



CARIM INDIA – DEVELOPING A KNOWLEDGE BASE FOR POLICYMAKING ON INDIA-EU MIGRATION

Co-financed by the European Union

Highly-Skilled Indian Migrants in the United Kingdom

Carolina V. Zuccotti

CARIM-India Research Report 2013/34



© 2013. All rights reserved.
No part of this paper may be distributed, quoted
or reproduced in any form without permission from
the CARIM-India Project.



CARIM-India
Developing a knowledge base for policymaking on India-EU migration

Short Research Report
Highly-Skilled Migration Series
CARIM-India RR2013/34

**Highly-Skilled Indian Migrants
in the United Kingdom**

Carolina V. Zuccotti
PhD Student, European University Institute

© 2013, European University Institute
Robert Schuman Centre for Advanced Studies

This text may be downloaded only for personal research purposes. Any additional reproduction for other purposes, whether in hard copies or electronically, requires the consent of the Robert Schuman Centre for Advanced Studies.

Requests should be addressed to India-EU.Migration@eui.eu

If cited or quoted, reference should be made as follows:

Carolina V. Zuccotti, Highly-Skilled Indian Migrants in the United Kingdom, CARIM-India RR 2013/34, Robert Schuman Centre for Advanced Studies, San Domenico di Fiesole (FI): European University Institute, 2013.

THE VIEWS EXPRESSED IN THIS PUBLICATION CANNOT IN ANY CIRCUMSTANCES BE REGARDED AS THE OFFICIAL POSITION OF THE EUROPEAN UNION

European University Institute
Badia Fiesolana
I – 50014 San Domenico di Fiesole (FI)
Italy

<http://www.eui.eu/RSCAS/Publications/>
<http://www.india-eu-migration.eu/publications/>
<http://cadmus.eui.eu>

CARIM-India – Developing a knowledge base for policymaking on India-EU migration

This project is co-financed by the European Union and carried out by the EUI in partnership with the Indian Council of Overseas Employment, (ICOE), the Indian Institute of Management Bangalore Association, (IIMB), and Maastricht University (Faculty of Law).

The proposed action is aimed at consolidating a constructive dialogue between the EU and India on migration covering all migration-related aspects. The objectives of the proposed action are aimed at:

- Assembling high-level Indian-EU expertise in major disciplines that deal with migration (demography, economics, law, sociology and politics) with a view to building up migration studies in India. This is an inherently international exercise in which experts will use standardised concepts and instruments that allow for aggregation and comparison. These experts will belong to all major disciplines that deal with migration, ranging from demography to law and from economics to sociology and political science.
- Providing the Government of India as well as the European Union, its Member States, the academia and civil society, with:
 1. Reliable, updated and comparative information on migration
 2. In-depth analyses on India-EU highly-skilled and circular migration, but also on low-skilled and irregular migration.
- Making research serve action by connecting experts with both policy-makers and the wider public through respectively policy-oriented research, training courses, and outreach programmes.

These three objectives will be pursued with a view to developing a knowledge base addressed to policy-makers and migration stakeholders in both the EU and India.

Results of the above activities are made available for public consultation through the website of the project: <http://www.india-eu-migration.eu/>

For more information:

CARIM-India
Robert Schuman Centre for Advanced Studies (EUI)
Convento
Via delle Fontanelle 19
50014 San Domenico di Fiesole
Italy
Tel: +39 055 46 85 817
Fax: + 39 055 46 85 770
Email: India-EU.Migration@eui.eu

Robert Schuman Centre for Advanced Studies

<http://www.eui.eu/RSCAS/>

1. Policy Framework on highly skilled workers: recent and current

Definition of 'highly skilled' defined under the policy and main sectors

Since 2008, entrance in the UK is regulated by a Point Based System (PBS). Points are scored against a range of attributes (e.g. age, qualifications and previous earnings), English language ability and available maintenance. Within the PBS, there are 80 work and study application routes. These are classified into 5 tiers: Highly skilled migrants (Tier 1); Skilled migrants with a job offer (Tier 2); Low-skilled workers (Tier 3); Students (Tier 4); and Youth mobility and temporary workers (Tier 5). Although "highly-skilled immigrants" would only apply to Tier 1, this report also includes Tier 2, a category that in some respects is more similar to the Blue Card System.

Tier 1 refers to exceptionally talented and highly skilled workers, investors and entrepreneurs wanting to work in the UK. It contains five categories, which are now open for applications¹: a) Exceptional talent²; b) Investor³; c) Entrepreneur⁴; d) Graduate entrepreneur⁵; and e) General⁶. **Tier 2** refers to foreign nationals who have been offered a skilled job⁷ to fill a gap in the workforce that cannot be filled by a settled worker. It contains four categories, which are now open⁸ for applications: a) General; b) Intra company transfer; c) Minister of religion; and d) Sports person (this review refers to categories a) and b) only).

Salary requirements

Yes, this applies to Tier 2. Individuals entering through this Tier need to have a job contract with an annual salary and allowance before tax (gross) of £20,300 or more. Under special conditions⁹, this threshold can be lower. A proposal for salary thresholds can be seen in: Migration Advisory Committee (2012).

¹ Closed categories are: Tier 1 (Post-study work); Highly Skilled Migrant Programme; Business persons; Fresh Talent: Working in Scotland; Innovators; International Graduates Scheme; Investors; Writers, composers and artists. If an individual under one of these categories wants to extend his stay, he needs to apply under one of the Tier 1 categories listed above.

² For exceptionally talented individuals in the fields of science, humanities, engineering and the arts, who wish to work in the UK. These individuals have already been internationally recognised at the highest level as world leaders in their particular field, or have demonstrated exceptional promise in the fields of science, humanities and engineering and are likely to become world leaders in their particular area.

³ For high net worth individuals making a substantial financial investment to the UK.

⁴ For migrants who wish to establish, join or take over one or more businesses in the UK.

⁵ For MBA and other UK graduates who have been identified by Higher Education Institutions as having developed genuine and credible business ideas and entrepreneurial skills to extend their stay in the UK after graduation to establish one or more businesses in the UK. It is also for overseas graduates who have been identified by UK Trade and Investment as elite global graduate entrepreneurs to establish one or more businesses in the UK.

⁶ For highly skilled migrants who wish to work, or become self-employed, to *extend* their stay in the UK.

⁷ Mostly professional and managerial jobs that require a university degree and jobs in the art industry.

⁸ Closed categories are: Work permit holders (except Bulgarian and Romanian nationals), Ministers of religion, missionaries and members of religious orders and Members of airport-based operational ground staff of an overseas-owned airline.

⁹ If the individual has or last had permission to stay in the UK as: a Tier 2 (General) migrant under the Immigration Rules in place before 6 April 2011; a Jewish agency employee; a representative of an overseas newspaper, news agency or broadcasting organisation; or any of the closed categories mentioned in footnote #8.

Existence of labour market test

Yes, this applies to Tier 2. Employers need to prove that no resident worker can do the job.

Special clauses for academic researchers

No.

Age restrictions.

No.

Provision of language training

There is no language training provided. For Tier 1 language is not a requirement for entering the country, while it is for Tier 2. For both Tiers, language is usually a requirement for staying.

Intra-company employee transfers

It is one of the categories under Tier 2. It enables multinational employers to transfer their existing employees from outside the EEA to their UK branch for training purposes or to fill a specific vacancy that cannot be filled by a British or EEA worker. There are four sub-categories in this route: Short term staff (<=12 months), Long term staff (>12 months), Graduate trainee and Skills transfer.

Eligibility for permanent residence

Tier 1: Entry in the country is granted for 3 years and 4 months. An extension of 2 years is granted to those coming from the same category, and an extension of 3 years is granted to those switching category. The main requirements for *settlement* are: 1) Continuous residence: five years for categories a), d) and e)¹⁰; two, three or five years for category b); and three or five years for category c) (for the latter two, it depends on the level of investment/profits). 2) Has been able to self-maintain and maintain their dependants without the use of public funds. 3) Is employed or self-employed (or has only worked in his own business for entrepreneurs). 4) Has achieved a certain level of profits/investment (for categories b) and c)); 4) Has knowledge of English and life in the UK.

Tier 2: Entry in the country is granted for 3 years and 4 months (or the time given on the certificate of sponsorship plus 1 month, whichever is shorter) and the stay can be extended to up to 6 years. The main requirements for *settlement* are: 1) Five years of continuous residence. 2) The sponsor has declared that he still requires the applicant. 3) Knowledge of English and life in the UK.

Family reunification

Partners (husband, wife, civil partner, or unmarried or same-sex partner) and dependent children (under 18 or UK born) of a migrant who is in or coming to the UK under most categories of the PBS can apply for a visa to join them. Individuals in Tier 2 and categories c), d) and e) of Tier 1, need to prove that they have funds for maintaining these dependents (or that their dependants have funds for maintaining themselves). This requirement does not apply to categories a) and b) of Tier 1. Other family members can join under the requirement that the migrant is settled in the UK, that is, that has been granted indefinite leave to remain.

¹⁰ This rule is in force since April 2006. People that have applied before this date and were successful can apply for permanent residence after 4 years.

Working possibilities of spouses/partners

For Tiers 1 and 2 dependants are allowed to work, except for jobs as Doctors and Dentists in training (these jobs could only be performed only under certain conditions).

Comparison between the policy and the 2009 Blue Card directive

The UK has not implemented the Blue Card System, given the presence of the PBS. The most similar category in the UK is the “General” category under Tier 2. Some differences and similarities are detailed below, including the “Exceptional Talent” (Tier 1).

	Blue Card System	General (Tier 2)	Exceptional talent (Tier 1)
Requisites	<ul style="list-style-type: none"> – University degree or 5 years of professional experience – A job contract before arrival – Salary that is at least 1.5 times the average in the country (recommendation) 	70 points: <ul style="list-style-type: none"> – Sponsor with job offer that has gone through labour market test (or is exempted from it) (30) – Gross salary of at least £20,300 (20) – Knowledge of English (10) – Maintenance proof (10) 	75 points based on: <ul style="list-style-type: none"> – Education – Salary in origin country – Age (inversely related)
Initial period granted	2 years	3 years and 1 month	3 years and 4 months
Extension of residence?	<ul style="list-style-type: none"> – Up to 5 years – After 5 years it is possible to ask for settlement 	<ul style="list-style-type: none"> – Up to 6 years – After 5 years it is possible to apply for settlement 	<ul style="list-style-type: none"> – Up to 5 years – After 5 years it is possible to ask for settlement
Family reunification	Yes: usually applies to partner and minor children		

Recruitment of health care professionals

Following information available in the National Health System webpage, the recruitment of health care professionals also follows the rules of the PBS.

MOU (Memorandum of Understanding) with India for the recruitment of health professionals

India is a strategic partner to the UK and has been a recipient of UK’s bilateral assistance in the form of grants since 1975. Recently (May2013) a MOU has been signed at the World Health Assembly in Geneva. The areas identified for cooperation in the MOU include: Promoting exchange on healthcare policy in India and the UK; Human resources for Health; Regulatory issues; Health technology development; Primary healthcare; Strengthening of public infrastructure and capacity; Health security, including cooperation on infectious diseases, emerging infections and drug resistance.

Previous policies for attracting skilled and high skilled workers (before the PBS)

Before the introduction of the Point Based System, the entrance of highly skilled immigrants was regulated by the Work Permit System (WPS) and the Highly Skilled Migrant Programme (HSMP). The Work Permit System was designated to bring skilled workers in short supply from non-European countries; employers had to carry out a labour market test (this became Tier 2 under the PBS). The Highly Skilled Migrant Programme was launched in 2002 as a new initiative to allow individuals with exceptional personal skills and experience to come to the UK to seek and to take work or self-employment (this became Tier 1 under the PBS). Refer to the next section for details on these two pre-PBS programmes.

2. Policy Impact on the Recruitment of both Highly Skilled Labour in general and Indian highly skilled workers in particular¹¹

Main nationalities recruited so far

WPS: Data for the period 1995-2007 show that the number of applications approved¹² rose from 32,704 to 128,936 (Salt 2009: Table 5.1). Among these, the number of work permits rose from 21,688 in 1995 to 74,983 in 2007 and the number of first permissions rose from 2,473 to 12,985 (these two categories are the most important for defining international labour migration). The main nationality recruited (among all work permits and first permissions) is Indian, who have increased from 8.3% (1,997) in 1995 to 41.2% (36,254) in 2007. The US American is also an important nationality, although the share of work permits has decreased from 32.6% (7,876) in 1995 to 12.6% (11,126) in 2007. Other nationalities with a relatively high share in the period are Australian-New Zealander; South African, Philippine and Chinese (Table 5.5).

HSMP: Between 2002 and 2007, the number of approved applications rose from 1,197 to 28,090 (they fell to 17,760 in 2008 with the introduction of the PBS). Indian conform the largest nationality (37.1% in 2007), followed by Pakistani. Other countries with a relatively high share in this period are: Australian, Nigerian South African, New Zealander and US American (Table 6.2).

Tier 2: Between December 2008 and December 2010, 111,869 applications for Tier 2 have been approved: 71,090 from outside the UK and 40,779 from inside (National Audit Office 2011: Figure 2). Data for the period November 2008 - May 2009 shows that around 50% of assigned (but not necessarily approved) certificates of sponsorship were from Indians and 11% from immigrants from the US. Other nationalities were: Australian, Philippine, Chinese, Japanese and South African (Migration Advisory Committee 2009a: Table 5.1 and Figure 5.1).

Tier 1: Between April 2008 and December 2010, 181,077 applications for Tier 1 have been approved: 43,023 from outside the UK and 138,054 from inside (National Audit Office 2011: Figure 2). Data for the period September 2008 - August 2009 show that around 30% (27,380¹³) of work permits issued was for Indians. Other highly represented nationalities were: Pakistani, Australian, Chinese, Nigerian, US American, South African and New Zealander (Migration Advisory Committee 2009b: Tables 5.1 and 5.2).

¹¹ This section has data both on the period before the introduction of the Point Based System (2008) and the one coming after that.

¹² Includes: work permits (for non-EEA foreign worker living outside the UK at the time of application), first permissions (similar to the work permit, but is granted for foreign workers who are already living in the UK), extensions, changes in employment and supplementary employment. For details on the other categories refer to Clarke and Salt (2003). The total number of applications was 38,617 in 1991 and 163,116 in 2007.

¹³ The figure is based on the sum of partial percentages (see Tables 5.1 and 5.2 in Migration Advisory Committee 2009b).

A summary of the number of (approved) applications by entrance system can be seen in Table 1. Refer to the above-mentioned original tables for more detailed information.

Table 1. Approved applications* by entrance system

Approved applications*	WPS			Tier 2		HSMP		Tier 1	
	Total	WP and 1 st permissions	Indian	Total	Indian	Total	Indian	Total	Indian
1995	32,704	24,161	1,997						
2002						1,197	181		
2007	128,936	87,968	36,254			28,090	10,502		
Apr./Dec. ¹ 2008 - Dec. 2010				111,869				181,077	
Nov. 2008 - May 2009				20,709	10,354				
Sep. 2008 - Aug. 2009								92,161	27,380

* Except for the period Nov. 2008 - May 2009, which refers to submitted applications.

¹ April is for Tier 1 and November for Tier 2.

Gender-disaggregated data

It has been said that managerial and professional immigration in the UK is more common among men (Beaverstock and Hall 2012). Although I could not find statistics on this, I have made two calculations based on data from the UKHLS (Understanding Society 2009-2010) and from the Census (2001). Table 2 presents the occupational distribution¹⁴ of foreign-born (self-identified) Indian and Pakistani and of individuals born in the US by gender. It shows that while the “male-bias” is true for Indian – among whom men are more likely to be in the highest two categories of ISCO-88 – it is not so for Pakistani, US born or other (non-European) foreign born in general. Table 3 shows the occupational distribution¹⁵ for Indians¹⁶ only, and shows a similar pattern, with a higher share of males in higher managerial and professional occupations.

¹⁴ Current or past occupation. Based on the nine main ISCO-88 main groups:
<http://www.ilo.org/public/english/bureau/stat/isco/isco88/publ4.htm>.

¹⁵ Current or past occupation (except for long term unemployed). Based on the NS-SEC classification:
<http://www.ons.gov.uk/ons/guide-method/classifications/current-standard-classifications/soc2010/soc2010-volume-3-ns-sec--rebased-on-soc2010--user-manual/index.html>.

¹⁶ This could include both foreign-born and UK-born Indians, as it based on a question of self-identification.

Table 2. Occupation by group and gender (2009-2010) – UK (in %)

	Indian		Pakistani		US born		Foreign-born*	
	Men	Women	Men	Women	Men	Women	Men	Women
Legislators, senior officials and managers	12.8	7.2	12.0	4.8	14.4	16.1	14.8	10.2
Professionals	25.3	15.2	14.3	24.4	26.1	46.6	21.1	22.4
Technicians and associate professionals	9.4	17.3	7.0	4.7	16.9	16.7	10.5	15.4
Clerks	8.0	13.0	6.4	15.1	3.0	18.7	7.4	15.1
Service workers and shop and market sales workers	12.3	23.7	15.4	30.3	4.0	1.9	12.8	21.2
Skilled agricultural and fishery workers	0.4	0.0	0.0	0.0			0.1	0.0
Craft and related trade workers	6.2	0.5	6.1	1.1	28.1	0.0	7.5	0.5
Plant and machine operators and assemblers	12.2	8.2	23.2	6.8	0.6	0.0	10.6	4.6
Elementary occupations	13.6	15.1	15.7	12.8	7.1	0.0	15.2	10.6
Total (unweighted)	787		353		73		2468	
Total foreign born (unweighted)	5980							

Note: Calculated for individuals who arrived to the UK at age 19 or more.

* Australia, New Zealand, Canada, US, China/HongKong, India, Pakistan, Bangladesh, Sri Lanka, Kenya, Ghana, Nigeria, Uganda, South African and Jamaica.

Table 2. Occupation (NS-SEC) of Indians by gender (2001) – England and Wales (in %)

	Men	Women
Higher managerial and professional occupations	24.19	11.81
Lower managerial and professional occupations	19.80	22.65
Intermediate occupations	7.64	20.06
Small employers and own account workers	14.91	7.69
Lower supervisory and technical occupations	8.65	4.52
Semi-routine occupations	14.05	19.23
Routine occupations	10.77	14.05
Total	280072	242742

Note: Population 16-74. The definition of Indians includes

Sectoral distribution

WPS: Data on work permits and first permissions show that the main receiving industries in the period 1995-2008 were computer services (which experienced an increase in the period, constituting the 26.9% in 2007) and health and medical services (which, however, experienced a decrease, from 22.5% in 2000 to 8.6% in 2007). Other receiving industries were: administration, business and management services (the second most important in 2007), financial services and education and cultural activities (Salt 2009: Table 5.2). In 2007 53.8% of work permits and first permissions were in professional

occupations (mostly science and technology); 20% were in associate professional and technical occupations and 16.8% were in managerial senior official occupations. As with industry, there has been a decrease in health-related professionals and an increase in information, communications and technology professionals (Table 5.4). Data for 2008 also reveals that 69.8% of Indians are in science and technology occupations; 11.1% in managerial and senior official occupations; and another 9.2% in associate professional and technical occupations (Table 5.6).

HSMP: Not available.

Tier 2: Data from December 2008 to September 2010 show that 27.4% of all assigned certificates of sponsorship are for IT and software professional occupations and 10.2% are in the health system, either as nurses or doctors (National Audit Office 2011: Figure 3).

Tier 1: Data coming from a survey done in 2009 shows that around half of Tier 1 General route immigrants are concentrated in professional occupations, while sizeable numbers are in managerial and senior official occupations and associate professional and technical occupations. However, those who have entered within the (now closed) Tier 1 Post-study route for recent graduates in the UK, have a considerable share (around 30%) in less skilled occupations in administration and services (Migration Advisory Committee 2009b: Figure 5.2).

Intra-company employee transfers

WPS: In 2008, 39.3% (48,012) of all work permits (including extensions and changes of employment) were intra-company transfers (ICTs). For work permits and first permits, the figure raises to 46.5%. The majority of these were in computer services, administration and business services, financial services and telecommunications. In computer services and in telecommunications, more than 80% of work permits and first permissions were ICTs, and in extraction industries, financial services, manufacturing, transport and utilities, ICTs constituted more than half (Salt 2009: Table 5.3). Furthermore, the same report also reveals that three quarters of Indians coming as ICTs worked in computer services and 92.7% of all ICTs in this sector were held by Indians (who also comprise 80.7 per cent of all transferees in telecommunications) (pp. 90).

Tier 2: Out of the 111,869 approved applications between December 2008 and December 2010, 57% are ICTs. This figure increases to 72.2% if we only consider those applications done from outside the UK (National Audit Office 2011: Figure 2). According to data for the same period, around half of ICTs are in IT and software professional occupations (Figure 3).

Sources of information

WebPages

Working in the UK:

<http://www.ukba.homeoffice.gov.uk/visas-immigration/working/>

Tier 1:

<http://www.ukba.homeoffice.gov.uk/visas-immigration/working/tier1/>

Tier 2:

<http://www.ukba.homeoffice.gov.uk/visas-immigration/working/tier2/>

Family reunion under PBS:

<http://www.ukba.homeoffice.gov.uk/sitecontent/applicationforms/pbs/pbsdependantspolicy1.pdf>

Immigration rules:

<http://www.ukba.homeoffice.gov.uk/policyandlaw/immigrationlaw/immigrationrules/>

MOU:

<https://www.gov.uk/government/world-location-news/uk-and-india-to-work-together-on-evidence-informed-healthcare-policy-and-practice>

<http://pib.nic.in/newsite/erelease.aspx?relid=96080>

National Health System: international candidates:

<http://www.nhs Careers.nhs.uk/explore-by-who-you-are/international-healthcare-professionals/>

European Migration Network

<http://emn.intrasoft-intl.com/html/index.html>

Blue Card Directive

<http://www.apply.eu/>

[http://ec.europa.eu/immigration/tab1.do?subSec=29&language=7\\$en](http://ec.europa.eu/immigration/tab1.do?subSec=29&language=7$en)

Documents and articles

Beaverstock, J. V. and S. Hall (2012). "Competing for talent: global mobility, immigration and the City of London's labour market." *Cambridge Journal of Regions, Economy and Society* 5(2): 271-288.

Clarke, J. and J. Salt (2003). "Work permits and foreign labour in the UK: a statistical review." *Labor Market Trends* 111(11).

Migration Advisory Committee (2009a). *Analysis of the Points Based System: Tier 2 and dependants*, UK Border Agency

<http://www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/workingwithus/mac/pbsanalysis-09/0809/mac-august-09?view=Binary>.

Migration Advisory Committee (2009b). *Analysis of the Points Based System: Tier 1*, UK Border Agency.

<http://www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/workingwithus/mac/pbsanalysis-09/041209/mac-december-09?view=Binary>.

Migration Advisory Committee (2012). *Analysis of the Points Based System: List of occupations skilled at NQF level 6 and above and review of the Tier 2 codes of practice*, UK Border Agency.

<http://www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/workingwithus/mac/Tier2-codesofpractise.pdf>.

National Audit Office (2011). Immigration: the Points Based System – Work Routes. [report by the Comptroller and Auditor General]. <http://www.nao.org.uk/report/immigration-the-points-based-system-work-routes/>.

Salt, J. (2009). Report of the United Kingdom SOPEMI correspondent to the OECD. London, Migration Research Unit, Department of Geography, UCL.
<http://www.geog.ucl.ac.uk/research/transnational-spaces/migration-research-unit/pdfs/Sop11.pdf>.

Data

University of Essex. Institute for Social and Economic Research and National Centre for Social Research, *Understanding Society: Waves 1-2, 2009-2011* [computer file]. 4th Edition. Colchester, Essex: UK Data Archive [distributor], January 2013. SN: 6614, <http://dx.doi.org/10.5255/UKDA-SN-6614-4>.

Office for National Statistics, 2001 Census: Aggregate data (England and Wales) [computer file]. UK Data Service Census Support. Downloaded from: <http://infuse.mimas.ac.uk>.