

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?

Society of London Theatre and UK Theatre Association

2. What is your email address?

louise@soltukt.co.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)

SOLT and UK Theatre are private sector, but our members consist of private, public and third sector organisations.

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): **Survey of a cross-section of our members.**

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? **N/A**

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? **N/A**

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)

Members have reported issues, such as:

- The salary requirements impact the number of new hires and the type of visa and its duration.
- We have had to increase the salary for a post to meet the new threshold when a visa was being extended.
- More junior dancers' salaries are below the threshold.
- The £30K threshold makes it impossible for us to now employ on Tier 2 visas. It far outstrips the salary levels of our core company.

- The average salary in our region is £20k, well below the national average. Only c10% of our staff are above the £30K threshold.
- We employ experienced staff at salaries of £25K and above.
- The minimum salary threshold has most definitely been an issue for us and since Autumn 2016 we have been unable to employ 'an experienced worker' on Tier 2. Instead we have brought them in on Tier 5 (for an initial 12 months, extending for an additional 12 months where necessary). We are therefore unable to offer non-EEA nationals anything more than a two-year contract at present.

We expect the impact of the salary requirements to be even greater if they are also applied to EEA nationals in due course.

[199 words]

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)

We consider the £35,800 threshold too high. Members' comments include:

- For roles for which we currently employ EU citizens, eg chefs (of which there is a shortage in the UK), our salaries would not meet the threshold.
- Younger, less experienced staff will often train in London in their 20s and not reach the required income level until later in life, when they might be much less likely to move to the UK (eg if they have children).
- For performers, Tier 2 is most widely used by our leading ballet and contemporary dance companies, who engage dancers long-term due to how dancers develop through their time with a company – not only in terms of skill and ability, but also learning the company's style and repertoire. As such dancers are on the SOL, they are currently exempt from the settlement salary threshold. Salary levels for dancers, even in some of the higher ranks, would not meet the threshold. It is therefore critical that the exemption is retained to enable companies to continue to engage dancers on a long-term basis.

[177 words]

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) **Agree**

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 **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)

A system which is based on a minimum salary threshold does not take into account sectors which need to have creativity, new ideas and fresh talent. In the creative industries, talent and skills are identified through a rigorous selection or audition process, before a job offer is made. There seems to be little recognition of the significance of this process in the discussion about a future immigration system. Factors such as salary level, standard of English language or having studied in the UK may or may not be of importance for certain roles in the creative sector, but a key factor is the job offer, which is underpinned by an audition and selection process. This is reflected in the SOL definitions for 'Skilled Classical Ballet Dancer' and 'Skilled Contemporary Dancer', which credit the job offer from internationally recognised UK ballet/dance companies. This approach works well. We consider that the job offer should be given recognition as a significant factor for roles more generally under the future system.

[167 words]

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 **Agree**

Region/country **Agree**

New entrants/young workers **Agree**

Occupation **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)

20% of respondents to our survey said "too high"; 25% "about right"; and 55% "don't know".

Whilst appreciating that this approach is aimed at preventing the undercutting of wages, members expressed the following concerns:

- The approach potentially disadvantages businesses which cannot afford to pay "industry standard" wages, eg because they are in a "start up" phase, or are an SME or in a region with salaries below the national average.
- An employer might want to nurture a long-term developmental relationship with a foreign artist or other creative based on their apparent talent and potential at a relatively early stage in their career when it would not be appropriate to pay above the 25th percentile.
- The model discourages individuals with potential from joining the UK labour market at the early stages of their career when they might be prepared to sacrifice earnings today for experience, opportunity and training from which they might benefit tomorrow. These are all people who would be expected to drive innovation and future economic growth, and the creative sector is driven by such people.
- Without knowing what the 25th percentile equates to in terms of salary for roles in our sector, it is hard to respond.

[199 words]

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)

- Many highly skilled workers in the performing arts are paid below £30,000. Meeting the threshold is already a challenge.
- Simply increasing salaries is not an option. Continued reductions in real terms to public funding for the arts since 2010 remain a major constraint on financial sustainability.
- Salary is not a good indicator of skill, talent or value in the sector.

- The sector relies on its ability to attract a diverse mix of talented people from around the world at varying stages of their careers, including many freelancers (for whom the notion of meeting a salary threshold is in itself difficult).
- Our members engage EEA workers in a wide range of roles, including not only performers, but also creatives (eg artistic directors), stage management, production, technical, press, marketing, IT, box office, front of house, finance, fundraising, development, cleaning, hospitality and administration. Extending the threshold to EEA workers would likely result in a severe shortage of skilled workers in all areas and impact the production of the current wide variety of world-class artistic work, as well as render the UK an unattractive place for European talent to seek employment, to the detriment of our audiences.
- See also Qs 17 and 24. [Qs 40 and 47 in the online survey.]

[199 words]

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):

Other cash/non-cash remuneration:

- Media payments which are required to be paid to performers when filmed.
- Bonuses.
- Per diems, ie a daily payment to contribute towards food and general expenses (not accommodation or travel) when a worker is on tour.

Please note that we have treated 'housing allowances' as including Touring Allowance, which is a payment made to performing arts workers when on tour as a contribution towards their accommodation costs.

Please also note that some of the items in the list are not relevant at all to jobs in the performing arts; others have limited relevance. To include them might therefore disadvantage the performing arts sector as compared to other sectors when it comes to meeting the threshold.

[118 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.

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

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

- The combined box office income of Society of London Theatre and UK Theatre's membership was more than **£1.28 billion** across London and the rest of the UK, **with 34 million tickets sold in 2018**. The success of the performing arts provides the UK with a creative competitive advantage and a valuable asset that must be protected and enhanced for the future.
- It is vital to the long-term prosperity of the UK's performing arts that we stay open to exporting and importing high-quality theatre talent, ideas, products and relationships, from the EU and further afield.
- We need to recruit from a global talent pool to ensure that the UK's thriving and world-leading performing arts sector remains competitive. Addressing the salary threshold, if any, so that it reflects the needs of performing arts organisations is critical to supporting the sector to recruit and retain the "brightest and best". In particular, we are concerned that extending the £30K threshold to EU nationals would make it harder to access international talent and thereby pose a threat to the viability of our members.

[178 words]

29. Please attach any additional evidence you would like us to consider

Australian Points Based System

30. 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.

Language proficiency	4
Having studied in the UK	7
Work experience	2

Age	8
Education attainment	5
Having a job offer	3
Salary	6
Priority occupations	1

Other, please specify

- Having passed an audition or selection process to receive a job offer.
- Suitability for the role from an artistic and talent perspective.
- Skillset – having the skill that is required, eg being able to dance at a high standard.

MAC stakeholder database

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

Yes

No

32. 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