



GES NewsFlash

United Kingdom – Immigration – Government Sets First Annual Limit for Non-EU Migrants

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This week has seen two major announcements in respect of UK immigration. The Migration Advisory Committee published their report on the proposed limits on skilled and highly skilled migrant workers admitted to the UK under Tiers 1 and 2 of the Points Based System for 2011/12, while the Home Secretary gave a statement to the House of Commons detailing the limits and a package of measures to strictly control the number of migrants coming to the UK. These measures will come into effect from April 2011.

The Limits

In order to meet the Government's aim of reducing net migration to the "tens of thousands" (a central policy of the Conservative manifesto) the Home Secretary announced that economic migration through Tier 1 (for the highly skilled) and Tier 2 will be reduced from 28,000 to 21,700, equating to a fall of more than a fifth compared to the number of economic migrants coming in through these Tiers in 2009. She also confirmed that in order to give priority to migrants with job offers, a limit of 1000 will be set on Tier 1, a reduction of 13,000 on last year's numbers and an effective closure of the Tier 1 route as it currently operates in the UK. Instead, this limit of 1000 will be allocated to a new Tier 1 route which will be introduced for people with exceptional talent in the sciences, arts or academia. She also commented that the Government will seek to encourage more investors and entrepreneurs in to the UK by making the application process for these migrants quicker and more user-friendly.

Intra-company transferees

The Home Secretary confirmed that intra-company transfers (ICT's) will remain outside the limit. However, in order to reduce numbers, a new salary threshold of £40,000 will be imposed on any intra-company transfers of longer than 12 months, in order to ensure that only the senior managers and key specialists that international companies need to move will qualify. The UK Border Agency (UKBA)

website reports that those who qualify to remain in the UK for a longer period of time will nevertheless have their stay restricted to five years.

Other routes

It was also announced that a public consultation will be launched on student visas to consult stakeholders on the potential for restricting entry to the UK to only those studying at degree level, with some flexibility for highly-trusted sponsors to offer courses at a lower level, as well as consulting on closing the current Tier 1 post-study route.

In addition, in respect of family migration an English language requirement will be introduced for those applying for marriage visas and consideration will also be given to extending the probationary period for settlement for spouses beyond 2 years.

Finally, the Home Secretary also announced that it is the Government's intention to restrict settlement by ending the link between temporary and permanent migration, although the details in this respect are yet to be published.

Deloitte's View

News that the ICT route will be protected to some degree is welcome, although in practice, the restrictions on lower paid ICT's only being able to remain in the UK for up to 12 months is likely to cause a further drain on the Tier 2 General limits. In addition, it remains to be seen how the UKBA will successfully implement the cap under the new 'sophisticated' model of allocation which will involve certificates of sponsorship being allocated to employers on a monthly (rather than annual) basis. The general feel after yesterday's announcement is that the voice of UK businesses has been heard to an extent, but the low level of the cap - coupled with the additional restrictions to be placed on ICT's - is likely to mean that the problems faced by companies during the period of the interim cap are set to continue.

People to Contact

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