.8%
(F764) Climate & climate change	47.6%	1.0%	23.3%	3.9%	24.3%
(I190) Computer science not elsewhere classified	47.7%	1.3%	18.1%	0.7%	32.2%
(G110) Pure mathematics	47.8%	1.6%	27.9%	0.8%	21.9%
(H990) Engineering not elsewhere classified	47.9%	2.1%	16.7%	0.7%	32.5%

Source: HESA, 2017-18. Based on academic disciplines with more than 100 staff in UK HEIs.

### 3. Essential roles are often paid under the £30,000 threshold

Many courses rely on academic-related and support staff and therefore an immigration system that is overly restrictive may affect the UK's current status as a destination of choice for international students and impact on standards for domestic students. Occupations of particular importance, and which are often paid less than £30,000, are language assistants and technicians. Early stage researchers and research assistants are also vital to the research undertaken by UK universities and ensure that the UK is a global leader in the STEM fields as well as medicine, humanities and the

social sciences. As Table 4 demonstrates, these roles are typically paid under the £30,000 threshold with the exception of early stage researchers, who receive £30,688 at the median. A minimum threshold of £30,000 will therefore prevent HEIs from recruiting EU/EEA staff to these vital roles without adjustments in pay which will harm organisational pay equity.

Table 4: Salary (FTE) distribution by selected occupations, 2019

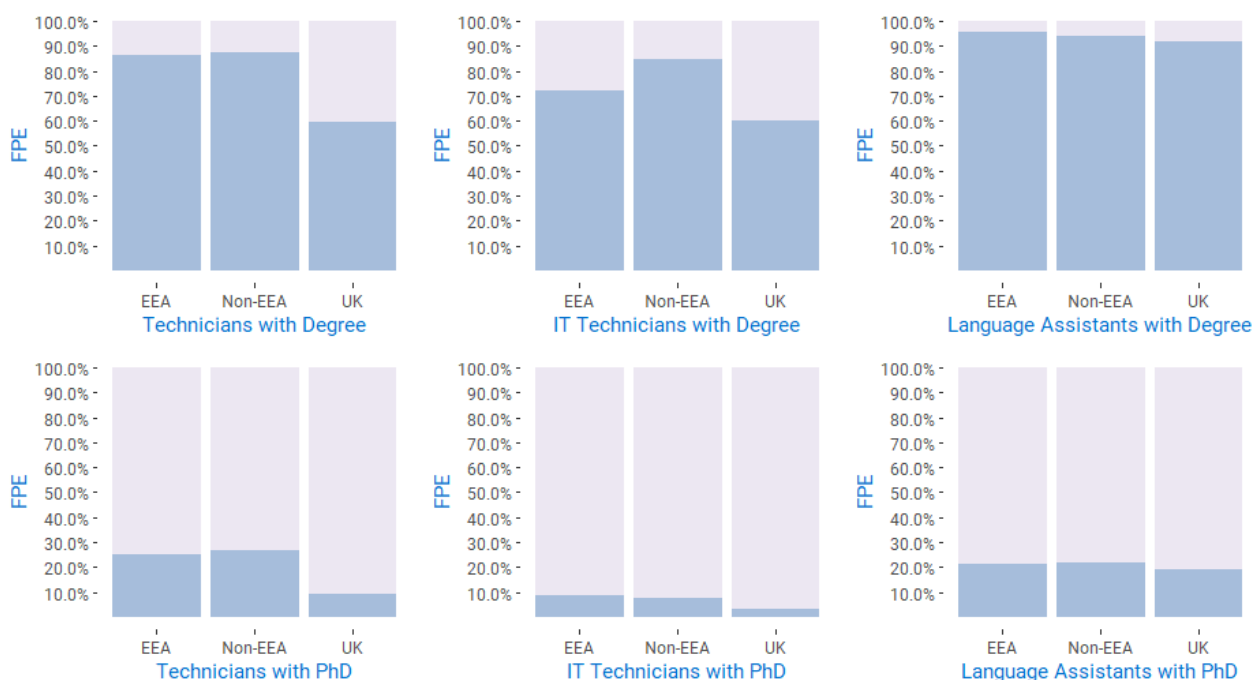
	LD £	LQ £	Med £	UQ £	UD £	Avg. £	Ind. Org.	Org. No.
Technicians	22,000	22,876	25,341	27,285	29,652	25,384	845	38
Language As- sistants	26,495	28,098	28,955	31,604	36,613	30,400	809	33
Early stage Researchers	27,285	28,098	30,688	33,026	35,875	30,860	13025	98
Research As- sistant	21,585	22,876	25,728	28,936	29,799	25,742	2171	60

Source: UCEA, XpertHR salary survey 2019 of 106 HEIs.

### Technicians: In shortage but highly skilled

According to the UCEA Workforce survey, almost 50% of institutions experienced at least moderate difficulty recruiting technicians. The main technician occupations in HE (SOC 311 and 313) are not currently included in the shortage occupation list and are classified below RQF Level 6. Yet technician roles in HE require highly-qualified and experienced staff. This is particularly true for non-EEA nationals who are typically more qualified than UK nationals and yet won't meet the threshold of the proposed new system. As seen in Figure 1, almost 30% of Non-EEA staff hold a PhD compared with under 10% of UK staff. Access to this talent in a Tier 2-type visa system for EEA staff will require either a reassessment of the skill level for this role within HE or a lowering of the RQF threshold as well as consideration of appropriate salary thresholds for such roles. We would welcome further engagement with the MAC on this.

Figure 1: Education profile of technicians and language assistants, 2017-18.



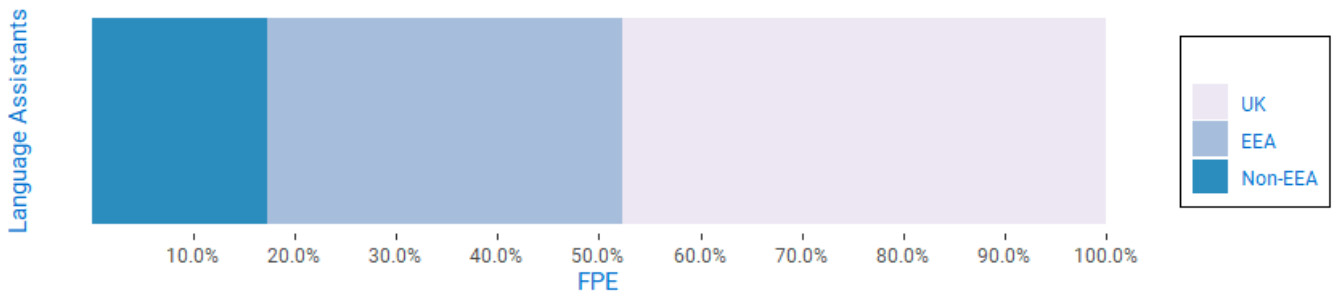
Source: HESA, 2017-18

Degree includes all staff with at least degree qualification. FPE = % of full-person equivalent or 'headcount'.

### Language Assistants: Migrants bringing value to the UK

The majority of language assistants are migrant workers as their skills are based on their ability to speak their native languages (Figure 2). It is therefore essential that UK HEIs can recruit non-UK nationals to these roles post-Brexit. Without international staff in these roles, the teaching of modern languages in UK universities will be affected at a time when the UK is seeking to broaden its global engagement in terms of exports and trade.

Figure 2: Nationality of language assistants in UK HEIs, 2017-18



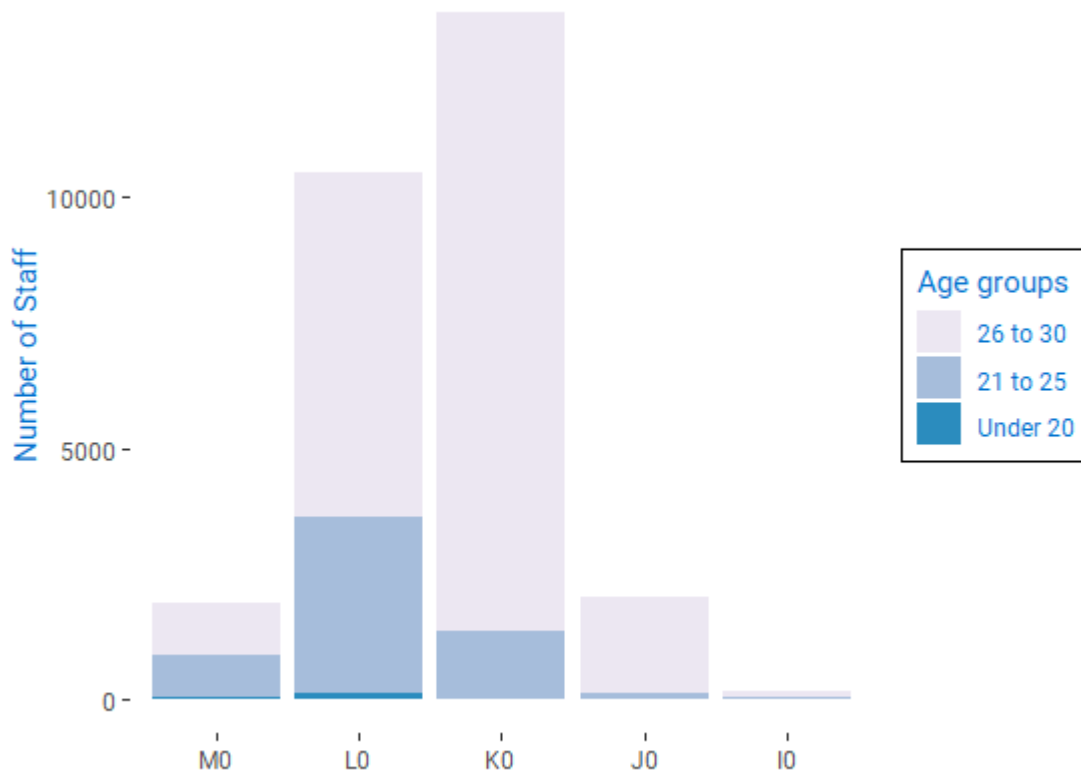
Source: HESA, 2017-18

### Early-career researchers: Cannot enter under new entrant visa due to qualification requirements

Researchers early in their careers in universities usually earn under £30,000, showing a full-time equivalent salary of £28,098 at the 25<sup>th</sup> percentile (Table 4). However, in the HE sector, these staff are often older than 26 at this point in their career due to the requirements for them to hold a PhD. This requires a minimum of seven years of postsecondary study – more if qualifications are received abroad. PhD candidates may also spend time in employment before commencing their doctoral studies. Therefore, early career lecturers and researchers are unable to enter on the new entrant salary threshold due to age, often meaning universities are unable to sponsor them or need to hire them at a higher salary than usual. This can cause issues in gender pay gap reporting and creates uneven application of the collective pay agreements.

Figure 3: Number of staff at start of academic career by age group and contract level (where L0 is Research Assistant and K0 is Research Fellow or Early Career Lecturer)





Source: HESA, 2017-18

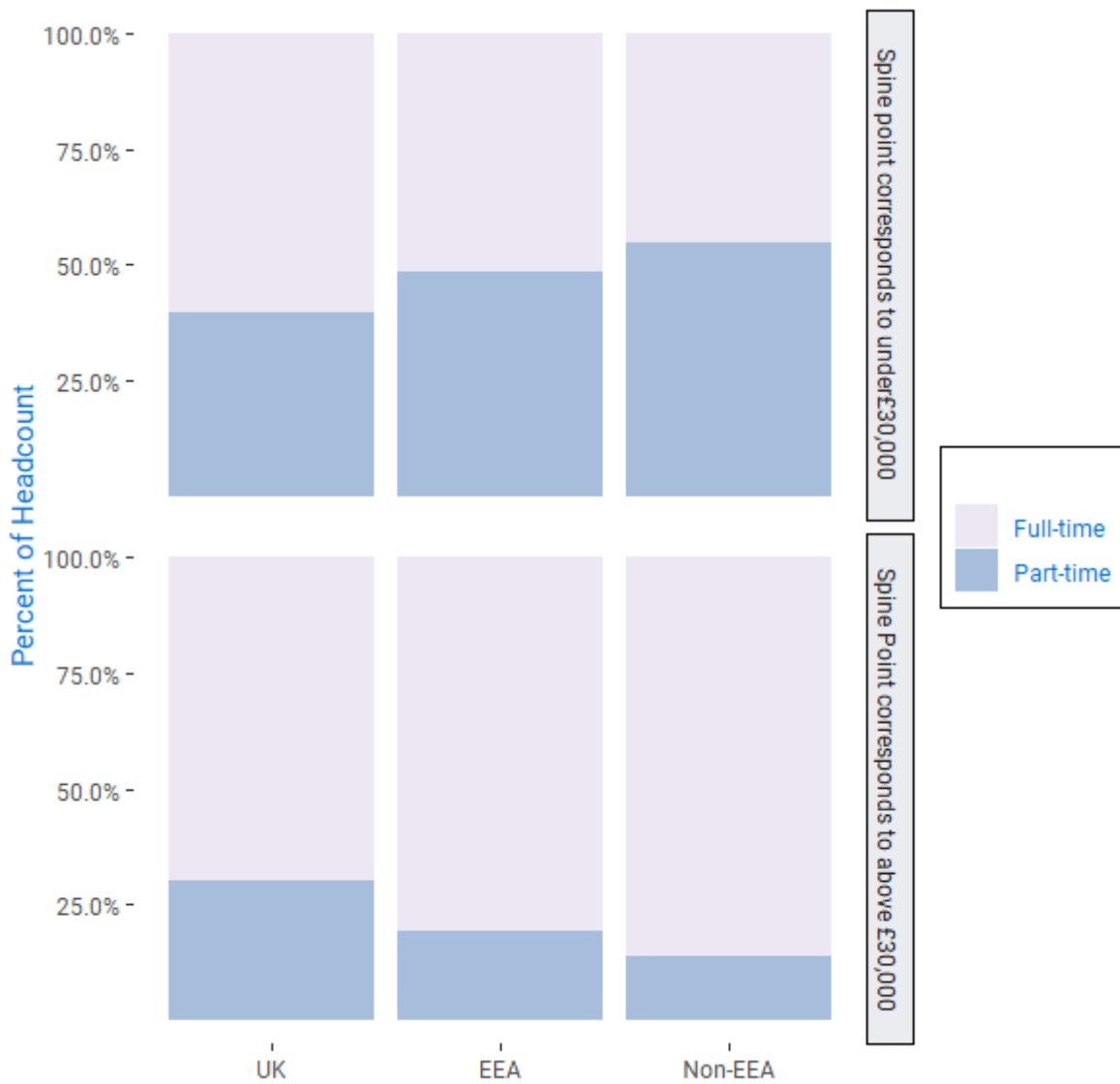
#### 4. Current visa regulations appear to be deterring migrants from flexible working

We recommend that the MAC look at an approach that enables staff working substantively part-time (e.g. 0.5 FTE or higher) to qualify based on their full-time equivalent salary.

As illustrated in Figure 4, non-EEA staff earning an FTE salary less than £30,000 are more likely to be working part-time than EU and UK nationals. However, in roles above £30,000 where we would expect to see Tier 2 visa workers, this group is half as likely to work part-time compared to UK nationals. This is particularly concerning as women are more likely to request part-time working and therefore the current visa requirements are more likely to affect women.

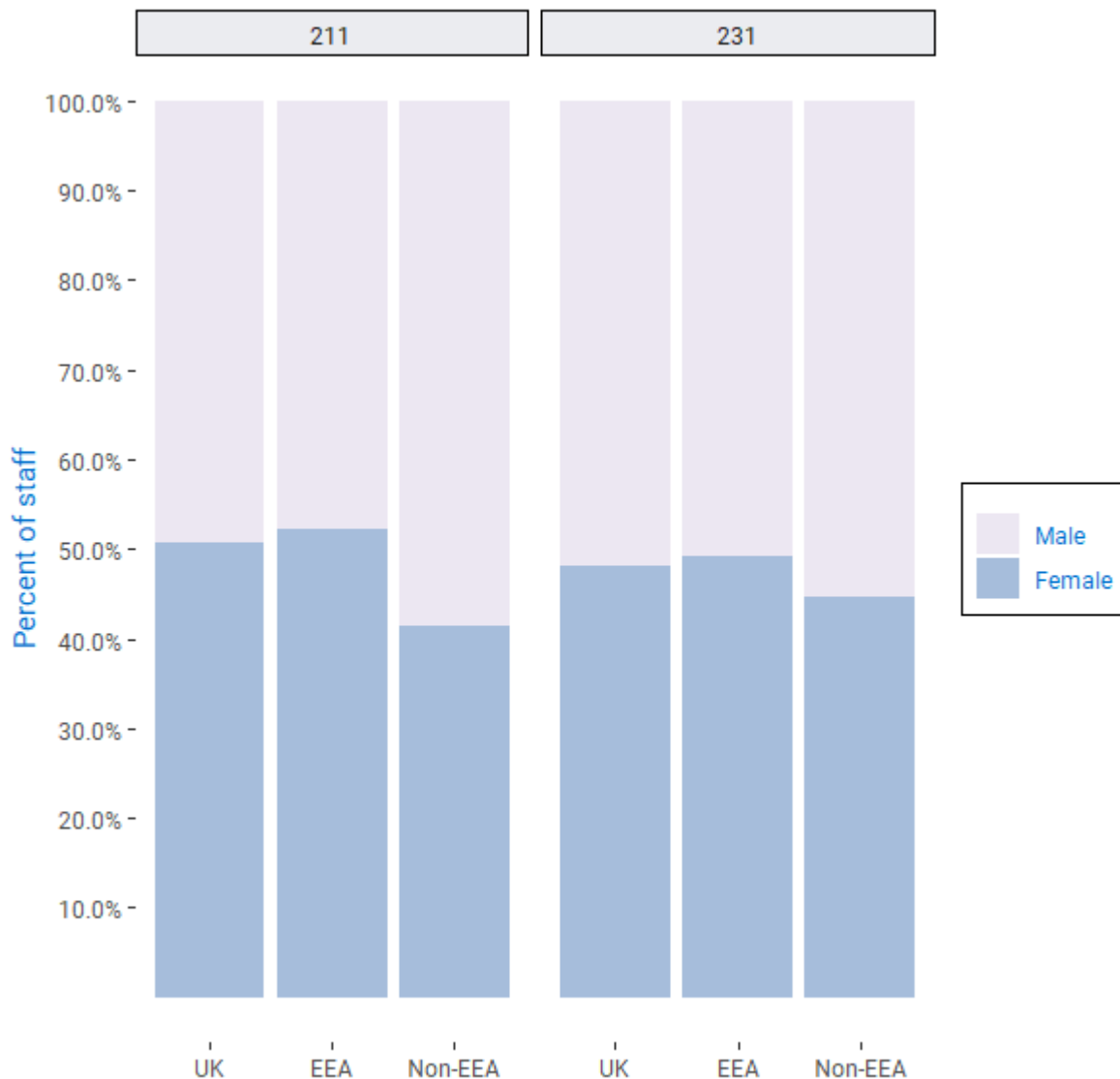
This is highlighted in Figure 5 which shows that, particularly for researchers, non-EEA staff are much less likely to be women and, whilst there could be other factors at play, any new immigration system should be equally welcoming to women and men. An immigration system that does not account for part-time working patterns is a barrier to female migrant workers and is at odds with the Government's stated objective to recruit the 'brightest and the best'. It also prevents Tier 2 workers to request flexible working in the form of reduced hours because of the implication it will have on their working status. Although such an approach might be challenging in operation, we feel that a lower limit of 0.5 FTE would provide a straightforward threshold.

Figure 4: Percent of staff who are part-time, split by under and over £30,000 pro-rata



Source: HESA, 2017-18

Figure 5: Percentage of staff who are female by nationality and academic SOC codes (211: Researcher staff and 231: Teaching staff)



Source: HESA, 2017-18

## 5. Regional pay differentials are not large enough to warrant variation

As noted in Figure 66 the median spine points are between 29 and 33 (£32,236 and £36,261). Whilst there is variation, we do not believe there is enough variation to warrant different salary thresholds which would make any system more complicated to implement and more difficult to understand for the employees it affects. The main variation, which is consistent with what we see in the wider labour market, is for salaries in London and the South East to be higher. On such evidence we would argue that if any regional differentials are applied, we would like to see the salary threshold discounted outside of London and the South East, based on main postcode of employment, rather than a complicated system based on government office regions or similar. The simplest approach would be to set single occupational/sector thresholds at the minimum appropriate level for all areas.

Figure 6: Boxplot showing median, upper and lower quartile spine points by region.



Source: HESA, 2017-18

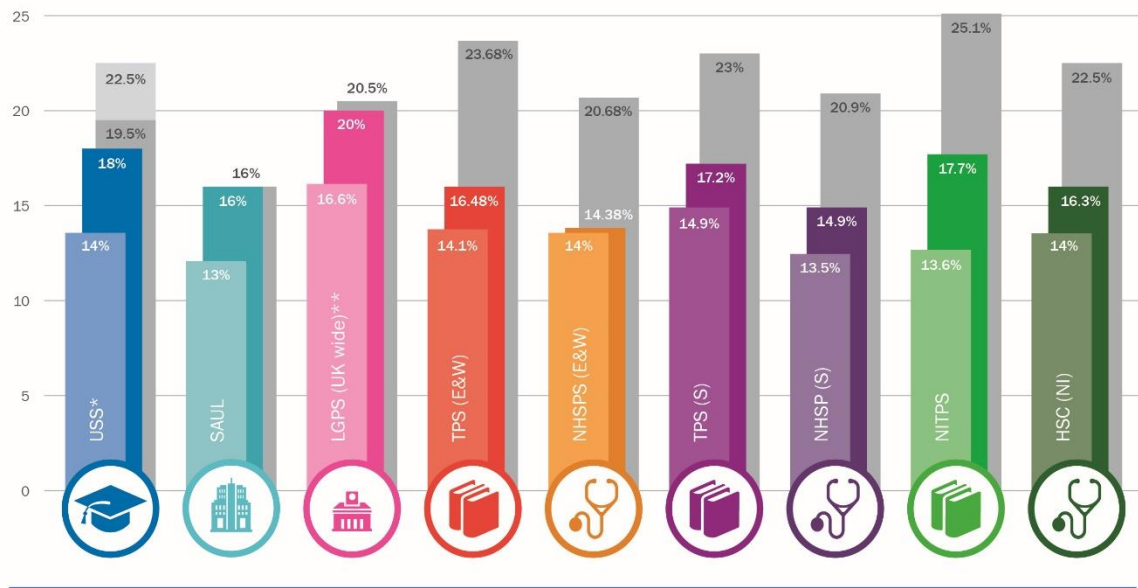
## 6. Pensions contributions are substantially higher in the public than the private sector

UCEA believes that employer pension contributions should be considered as part of the salary package as these comprise a significant part of the overall direct remuneration of HE staff relative to employees in the private sector. Employer contributions in the HE sector range from 16% to 25.1% (see Figure 7) while 81% of private sector employers contributed less than 5% of pensionable salary.<sup>3</sup> Excluding employer pension contributions therefore places HE at a significant disadvantage to the private sector in terms of meeting salary thresholds. Unlike bonuses, this is a predictable contribution year-on-year and can be agreed at the point of employment.<sup>4</sup> These contributions are valuable to the individual and to the wider economy (through pension income taxation and reducing reliance on public funds when an employee retires).

<sup>3</sup> ONS, 2018. [Employee workplace pensions in the UK: 2018 provisional and 2017 revised results](#)

<sup>4</sup> We accept that Visa terms would require ongoing membership of the pension scheme to prevent individuals signing up to qualify on threshold and then leaving the scheme once in employment.

Figure 7: Pension contributions in main HEI pension schemes



- Key
- Current employer contributions
  - Past employer contributions (April 2009)
  - Universities Superannuation Scheme
  - The Superannuation Arrangements of the University of London
  - Local Government Pension Scheme (average across the UK)
  - Teachers' Pension Scheme (England and Wales)
  - NHS Pension Scheme (England and Wales)
  - Teachers' Pension Scheme (Scotland)
  - NHS Pension Scheme (Scotland)
  - Northern Ireland Teachers' Pension Scheme
  - Health and Social Care Pension Scheme NI
  - Employer contribution increases in 2019

Source: UCEA, March 2019 Source: UCEA, March 2019