

From the Office of the Minister
Diane Dodds MLA



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Dear Professor Bell,

CALL FOR EVIDENCE: INTRA-COMPANY-TRANSFER IMMIGRATION ROUTE

I note that UK Government (UKG) has commissioned the Migration Advisory Committee (MAC) to carry out a study of the Intra-Company Transfer (ICT) immigration route and a call for evidence was subsequently launched in March this year.

As Minister for the Economy, I am providing the response to this call for evidence on behalf of the Northern Ireland Executive in order to highlight the needs and priorities for our economy. I am grateful to you and the wider MAC for your recent engagement with Northern Ireland stakeholders. I have also encouraged stakeholders to respond to the call for evidence directly.

Ensuring employers in Northern Ireland have access to appropriately skilled people is imperative if the region is to achieve its economic ambitions, and maintaining appropriate access to the skills migrant workers can offer remains critically important.

Unfortunately, as there is limited data available on the use of the ICT route in Northern Ireland this response is primarily based on stakeholder feedback, and my Department's economic vision as set out in "*A 10X Economy: Northern Ireland's Decade of Innovation*"¹

The outcome of this vision will ultimately see Northern Ireland positioned amongst the elite small advanced economies in the world, and the benefits of this change felt by all of our people.

My Department has also launched a consultation on its Skills Strategy, "*Skills for a 10X Economy*"² which sets out a plan to deliver significant growth in qualifications in technical and professional skills through further education. Alongside this, we will seek to rebalance graduate and postgraduate qualifications in higher education

¹ <https://www.economy-ni.gov.uk/sites/default/files/publications/economy/10x-economy-ni-decade-of-innovation.pdf>

² <https://www.economy-ni.gov.uk/consultations/skills-strategy-northern-ireland-skills-10x-economy>

towards STEM subjects, which are so crucial for boosting innovation and equipping us for the jobs of the future.

However, as we work to deliver the 10X vision, the skills and labour of migrants remains vital to the success of our economy and I am keen to continue to work with the MAC and the UK Government to deliver an immigration system that works for all parts of the UK including Northern Ireland.

With regard specifically to the ICT route and the call for evidence, feedback from our stakeholders on the key points that the Home Secretary has asked you to consider is broadly as follows:

- Neither the skills threshold of RQF6 nor the current salary thresholds of £41,500 and £73,900 (for those employed for less than 12 months) present any difficulties in the scenarios where employers would consider using the ICT. However, there is an argument that, due to the lower private sector salaries in Northern Ireland compared to the UK (i.e. NI a mean of £25,978³ vs a UK mean of £32,922⁴ as per the Annual Survey of Hours and Earnings) a lower threshold should be considered for Northern Ireland.
- Northern Ireland stakeholders were broadly in agreement that including allowances as part the base salary to meet the salary threshold was not required in the likely scenarios under which they would consider using the ICT route.
- Stakeholders have reported that changes to the Skilled Worker route since the introduction of the points-based immigration have made some employers more likely to use that route due to the flexibility the route offers over the ICT route and because it offers a route to settlement.
- However some stakeholders prefer to use the ICT as a mechanism to enable the transference of skills at senior levels to enrich skillsets. Such strategic moves improve the company by developing key skills in new areas which are of critical importance in order to remain competitive and relevant.
- Stakeholders did not see switching as a major concern as moves made under the ICT route are part of a well-planned strategic investment with career development and progression for the individual fully considered. However, a method to recoup the significant costs if the individual does switch could be considered.
- Stakeholders also advised that the English language requirement under the Skilled Worker route can lead them to choose the ICT route - not because the candidate is unable to meet the requirement but due to the time it can take to obtain a test.

³ <https://www.nisra.gov.uk/publications/industry-occupation-age-publicprivate-sector-and-skill-level>

⁴ <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/dataset/s/regionbypublicandprivatesectorashetable25>

- Stakeholders were universally in favour of an expansion of the permitted activities for Business visitors, particularly for short-term appointments.

I fully appreciate that the ICT route is the focus of the MAC in this call for evidence but it would be remiss of me not to take this opportunity to raise other immigration issues impacting the Northern Ireland economy since the introduction of the points-based immigration system.

Firstly, I was pleased to note the Statement of Changes to the Immigration Rules (HC 1248)⁵ and the provisions of this instrument with respect to the Shortage Occupation List which came into effect on 6th April. While I was encouraged by the reclassification of deckhands on large vessels to RQF3 and UKG recognition of the need to address shortages in the health and social care sector, it is extremely disappointing that UKG did not see fit to address the MAC's other recommendations on medium skilled roles.

As our economy begins to recover from the impacts of the COVID-19 it will be vital that employers are able to use the immigration system to address skills shortage while my Department continues to work toward the economic vision set out in "*A 10X Economy: Northern Ireland's Decade of Innovation*".

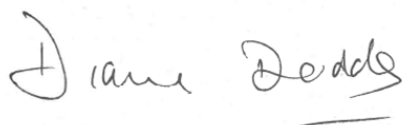
Stakeholders in the manufacturing, agri-food, hospitality and logistics sectors have approached my Department about the recruitment difficulties that they are facing since the ending of free movement of people. These difficulties include the failure of UKG to implement the MAC recommendations for roles at RQF3-5; the current level of the minimum salary threshold; the lack of a route for those below RQF3; and the need to demonstrate proficiency in the English language.

I would be grateful if you could consider these issues and engage with the Home Office to further develop the immigration system so that it can work for the Northern Ireland Economy as we seek to recover from the impacts of the COVID-19 pandemic.

I trust this response is helpful and that it will act to shape your ultimate findings and recommendations to the Home Secretary.

I am copying this letter to my Northern Ireland Executive colleagues, the Rt Hon Priti Patel MP, Home Secretary, Kevin Foster, MP Minister for Future Borders and Immigration and the Rt Hon Brandon Lewis MP, Secretary of State for Northern Ireland.

Yours sincerely,



DIANE DODDS
Minister for the Economy

⁵ <https://www.gov.uk/government/publications/statement-of-changes-to-the-immigration-rules-hc-1248-4-march-2021>