

# **Universities UK, the Wellcome Trust and the Association of Medical Research Charities**

## **Briefing for Lords debate on the Government's proposed limit on non-EU economic migration, 21 October 2010**

### **Introduction**

The Coalition Government's *Programme for Government* outlined a commitment to the introduction of an annual limit on non-EU economic migration, with the overall objective of reducing net migration to the UK to the "tens of thousands, from the hundreds of thousands."

The Government has started work to identify changes to the immigration system that will enable the required reduction in net migration to be achieved. The initial focus has been on economic migration by highly-skilled and skilled workers from outside the EU.

This has raised concerns among research funders and the UK's universities and research institutes, who depend on attracting the best global talent and expertise to remain internationally competitive.

**This briefing summarises the background to the immigration cap policy, the detailed implications for research in the UK and some of the specific concerns of the research community. It includes case studies showing how this will affect universities and research projects currently underway in the UK.**

### **Key Messages**

- **If we want the UK's universities and research institutes to remain internationally competitive, continuing access to the best global talent and expertise will be critical**
- **Migration limits must be applied in a way that safeguards the UK's research competitiveness**

### **Background**

The Coalition Government has stated its aim to reduce net migration from the 'hundreds of thousands' to the 'tens of thousands' during the lifetime of this Parliament. According to the latest available figures from the Office for National Statistics, the level of net migration in 2009 was 196,000. This was an increase of 33,000 on the net migration figure for 2008. The 2009 figure was published after the Government's proposals on limiting economic migration were announced, so it

makes the objective of reducing net migration to the tens of thousands during the lifetime of this Parliament even more ambitious.

Net migration includes all population flows into and out of the UK. Immigration and emigration of British and other EU citizens is included within the net migration numbers. The Government cannot apply any controls to British or existing EU citizens' mobility so the only levers available to use are the controls applying to non-EU migrants coming to the UK through the points-based system for economic migrants and the settlement/ family routes as well as the application of controls to citizens from any new EU member states. Net migration also includes dependents of primary visa holders.

The Government has begun to identify changes to the immigration system to achieve its target of reducing net migration to the tens of thousands. The initial focus has been on economic migration by highly-skilled and skilled workers (Tier 1 and Tier 2 of the points-based immigration system), although the Government has signalled that other migration routes, such as students, will also be reviewed.

An interim limit on Tier 1 (General) and Tier 2 has also been introduced ahead of the intended implementation of a permanent limit in April 2011. The interim limit is causing considerable difficulties for universities, research institutes and companies that conduct R&D as the interim limits are lower than the numbers required to meet current recruitment needs and were introduced at very short notice.

**Case study – the interim cap is already preventing research posts being filled**

Cancer Research UK has five core funded research institutes, all of which host international scientists dedicated to cancer research, including researchers from outside the EU. The limit on the number of Tier 2 certificates that Cancer Research UK can issue will limit the number of non-EU scientists that can be recruited. For example, the Beatson Institute for Cancer Research in Glasgow has been allocated just one certificate of sponsorship to April 2011, while their average non-EU intake over the last few years has been five per year. The Beatson has three international recruitments in the pipeline and three renewals to be made by April 2011. With only one certificate available they are in a very difficult position. Similarly, the numbers of certificates allocated to the Cancer Research UK London and Cambridge institutes are lower than hoped which may inhibit our ability to recruit the best scientists into these establishments.

**If we want our world-class universities and research institutions to remain internationally competitive, continuing access to the best global talent and expertise will be critical.**

The UK's research strength relies on the intellectual contribution of many highly-skilled international workers. They bring new thinking and contribute to the UK's economic growth through knowledge exchange with businesses and other organisations. A number of international researchers are directly involved in the creation of new businesses, or the development of technologies and innovations to assist business growth.

**Case study – Impact on university research and business links – a university perspective**

'Our research posts are normally sponsored by UK industry, UK research councils or the EEA (for example, EC Framework 7 Programme and Marie Curie Research Fellowships), often in collaboration with a number of other UK and EEA academic and industrial partners. Any lack of ability to fill these and so complete a project, due to a reduction in the number of certificates of sponsorship, would adversely affect our future relationship with such bodies and potentially our national and/or international reputation. It will also affect the competitiveness of the business and industry partners we work with.'

For universities international staff are an important part of the academic workforce. Over recent years UK universities have attracted significant numbers of international academic staff with non-EU staff now forming over 11 per cent of the total academic workforce and over 40 per cent of the workforce at 'researcher' level, according to data from the Higher Education Statistics Agency (HESA). An analysis of major international scientific prizes awarded for research carried out in the UK shows that 13 of the 30 winners (43 per cent) were born outside the UK, and 10 of these individuals were born outside the EU. Internationally-leading expertise is recognised as so integral to the UK's research performance that initiatives exist specifically to support the movement of high calibre overseas scientists to the UK.

**Case Study – British Heart Foundation**

The British Heart Foundation – which funds over half of all non-commercial cardiovascular research in the UK – supports UK universities to recruit high calibre overseas scientists to lead cutting-edge research through a special strategic appointment (personal chair) award scheme.

BHF Chairs recruited internationally include Professor Michael Schneider, a world-leading expert in regenerative cardiology who has moved from America to lead a research team at Imperial College, London. His team are exploring cutting-edge stem cell therapies with a view to treating damaged heart tissue.

### **Case study – Impact on a University**

A University is aiming to enhance and increase its academic staff base as the main focus of its strategy and its recent and current recruitment campaigns seek highly skilled lecturers, research fellows and professors in diverse specialised subjects where the suitable applicant pool is very restricted even at international level, let alone at UK level. Some examples of the posts advertised over the past year include Research Associates in Industrial Lasers, Ocean Acidification Research, Ultrafast Solid Laser Development and Chemical and Petroleum Engineering, Lecturer and Professorships in Urban Management, Applied Psychology and Production Geoscience and Interdisciplinary teaching and research posts in Manufacturing, Environmental Climate Change, Energy, Food and Drink, Infrastructure and Transport and Risk and Modelling. The University has been allocated 10 certificates of sponsorship for the interim period, although it maintains this figure should be 13.

Between 1 April- 30 July 2010 the University issued 11 certificates of sponsorship to international academics. As a result of recently completed recruitment campaigns the University has made offers to 5 international academics requiring certificates of sponsorship and to date has used 7 of the total of 10 certificates allocated. The University currently has 5 employees who may need to be issued with another certificate during this interim period, for example because research funding has been extended or their current permission is due to expire.. The University is currently advertising 25 posts and there is a strong possibility that at least 6 certificates will be required due to the specialist nature of the posts and the international applicant pool.

If the University is required to manage with the interim allocation of 10 certificates the University will be forced to make difficult decisions as whether to terminate the employment of any existing employees requiring visa extensions; to withdraw offers already made to candidates and who may be in the process of relocating to the UK or to freeze any immediate recruitment in specialist areas because of a lack of suitable candidates within the narrow UK recruitment market for this level of expertise

As a result the University may not be able to continue to offer study in certain degree disciplines, or may need to withdraw certain modules or disciplines through lack of appropriately qualified staff. In turn, this reduces the learning experience for students; reduces the University's ability to deliver excellent teaching and research with an impact on their Research Excellence status; reduces their effectiveness and impact as a University and subsequently may lead to a reduction in employment opportunities across the whole of the University workforce. This can only impact negatively on the UK economy as a whole.

Universities and research institutions are concerned that an arbitrary cap on the movement of highly skilled people will disadvantage the UK as our universities and research institutions will be unable to compete effectively for international staff. This will have the longer-term consequences of diminishing our excellence in higher education and research, and ultimately our global economic competitiveness. The impact on science, technology, engineering and mathematics (STEM) is likely to be most severe due to the high numbers of international staff in these areas.

## **Migration limits must be applied in a way that safeguards the UK's research competitiveness**

Universities and research institutions support the need for a robust and transparent immigration system. We understand that the immigration system is required to balance multiple drivers, including the need to maintain border security and manage growth in the UK's population.

However, in the areas of higher education and research the immigration system must reflect the reality that the UK is competing with other countries to attract the best people from across the world. We need an immigration system that actively encourages top researchers to come to the UK, otherwise they will take their skills elsewhere.

The consultation process undertaken by the Government earlier this year stated that "we want to continue to attract the best and brightest to the UK." Introducing new restrictions on Tier 1 and Tier 2 including numerical limits would appear to work directly against this objective, as these are the parts of the immigration system that explicitly target the best and brightest. Targeting highly-skilled and skilled migrants sends the wrong message to our international partners and to those we wish to attract to work in our universities and research institutions and who contribute so significantly to the UK's economy. It contradicts the Government's broader message that the UK is "open for business." The imposition of a rigid cap will limit opportunities for UK workers and students to undertake research and learn from the best global practitioners in their fields.

As the Department for Business, Innovation and Skills outlined in its Strategy for Sustainable Growth in July 2010:

*'While it is important that the public has confidence that we are controlling net migration, it is equally important that the migration system allows business to make best use of global talent. It must therefore have the agility to respond to business needs and support our universities and colleges in building on their successful international business. We also welcome the investment brought in by bona fide international students and researchers to the UK.'*

## Detailed concerns

### Universities, research institutes and medical research charities are particularly concerned that:

1. The Government is proposing to impose a cap on the highly skilled migrants category (Tier 1) and raise the number of points needed to gain entry through this category.
  - **Basis for concern:** Under the points system used to decide applications for Tier 1 and 2 individuals can claim points for a range of categories, the main ones being qualifications, prior earnings, and age. The proposed cap on Tier 1 is expected to lead to a rise in the total number of points needed to gain entry, exacerbating the fact that the criteria already place too much weight on individual's prior earnings and insufficient weight on their qualifications. This disadvantages academics and researchers who tend to be highly qualified but not highly paid, particularly in their early career stage where they may still be in training. The emphasis on individual salary as an indicator of skill may be appropriate for sectors such as financial services and law but it is less relevant for highly skilled scientists who create economic value in other ways.
  - **Recommendation:** review the criteria and weightings used within Tier 1 of the points-based system to prioritise those with the skills and qualifications most likely to generate long term economic benefit for the UK, not just the highly paid.

#### Case study – the Wellcome Trust Sanger Institute

The Wellcome Trust Sanger Institute (WTSI) has participated in some of the most important global advances in genomic research. WTSI currently has 19 employees holding Tier 1 visas. Following changes made to the points-based system in early 2010, we have calculated that under the current rules, only 4 of these 19 would score the necessary points to qualify for a Tier 1 visa. If the Coalition Government's plan to cap numbers within Tier 1 is implemented, this number would be likely to fall further.

In April 2009, at the height of the global swine flu pandemic, the WTSI recruited a highly-skilled postdoctoral scientist to a position using the Tier 1 (General) visa route to undertake urgent project work on the swine flu virus. The Tier 1 rules have since been changed. We have determined that if the same candidate applied under the current Tier 1 rules, he would not obtain sufficient points to meet the requirements.

2. The Government is proposing to restrict entry within Tier 2 to occupations on the UK National Shortage Occupation List.
  - **Basis for concern:** Academics and researchers are not currently listed as shortage occupations - they tend to fill specialised, niche vacancies – and this change would mean the Tier 2 route would effectively be closed to universities and research institutes. Tier 2 is used to bring skilled workers to the UK to fill

specific vacancies, and existing mechanisms ensure a non-EU individual can only be recruited where no suitable UK or EU individual can be identified.

- **Recommendation:** Ensure that Tier 2 is sufficiently flexible to respond to future economic growth areas, not just existing skill shortages. We would also urge the Government to consider the introduction of a specific new immigration category for research collaboration and exchange, aligning the UK with other EU countries who have already made such a commitment.
3. The proposals to limit the number of Tier 2 visas available per quarter are likely to be particularly difficult for universities.
- **Basis for concern:** The Government's proposals are to apply a "first-in-first served" system to Tier 2, with employers competing for a limited number of visas available by quarter. This will have a significant adverse impact on universities' ability to plan and deliver teaching programmes, as they have recruitment spikes in the summer in advance of staff starting for the new academic year.
  - **Recommendation:** The system must accommodate the cyclical recruitment needs of universities with allocations available in greater numbers at peak recruitment periods.
4. The speed with which the immigration cap is being implemented does not recognise the long lead-in time associated with research and academic careers.
- **Basis for concern:** We support the Government's wish to encourage employers to 'upskill' UK workers, and universities are key organisations in education and skills development. However, it must be recognised that individuals take eight to ten years to move from school into the permanent academic and researcher workforce. We also question whether sufficient additional UK nationals can be attracted into research and academic careers at a time when the Government is cutting funding to the higher education sector.
  - **Recommendation:** If one of the Government's objectives is to reduce the reliance on migrant labour and encourage employers to support training and skills development for UK residents, it makes sense for the points system to give preference to areas where it would be difficult or impractical for employers to train a UK resident within a reasonable period of time. Many research jobs will be in this category, as they require PhD-level qualifications and specialised training.

## **Further information**

This briefing has been prepared by Universities UK, the Wellcome Trust and the Association of Medical Research Charities. If you require any further information please contact:

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Universities UK is the major representative body and membership organisation for the higher education sector. Our members are the executive heads of UK universities. Together with Higher Education Wales and Universities Scotland, we work to advance the interests of universities and to spread good practice throughout the higher education sector.

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The Wellcome Trust is a global charitable foundation dedicated to achieving extraordinary improvements in human and animal health. We support the brightest minds in biomedical research and the medical humanities. Our breadth of support includes public engagement, education and the application of research to improve health. We are independent of both political and commercial interests.

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The Association of Medical Research Charities is a membership organisation of the leading medical and health research charities in the UK. In 2009-10, our 124 members invested over £1 billion into medical research in the UK.