

Institution: Keele University
Unit of Assessment: C19 Business and Management Studies
Title of case study: Migrant workers and vulnerable employment
<p>1. Summary of the impact</p> <p>The impacts on policy makers, employment law and industrial relations outlined in this case study have emerged from the research by Dr Steve French into migrant workers in the UK. The overall impact of this research has been to raise awareness of the characteristics of employment in 'migrant-dense' sectors, poor employment practices for migrant (and indigenous) workers, and the mismatch between the skills and employment of migrant workers. Findings of this research have been used: in debates about and development of an Employment Bill in 2008; in the restructuring of a trade union representing low-paid and low-skilled workers in an area in economic decline (North Staffordshire); and to ensure better understanding by practitioners of migrant worker issues resulting in improvement of services for this group.</p>
<p>2. Underpinning research</p> <p>The research by French on migrant workers is underpinned by earlier research on the position of asylum seekers and refugees (Andrew et al. 2002) and comparative analysis of ethnic minorities and foreign workers in the car industry (Birsl <i>et al.</i>, 2003 submitted to the 2008 RAE). French's research was publicly funded by the ESRC, Nuffield Foundation, Low Pay Commission (LPC), Union Modernisation Fund (UMF) and Lifelong Learning Network (LLN), and published in reports to public bodies and peer-reviewed journals. It combines quantitative labour market analysis with qualitative research based upon interviews with migrant workers, employers of migrant workers and service providers. This has produced new understandings of this segment of the workforce, as presented in French and Mörhke (2006), French and Mörhke (2008) and French (2012). First, by researching migrants more broadly rather than focusing on one particular migrant group, French has been able to demonstrate the importance of variations in their employment and treatment. Second, and related to this, the main site of French's research is North Staffordshire, an area characterised by industrial contraction and restructuring, low-paid service sector and industrial work, persistent unemployment, and distinctive periods of new arrivals of different nationalities, ethnicities and legal status. The research in this area was able, therefore, to explore the relationships between groups of (indigenous and) migrant workers.</p> <p>The findings from this underpinning research that are of most significance to the impact described are that:</p> <ul style="list-style-type: none"> • Although migrants work across a range of sectors, there are higher concentrations working in specific sectors, including food processing, manufacturing and distribution sectors. However, the research also highlights how different migrant groups are employed within and between sectors. • Migrant workers often have comparatively less knowledge of their employment rights and less access to independent advice and guidance on their rights. This lack of knowledge of employment rights, combined with their more precarious employment status, has been abused by some employers, notably employment agencies, resulting in pay levels below the minimum wage. • There is evidence of the substitution of refugees and existing migrant workers by more recent migrants and limited evidence of substitution of low-paid indigenous workers. • Employers increasingly favour (east European) migrant workers because of their perceived stronger work ethic and greater flexibility, leading to significant unit labour costs savings. • There are frequent mismatches between migrants' educational and skill levels, and the (lower-skilled) work they undertake. This is partly due to employer perceptions of what constitutes 'migrant work', but also because there are few practical mechanisms to recognise non-UK qualifications. • English language ability is one important factor in explaining migrant workers' limited

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knowledge of rights, inability to get qualifications recognised and lack of progress within the labour market.

- Trade unions need greater knowledge of the work undertaken by migrants that they wish to organise. They also need to recognise specific employment problems that migrants can face and to support migrant workers through union learning programmes and promoting organisers and/or representatives from migrant communities.

French et al. (2003) was peer reviewed and the body of research underpinned the successful award of an ESRC seminar series. It was carried out at Keele where French is a Senior Lecturer (previously Lecturer).

3. References to the research

Andrew, J., French, S., French, T., Möhrke, J., Pugh, R. and Sedman, D. (2002) *A feasibility study assessing the viability of a refugee and asylum seeker translation and interpreting enterprise project in North Staffordshire*, final report for the North Staffordshire Asylum Seeker and Refugee Support Group and Ashden Trust.

Birsl, U., Bitzan, R., Schmidt, J., Solé, C., Parella Rubio, S. and French, S. (2003) *Migration und interkulturalität in Großbritannien, Deutschland und Spanien: Fallstudien aus der arbeitswelt*, (Opladen, Leske & Budrich), pp. 421 (German).

French, S. and Möhrke, J. (2006) *The impact of 'new arrivals' on the North Staffordshire Labour market*, Report to the Low Pay Commission.

French, S and Möhrke, J. (2008) *New employment within the South Cheshire and North Staffordshire Labour Markets: An analysis of labour market structures, migrant workers and union organizing*, report for the UNITY trade union, submitted to the Union Modernisation Fund.

French, S (2012) Beyond ESOL? Assessing the propensity of east European migrant workers to undertake further and higher education, *Research in Post-Compulsory Education*, 17(1): 125-142. DOI: 10.1080/13596748.2012.649970.

GRANTS RECEIVED FOR RESEARCH RELEVANT TO CASE STUDY

Title: The impact of migrant workers on the functioning of labour markets and industrial relations (from 1/10/09 to 31/10/11). Grant Sponsor: ESRC Seminar Series. Total value: £17,470

Title: Eastern Europeans – Equivalencies, APL and Engagement (from 1/1/09 to 31/07/09). Grant Sponsor: Staffordshire/Stoke-on-Trent/Shropshire/Telford & Wrekin Lifelong Learning Network. Total value: £9,000

Title: Employment and migrant workers within the South Cheshire and North Staffordshire Labour Markets (from 1/4/07 to 31/10/07). Grant Sponsor: UNITY trade union (Union Modernisation Fund). Total value: £5,000

Title: The impact of 'new arrivals' on the North Staffordshire labour market (from 15/11/05 to 26/2/07). Grant Sponsor: Nuffield Foundation. Total value: £7,458

Title: The impact of 'new arrivals' on the North Staffordshire labour market (from 1/10/05 to 31/10/06). Grant Sponsor: Low Pay Commission. Total value: £9,389

4. Details of the impact

The impact of French's research has been on the improvement of employment conditions for migrant workers through better enforcement of National Minimum Wage (NMW) and by developing these workers' understandings of employment rights. Although the focus of the research has been on migrant workers, consequences have also led to fairer practices for all low-paid workers and to

fairer conditions for businesses [source 1].

The first impact has been through the work for the LPC. French was invited to present the LPC research on migrant workers to a retreat meeting of the full Commission and the research was referred to in the LPC report [source 2] as strengthening the view of the Commission and providing one of their key recommendations to government that enforcement of NMW should be targeted at sectors with high concentrations of migrant workers [Source 2: pp. 276-7 and XXV]. Following this, the LPC reported in 2008 that the government was producing information leaflets about employment rights in a variety of languages as a response to this need [source 3]. Further, a report on NMW compliance by BIS stated that a help-line for workers launched in 2009 has translation facilities available in order to ensure support for the most vulnerable workers [source 4].

This research also influenced the development of, and justification for, part of a new Employment Bill in 2008. This Bill changed the law to increase the powers of inspectors to enforce and bring legal proceedings against employers and employment agencies illegally paying below minimum wage, with the purpose of reducing this problem. In 2007, the LPC recommended to government that there should be better enforcement of NMW [source 2: Ch. 6]. A consultation document on the Employment Bill produced by Parliament [Source 5] cited the research by French and Möhrke (2006: p. 42) when outlining the reasons for the proposal and the LPC report [source 2: p. 2] when identifying the need for greater penalties for employment agencies flouting the law. Following responses to this consultation, the Employment Bill 2008 was passed by Parliament, meaning penalties can now be imposed on employers found to be illegally paying below NMW and giving inspectors greater powers to obtain and use employment agency documents to bring proceedings. The outcomes have been outlined by BIS [source 4], stating that in the first year of the new law, employers have been fined over £100,000 in penalties.

The second impact followed the report by French and Möhrke (2008) relating to the structures and organising strategies of the UNITY trade union. As a direct result of the research, the union conducted an internal review to provide a better service to migrant workers through delivery of ESOL language courses, the translations of union literature into Polish, the employment of a Polish speaker to advise and liaise with migrant workers, and through greater partnership with local councils to develop services and encourage regeneration of the area [source 6]. Evidence from the BIS [source 6: p. 4] report identifies that the research conducted by French 'had a dramatic effect on the union, far beyond the changes envisaged at the outset. The research element [of the review] was perhaps the most valuable, highlighting issues such as outdated practices and mindsets, which have led to attitudinal changes... It's enabled the union to develop a strategy to move away from its traditional base and towards a new position, taking on the role of an active partner in civil society'.

The third impact relates to research by French (2012) undertaken for the regional LLN, analysing the employment practices of East European workers working in east Staffordshire and Derby and the mismatch between their qualifications levels and the under-employment of skills in low-paid work in migrant dense sectors. The research was presented to a high profile LLN stakeholder conference where the long-term settlement patterns of many migrant workers, their propensity to undertake further education and the barriers to vocational courses were highlighted. A former Deputy Principal of Burton and South Derbyshire College stated that the report was very beneficial and contributed to the College's strategic plans regarding curriculum development and design.

The research has also had a more general impact beyond those commissioning the research. Findings by French and Möhrke (2006) that highlighted the lack of knowledge of migrant workers of employment rights, and of the illegal wage practices of some employment agencies in paying migrant workers, were cited as evidence by the House of Lords Economic Affairs Select Committee. This was used as evidence for their recommendation that more effective means should be found for enforcing the law against employers 'who employ immigrants at wages and employment conditions that do not meet minimum standards' [source 7: p. 28]. The research (French and Möhrke, 2006, 2008) was presented to a conference of local stakeholders organised by the Strategic Local Partnership and Citizens Advice Bureau (CAB) in Stoke-on-Trent and

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informed the successful bid by the CAB to become a HMRC Centre of Excellence, providing advice and guidance on employment, benefits and wages for migrant workers.

Finally, French has made an important contribution to discussion of methodological issues and the relative strengths and weaknesses of migrant labour research to policy makers and practitioners through the ESRC seminar series (2009-11), for which he acted as principal investigator. The seminar series was designed to engage stakeholders (including trade unions, ACAS, and the Equality and Human Rights Commission) and each seminar included a range of practitioners, including among the presenters. Written feedback following the series from practitioners (e.g. from unions Unite and GMB) indicated the benefit of the seminars [source 8], notably in how trade unions approached organising migrant workers.

5. Sources to corroborate the impact

Source 1: Lords Hansard (2007) from 14/11/2007, column 498. Available from:

<http://www.publications.parliament.uk/pa/ld200708/ldhansrd/text/71114-0005.htm#07111441000001>

Source 2: LPC (2007) *National minimum wage: low pay commission report 2007*. The Stationary Office, Norwich.

Available from: <http://www.official-documents.gov.uk/document/cm70/7056/7056.pdf>

Source 3: LPC (2008) *National minimum wage: low pay commission report 2008*. The Stationary Office, Norwich.

Available from: <http://www.official-documents.gov.uk/document/cm73/7333/7333.pdf>

Source 4: BIS (2010) *National minimum wage compliance strategy*. Department for Business, Innovation and Skills, London. Available from: <http://www.bis.gov.uk/assets/biscore/employment-matters/docs/10-678-nmw-compliance-strategy>

Source 5: DTI (2007) *National minimum wage and employment agency standards enforcement: consultation document*. Department of Trade and Industry, London. Available from:

<http://www.berr.gov.uk/files/file39439.pdf>

Source 6: BIS (2009) *Ceramics and Allied Trades Union (CATU) – Widening the union’s remit in a changing society*. Department for Business, Innovation and Skills, London. Available from:

<http://www.bis.gov.uk/files/file53718.pdf>

Source 7: House of Lords (2008) *The economic impact of migration: volume 1 report*. The Stationary Office, Norwich. Available from:

<http://www.publications.parliament.uk/pa/ld200708/ldselect/ldconaf/82/82.pdf>

Source 8: French, S. *et al.* (2013) *The impact of migrant workers on the functioning of labour markets and industrial relations: ESRC Impact Report*, RES-451-26-0779. Swindon: ESRC.

Available from: <http://www.esrc.ac.uk/my-esrc/grants/RES-451-26-0779/outputs/read/fc97f2c2-697f-4962-ba41-9902f59f5d00>

Corroborators: Low Pay Commission; Burton and South Derbyshire College; North Staffordshire and Stoke-on-Trent Citizens Advice Bureau.