

**THE IMPACT OF 'NEW ARRIVALS' UPON
THE NORTH STAFFORDSHIRE
LABOUR MARKET.**

A Research Report for the Low Pay Commission

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Executive Summary

This research project, funded by the Low Pay Commission investigates the impact of migration upon the operation of the National Minimum Wage. The report focuses upon the impact of both migration and the NMW on the supply of labour in low pay sectors; the location of migrant workers within the distribution of earnings; the extent to which migrant workers gravitate to specific sectors of the economy; the question of enforcement of the NMW in relation to migrant workers; the knowledge of migrant workers of employment rights; and the impact of the introduction of migrant workers from the eight Eastern and Central European accession states since 2004.

The report provides an overview of the current research literature on migration, highlighting a number of common research findings. There is general consensus that migration has been utilised by employers to address specific skill shortages across many economic sectors and to address labour shortages, primarily in low-wage industrial and service sector work, with significant employment of migrant workers in agriculture, food processing and hospitality. There is also widespread evidence to suggest that the vast majority of migrant workers in these low-pay sectors are paid at or above the National Minimum Wage.

However, there is also evidence that identifies the systematic exploitation of migrant workers, particularly from research in the agricultural sector, with the non-payment or under payment of wages, excessive working hours and the denial of employment rights.

There are, however, two gaps in the current research. Firstly, research into migrant workers has been highly fragmented. Very few studies have sought to compare and contrast the experiences of different groups of migrant workers. As a result, differences in the utilisation of different sources of migrant labour have not been examined. Secondly, there is little if any research into the potential substitution of indigenous workers by migrant workers.

The research conducted for this report was in North Staffordshire. North Staffordshire was chosen because of the evidence of increasing migration into an area that is

characterised by industrial contraction and restructuring, low paid service sector and industrial work, persistent unemployment, low qualification levels and low wage levels as well as the limited success of the British National Party. Significantly, the area is also characterised by a range of recent migrants (new arrivals), not only from eight EU accession states, but also through direct recruitment into the health sector, from a large number of overseas students in further and higher education, and from the diverse refugee and asylum seeking communities.

The fieldwork was based upon both quantitative and qualitative research methods. Two small-scale surveys of managers and migrant workers were conducted and these were complemented by and in-depth interviews with thirteen employer representatives and eleven interviews with migrant workers.

There are six main substantive findings to emerge from the research:

1. the survey results indicate there is a wide range of organisations in North Staffordshire that employ a range of different migrant groups. The employers' reasons for utilising migrant labour are primarily to address labour shortages and, to a lesser extent, skill shortages. The interviews with employer representatives identify that the vast majority of migrant labour employed is in low-skilled, comparatively low-paid employment in the food processing, manufacturing and distribution sectors. Furthermore, opportunities for skilled migrant workers to move into high-skilled work are limited by strong perceptions held by employers (including agencies) about what is, and what is not, migrant work.
2. the vast majority of migrant workers surveyed and interviewed are paid on or slightly above the National Minimum Wage. The main advantages to employers from utilising migrant labour would appear to lie in the reliability of migrant workers, their willingness to take 'low-status' physical work and to work long and flexible hours. By addressing recruitment and retention problems, gaining greater effort and reducing absenteeism and sickness, employers are, gaining substantial savings in unit labour costs, without the need to cut pay rates.

3. there are disturbing findings that emerge from the research in relation to the exploitation of migrant workers. The most prominent of these are the use by one agency of accommodation and other services as a method of deducting significant portions of migrant workers' wages at source to reduce net pay levels. In this case, the employer's attempts to exploit the worker related not just to pay, but included extortionate and poor quality accommodation, payments for services not provided and the use of relocation to keep the worker isolated.
4. there are also concerns about the potential discrimination of migrant workers, notably through the allocation of additional or harder work to migrant workers. It is apparent through the migrant worker interviews that few workers had a clear knowledge of anything except the most basic aspects of their employment contracts.
5. refugees continue to experience problems in relation to their access to the labour market. Despite many possessing valued skills and a general willingness to study and work, their labour market opportunities remain limited to low-skilled work (as at the food processing plant) or work helping to service the asylum seeker and refugee community (for example, interpreting). The difficulties in distinguishing refugees (and asylum seekers with the right to work) from undocumented workers are clearly a problem for employers. The problems with documentation and the perception among some employer representatives of greater militancy from refugees, provides limited evidence that a process of substituting refugees with EU accession workers is occurring.
6. the process of substitution may not only be linked to refugees but also to indigenous workers. Interviews with agency representatives and some migrant workers highlighted a growing preference among employers for EU accession workers. In sectors with shortages or high turnover rates, the process of substitution could take place quite quickly. While this is a rational policy for employers there are clearly implications for this in terms of public policy.

1. Introduction

It is clear that there has been a rapid expansion in the number of migrant workers working in the UK labour market. It has been estimated that there were around three-quarters of a million more foreign born people working in UK labour market in 2004 compared to 1993. There is also a large degree of consensus that the growth in migrant workers coming to the UK reflects labour shortages and skill shortages in the labour market, which could not be sourced from indigenous workers. However, there are concerns, voiced for example by the Trade Union Congress (TUC), about the extent to which migrant labour is utilised by employers to reduce labour costs and cut the terms and conditions of employment, an issue which has gained impetus as a result of evidence of the exploitation of migrant labour.

The aim of this study is to examine a number of issues in relation to the utilisation of migrant workers and the operation of the National Minimum Wage (NMW) as set out in the terms of reference from the Low Pay Commission. These include: the impact of both migration and the NMW on the supply of labour in low pay sectors; the location of migrant workers within the distribution of earnings; the extent to which migrant workers gravitate to specific sectors of the economy; the question of enforcement of the NMW in relation to migrant workers, reflecting in part the knowledge of migrant workers of employment rights; and the impact of the introduction of migrant workers from the eight Eastern and Central European accession states since 2004 (commonly known as the A8).

In order to address these issues, research was conducted between November 2005 and October 2006 into the utilisation of migrant labour within the labour market of North Staffordshire. The research involved a combination of small-scale quantitative surveys of local employers and migrant workers and interviews with thirteen employer representatives and eleven migrant workers.

The report is structured as follows. Section 2 examines recent research into migrant workers, highlighting some of the main issues in relation to the demand for labour, the

terms and conditions of migrant workers and evidence of exploitation and harassment of migrant workers. The aim of the section is to provide an overview of research into migrant labour to place this study of North Staffordshire in a wider context. The second part of the section highlights the fragmentation and some of the limitations of this research, arguing that further research is needed into the possible substitution of labour between indigenous and migrant workers. Section 3 provides a brief overview of the North Staffordshire labour market, highlighting key labour market characteristics (income, unemployment, skill levels and occupational structure), the political situation in the city of Stoke-on-Trent and examples of the use of migrant labour. Section 4 then provides an outline of the qualitative and quantitative research methods used in the project to investigate the utilisation, the pay and conditions and labour market experiences of migrant labour. The findings of the survey research are then reported in section 5, the interviews with employer representatives in section 6 and the interviews with migrant workers in section 7.

The findings are analysed in the concluding section (8). The main findings of the study are that the majority of migrant workers in North Staffordshire are employed in low wage industrial sectors (manufacturing, food processing and distribution), but that the majority participating in the research are paid at or above the NMW. While many employers' representatives highlight the advantages of employing such workers, and many of these workers are highly skilled, opportunities for migrant workers in non-industrial, higher paid sectors, where they could utilise these skills, are currently limited. There is also evidence of the exploitation of migrant workers, often where they are recruited through employment agencies, and especially where the contract includes the provision of accommodation and other services by the agency.

There has been significant migration of workers from EU accession countries into the North Staffordshire area. Although there is no conclusive evidence, their arrival does appear to have facilitated labour substitution in some firms, with some indigenous workers, and more notably refugees, being replaced by Polish workers. Indeed, the most marked distinction to emerge from the research is the different perceptions of and opportunities for the A8 migrants and refugees and asylum seekers (with permission to

work), a situation which is in good part related to the problems associated with dealing with the necessary immigration documentation of refugees and undocumented workers.

Finally, it is important to note the difficulties in the use of terminology when conducting research into migrant labour. The term 'new arrivals' has been used in this project to distinguish between foreign-born workers who have arrived in North Staffordshire since 1999 and black and ethnic minorities (BME) already living in the region. This term also reflects the fact that a proportion of these new arrivals are refugees, who are now seeking work in the area, but are not economic migrants to the UK. Nevertheless, the terms new arrivals and migrant workers have been used interchangeably in the text. The term indigenous has also been used to refer to those workers living in North Staffordshire prior to 1999. Again, this would include white and settled BME workers, which may be a problematic category, but is preferable to the term of domestic worker, which is too closely associated with a type of occupation. Finally, the term A8 worker is used to describe workers from the eight Eastern and Central European accession states that joined the EU in 2004 and who are covered by the Worker Registration Scheme. Its use is meant to distinguish this group of migrants from other East European workers who may have been employed on other migrant worker schemes prior to EU enlargement.

2. The impact of migration: recent evidence

As Dench et al (2006:84) note 'unemployment is currently relatively low in the UK and employment levels are at their highest ever'. In this tight national labour market, employers have continued to emphasise serious labour shortages. For example, the 2004 National Employer Skills Survey undertaken by the Learning and Skills Council identified 616,880 vacancies in England alone (Learning and Skills Council, 2005). In response to this, a wide range of schemes have been adopted to facilitate the migration of highly-skilled and low-skilled workers into the UK from outside of the European Economic Area (EEA). In addition to the provision of work permits to employ workers in specific jobs, routes through which employers can recruit migrant workers include: the Seasonal Agricultural Workers Scheme (SAWS); the Sectors Based Scheme (SBS); the Highly Skilled Migrant Workers Programme (HSMP); the Training and Work Experience Scheme (TWES); the Working Holidaymaker Scheme (WHMS); and, since May 2004, the Worker Registration Scheme (WRS) relating to the employment of migrant workers from the A8 countries to the European Union (for details see Ryan, 2005:23-49 and Dench et al., 2006:2-5). It should also be noted that students (from outside of the EEA) can also be employed for up to 20 hours per week during term-time and full-time during vacations, and spouses of overseas students with permission to stay in the UK for 12 months are also entitled to work (CAB, 2005:3). Finally, refugees (and some asylum seekers), though not non-EU economic migrants, also have the right to work.

It is, however, extremely difficult to calculate the numbers of migrant workers in the UK labour market. The Institute for Public Policy Research (IPPR, 2003) estimated that 1.4 million foreign nationals were working in the UK in 2003 (compared to 862,000 in 1993), with around 40 per cent originating from the then 15 EU member states. A similar figure is arrived at by Salt (2005 cited in Anderson et al, 2006:7) who estimates that there were 1.44 million foreign nationals working in the UK in the spring of 2004, prior to EU enlargement. However, this figure does not include those foreign nationals working illegally (undocumented workers), nor would it include foreign-born workers who now have UK citizenship. Although the total number of EU accession workers can be monitored through the Workers Registration Scheme, it is difficult to assess how many

of these workers were already working in the UK and have now switched to the WRS. Furthermore, these data only record the total number of registered workers and do not record how long these workers stay in the country (Anderson et al, 2006:8). However, 427,095 EU accession workers had registered to work (through the WRS) by June 2006.

The significant growth in the use of migrant workers in the UK labour market, representing the current government's policy of managed migration, is not simply an economic but also a highly sensitive political issue. This is reflected in the growing body of research commissioned by public bodies, research councils and charitable foundations to examine the impact of migration on the labour market and wider economy. While much of this research is based upon quantitative econometric analysis, the limitations of the available data mean that such an approach, while useful, provides only a partial explanation of developments. As a result there has been a growth in qualitative research into migrant labour. These studies can be broadly characterised as large scale projects – such as those commissioned by the Home Office (Dench et al, 2006), those undertaken by the migration centres at Oxford and Sussex Universities (Anderson et al, 2006), and by small scale detailed studies of specific groups (Winkelmann-Gleed, 2006) and firms (Holgate, 2005) or areas (Pemberton and Stevens, 2006).

The findings which emerge from this growing body of research, which are relevant to this study, can be broadly categorised into two themes. Firstly, there is detailed research that examines the utilisation of migrant workers according to labour market indicators. These include the analysis of migrant worker employment (by nationality, sector, and region), including the reasons why employers use migrant workers; the (mis)match between migrant skills and migrant jobs; and remuneration levels and state benefit uptake. Secondly, there is research, usually qualitative, which examines the experiences of migrant workers, focusing upon the extent to which migrant workers are subjected to exploitative working practices, how they are treated by management and by indigenous workers and wider issues such as the accommodation of migrant workers.

Although migrant workers are employed in occupations across the UK labour market, there are a number of sectors that are more reliant upon migrant labour than others. Research conducted for both the TUC (2003) and the Home Office et al. (2006) indicates that health care, education, cleaning, food processing and agriculture, hotels and catering, information technology and construction all have significant numbers of migrant workers. It is also clear that the vast majority of workers arriving from the EU accession states have entered into employment in low-skilled sectors. Indeed as Anderson et al. (2006:13) note, Czech, Slovak, Lithuanian and Polish workers were prominent in the SAWS, SBS and au pair schemes prior to enlargement. Analysis of the Worker Registration Scheme indicates that the main occupations for these workers are: process operative; warehouse operative; packer; kitchen and catering assistant; cleaner and domestic staff; farm worker; waiter or waitress; hotel room attendant; care assistant; and sales and retail assistant (Home Office et al, 2006:15). This is confirmed by the study of the North West region by the Merseyside Social Inclusion Observatory (MSIO) that found that A8 workers were overwhelmingly employed within the manufacturing, catering, hospitality, agriculture, transport and building sectors (Pemberton and Stevens, 2006:7).

In terms of the geographical distribution of migrant workers, over two-thirds of migrant workers were based in London and the South East in 2000 (Dench et al 2006:15). However, recent data on EU accession workers indicate that East Anglia is the region where the most registrations have occurred. Indeed, there is an increasing growth of European accession workers across all of the UK (Home Office et al, 2006:19).

There is a large degree of consensus from research into the reasons why employers have increasingly recruited migrant workers. In some sectors requiring skilled and qualified workers (for example IT, health and construction and skilled jobs in hospitality such as chefs), skill shortages have led employers to recruit internationally. In the low-skilled, low wage sectors, the main problem that employers identify is labour shortages. Employer surveys and interviews have indicated that employers find it increasingly difficult to recruit indigenous workers and also experience problems with them: citing

unreliability; an unwillingness to undertake physically demanding jobs and to work flexibly (and in some sectors to undertake seasonal work); and the unattractiveness of low wages and low-status work (Anderson et al, 2006, Dench et al, 2006 and Pemberton and Stevens, 2006). Employers claim that they turned to migrant workers having tried unsuccessfully to recruit locally. Many had increased wages and non-pay benefits in an attempt to recruit and retain indigenous workers, despite the significance of labour costs to many firms in low-wage sectors (Anderson et al, 2006:66).

Employers' experiences with migrant workers have generally been extremely positive. Again, in contrast to employer perceptions of problems with indigenous workers, employers surveyed have stressed the reliability of migrant workers, citing lower absence and sickness rates, lower turnover, a willingness to undertake overtime work and a generally good attitude to work (Dench et al 2006:32). The major disadvantage associated with the employment of migrant labour related to language barriers, leading to difficulties with communication and other problems, in some cases with health and safety requirements. There were also concerns about different groups of foreign workers not mixing and relationships with indigenous workers (ibid). In fact, language difficulties were the main reason cited by employers who did not employ migrant labour. In addition, some employers expressed concerns over recognising foreign qualifications and explained non-recruitment of migrant workers due to requirements to hold UK qualifications (e.g. in Financial Services). Some employers also foresaw possible problems of legality due to immigration status and perceptions that migrant workers were unsuitable (ibid).

One key factor that has probably facilitated the utilisation of migrant workers, notably those from EU accession countries, is their comparatively high skill levels and generally good language skills. Anderson et al (2006:36) found that over half of all East European migrants working in hospitality and construction and one third of agricultural workers had completed post-secondary education, with over half working in agriculture and construction and three quarters in hospitality claiming fluency in English. They also cite a number of employers who have identified highly qualified workers undertaking low-skilled, low wage jobs, a position supported by the research conducted by Pemberton

and Stevens (2006:7) with EU accession workers, the majority of whom were well-educated and undertaking work incompatible with their skills and training.

Research into the pay and conditions of migrant workers has tended to indicate, notwithstanding evidence of exploitation and illegality, that migrant workers are paid broadly the same as indigenous workers. Dench et al (2006:27) found that almost all of the 124 employers they interviewed stated they paid the same rates to migrant and domestic workers, with only four admitting to paying migrant workers less money. Nevertheless, there is variation and evidence of illegal underpayment from research into pay levels.

Unfortunately the data published on the WRS scheme are limited in their usefulness. The self-reporting by workers indicated that the vast majority of EU accession workers are working full-time (more than 16 hours per week), with almost four-fifths (78%) earning between £4.50 and £5.99 per hour (Home Office et al, 2006:17). Given that the data refer to the period May 2004 to June 2006, there is no reporting of wages over time (i.e. in line with changes in the National Minimum Wage); no data on workers paid below £4.50 (the rate of the NMW in April 2004), no indication of the distribution of earnings and no detailed information on working time. However, the work by Anderson et al (2006:30-32), conducted in 2004, indicates that gross hourly pay of the 318 migrant workers surveyed was lower than the national average for all employees within the different occupational groups they examined. Although the authors are careful to note the difficulties of calculating pay rates, they argue that a significant number of their respondents were working close to the National Minimum Wage and the wages set by the Agricultural Wages Board. Pemberton and Stevens (2006:10) also found that it was unusual for migrant workers to be paid more than the minimum wage, but only one out of 53 respondents was actually paid below the NMW. Anderson et al (2006:32-4) also note that the migrant workers they surveyed were working longer basic hours in all occupations than the national averages provided by the ASHE (2004) dataset. In most cases workers were receiving overtime pay in agriculture and construction (though not necessarily at premium rates), but were often working unpaid overtime in the hospitality sector.

Finally, it should be noted that existing research indicates that very few migrant workers are in receipt of state benefits. Data from the WRS indicate that out of 447,000 applicants, only 768 (0.17%) of A8 workers have received income support, job seekers allowance or state pension credit, 27,280 (6.1%) have received child benefit and 14,009 (3.1%) have received tax credits.

The issue of the exploitation and mistreatment of migrant workers has also been raised in research. There are a number of references to strategies adopted by employers to reduce the cost of migrant labour, but often (e.g. Dench et al, 2006:63) they appear to be based upon anecdotal evidence. However, Citizens Advice have monitored cases of exploitation brought before bureaux (CABx) in rural communities, providing systematic evidence of the abuse of migrant workers in the agriculture and food processing, cleaning, home care and hospitality sectors prior to EU enlargement (Citizens Advice, 2004, 2005). Three themes emerge from this research.

Firstly, in the field of employment, the main problems reported to CABx are: inaccurate information provided by the employer on pay rates, entitlements and obligations; a lack of transparency and proportionality over deductions made for housing, transport and administration; failure to pay set rates and honour holidays, poor working conditions, unfair dismissal, differential treatment from local workers, exclusion from social events and harassment (Citizens Advice 2005:7-9). The experience of discrimination at work reported by A8 workers in the North West took the shape of higher production targets (Pemberton and Stevens, 2006:12), but migrant nurses also reported experiencing resentment and racism, often from auxiliary and agency nurses who believed that they had taken their jobs (Winkelmann-Gleed, 2006:65). Factors that contribute to the problems migrant workers experience at work are a lack of knowledge of employment rights, a fear of losing their jobs, and the absence of trade unions in many sectors and workplaces where migrant workers are employed.

Secondly, a factor that may facilitate exploitation is the extensive use by employers of recruitment agencies (national or international) to recruit and employ migrant workers. It

is clear that a significant proportion of migrant workers are employed through agencies (Home Office et al 2006:13). Both the research by Anderson et al (2006:50:51) and Pemberton and Stevens (2006:13) indicate that migrant workers preferred not to work for agencies, precisely because the pay and conditions were worse than directly employed workers. Nevertheless, agency work was often the best way for migrant workers to find work. 'A general picture emerges that although there are many good agencies, this is also an area where a considerable amount of exploitation seems to occur' (Dench et al, 2006:61). There are many such stories reported in the media (see for example *The Guardian*, 2005) and this picture has also been confirmed by the MSIO study (Pemberton and Stevens, 2006:84-5):

A number of practitioners also raised concerns about examples of employment and recruitment practices which were, at best, poor and, at worst, exploitative and illegal. Examples were cited of employment agencies which appeared to be operating without any regulation and of apparently legitimate businesses which were 'fronts' for criminal activities. Other examples were given of employment agencies which were under investigation by Trading Standards departments. In these cases the organisations were felt to be wilfully negligent rather than simply unaware of regulations or good practice.

Instances were highlighted of agencies recruiting candidates within their country of origin by painting a 'rose tinted' picture of the UK. The agencies were then said to have charged in the region of £800 per person to bring individuals to the UK for jobs with short-term (e.g. 4 week) contracts and with accommodation tied to the job. At the end of the contract a number of migrants had been thrown out of their accommodation and in some cases had subsequently spent time sleeping rough before accessing support services.

The third issue that needs highlighting is when accommodation is tied to the employment arrangements made with migrant workers. Tied housing, either where the employer is the landlord or where the employer acts as a facilitator between the worker and landlord, is often used where migrant workers are recruited through agencies – usually in the case of direct international recruitment. Again the CABx highlight a wide range of problems associated with tied housing, which include: migrant workers losing their jobs also losing their housing; lack of continuous employment leading to rent arrears and the threat of eviction; poor quality, over-crowded accommodation; the

absence of tenancy agreements undermining tenure; and high rent levels reducing net pay levels (below the NMW) and deducted at source (Citizens Advice, 2005:9:10).

Although this review of research into migrant workers has highlighted a number of important themes which are examined in relation to the North Staffordshire labour market, two further points need to be raised in relation to the utilisation of migrant labour.

The first issue is labour substitution through the use of migrant workers. There has been little, if any, systematic research into the possible substitution of indigenous workers by migrant workers. One possible employer strategy would be to replace indigenous or established migrant workers in segmented labour markets with significant numbers of (new) migrant workers, isolated and unaware of their rights, to gain sizeable labour cost reductions, longer work hours and greater employment flexibility.

The second issue is the fragmented nature of research into migrant workers. Despite the growing body of research into the use of migrant labour in Britain outlined above, the research can be characterised as focusing upon limited sectors and rural economies (Citizens Advice, 2004 and 2005); specific occupational groups of migrants such as nurses (Winkelmann-Gleed, 2006); or restricted to East European workers (Dench et al., 2006, Anderson et al, 2006 and Pemberton and Stevens, 2006). While such research makes an important contribution to the study of migrant workers and their impact upon industrial relations, the problem is that limiting studies to specific groups of migrant workers risks ignoring the wider dynamics of migration. These include the contradictions and tensions in employer recruitment policies, the inter-relationship between different migrant groups, and the process of worker substitution between migrant workers. For example, evidence from local CABx suggest that there has been a process of substitution in the agricultural sector from Portuguese workers to East European workers, with implications for the provision of local services and notably advice from CABx who had invested in Portuguese translating and interpreting arrangements (interview Richard Dunstan, Citizens Advice 6th September 2006).

One notable group of workers omitted from much of the research into migrant workers are refugees (and asylum seekers with the employment concession) seeking work in the UK labour market. Although some research has been undertaken into the skills and labour market position of asylum seekers and refugees, (Aldridge and Waddington, 2001, O'Neill and Galli, 2004 and the Refugee Council, 2005), the labour market position of this group of non-economic migrants has been largely excluded from the mainstream research into migrant workers. Yet given the potential for labour market substitution and the problems of documentation associated with many asylum seekers (notably surrounding the removal of the employment concession), these workers should also be analysed as part of the 'new arrivals' into the UK labour market.

A good example to support both of these points is provided by the study of working conditions and unionisation in a London sandwich factory by Holgate (2005). The factory employed 530 workers, almost exclusively people seeking asylum. White British employees were only to be found as managers and had a reputation for abusing staff. The management had taken advantage of the vulnerability of the asylum seekers and migrants employed in the factory by paying the London workers considerably less than indigenous workers employed in a factory owned by the company in the North of England, providing no premium payments or sick pay and limiting trade union activities.

This section has provided an overview of the main research findings from a series of recent research publications on migrant workers and provided a useful framework for this research project. Nevertheless, the fragmented nature of research into migrant labour and the omission of important 'migrant' groups from earlier studies have limited a more systematic study of migrant workers. While these issues are difficult to address, they have informed the research conducted in North Staffordshire. The following section outlines, therefore, the characteristics of the North Staffordshire labour market.

3. Migrant labour and North Staffordshire

North Staffordshire was selected as the case study for this research for a number of reasons. The area has undergone profound economic changes in the last 25 years. Traditional industries such as coal mining and steel production have disappeared, while large employers such as the pottery firms and Michelin have restructured or re-located production work, with significant reductions in employment. To a large extent these relatively low-waged unionised jobs have been replaced by equally low-paying, non-unionised retail, distribution and call centre work, with trends toward unsocial hours and non-standard contracts of employment. In addition, the rural economy surrounding Stoke-on-Trent means that agricultural and food processing industries, identified as prime industries for the employment of migrant labour, also fall into the North Staffordshire labour market.

A wide range of statistical indicators highlight the relative levels of deprivation within the principal urban conurbation in North Staffordshire, Stoke-on Trent, notably in terms of education, training and development (7th most deprived local authority in England), health deprivation and disability (12th) and employment (21st) (English Indices of Deprivation, 2004).

The labour market profile of Stoke-on-Trent (Nomis, 2006) highlights the problems facing the regeneration of the area and raises a number of important questions about the potential utilisation of migrant labour. The occupational structure of the city reflects a lack of highly skilled employment (see table 1). While the proportion of workers in the top three occupational groups for Great Britain is 41.6% and 37.5% for the West Midlands, only 28.1% of employment in Stoke-on-Trent is within these occupations. The industrial structure of the economy is reflected in the high proportion of skilled manual workers, but employment in the city is disproportionately located within lower skilled occupations. While 36.4% of employment in Stoke-on-Trent is in the bottom three occupational groups, this accounts for only 29.7% in the West Midlands and 26.6% of employment nationally.

Table 1: Employment by Occupation (January 2005-December 2005)

Occupational Group	Stoke-on-Trent %	West Midlands %	Great Britain %
Managers & senior officials	10.6	13.8	14.9
Professional occupations	6.7	11.3	12.5
Associate professional & technical	10.8	12.4	14.2
Administrative & Secretarial	10.4	12.3	12.6
Skilled Trades	15.9	12.6	11.0
Personal service occupations	8.8	7.6	7.8
Sales & customer services	10.8	7.6	7.7
Process plant & machine operatives	11.5	9.5	7.5
Elementary occupations	14.1	12.6	11.4

Source: annual population survey

Note a: numbers and % are for those aged 16+

Note b: % is proportion of all persons in employment

The occupational structure reflects the level of qualifications among the working age population. Table 2 illustrates that qualification levels in Stoke-on-Trent are significantly lower than regional and national comparators, with almost one quarter of the working age population having no qualifications.

Table 2: Qualifications (January 2005-December 2005)

Occupational Group	Stoke-on-Trent %	West Midlands %	Great Britain %
NVQ4 and above	14.8	23.0	26.5
NVQ4 and above	32.3	39.9	44.4
NVQ4 and above	52.3	59.6	62.9
NVQ4 and above	68.7	74.1	77.2
Other qualifications	8.0	8.0	8.3
No qualifications	23.0	17.7	14.3

Source: annual population survey

Note a: numbers and % are for those of working age i.e. 16+

Note b: % is proportion of total working age population

While the unemployment rate in 2005, at 5.6%, lay marginally above the regional (5.0%) and national (4.9%) levels, the most notable geographical variation lies in workplace earnings. The median earnings of full-time workers (gross weekly pay) in 2005 was £345.50 in Stoke-on-Trent, compared with £402.50 in the West Midlands and £432.10 nationally (Nomis, 2006 – based upon annual survey of hours and earnings by workplace)

It is against this economic and labour market background that asylum, immigration and migration have become extremely sensitive topics. North Staffordshire has traditionally been relatively homogeneous in terms of resident population, with a population structure that was overwhelmingly white and British and disproportionately concentrated in lower income and occupational groups. However, the last decade has seen a noticeable increase in other ethnic groups residing within the area. The 2001 Census indicates that the population of Stoke-on-Trent is 93.58% white British, with members of the Asian or Asian British ethnic group constituting the largest minority ethnic group (3.53%). Almost three-quarters of this ethnic group residing in the city are Pakistani in origin. This ethnic population is also heavily concentrated, with British Asians constituting 35.9% and 21% of the populations of the Cobridge and Shelton areas respectively.

The growth of the black and minority ethnic (BME) communities within the city has been associated with growing tensions (notably around the time of race riots in other northern cities and the terrorist attacks in New York and London). However, it has been the arrival of asylum seekers into the area since 1999¹ that has led to the most publicised debates among, and general hostility from, the white, British population. The increase in the number of asylum seekers housed in the city (peaking at 1,200 within Stoke-on-Trent in the last quarter of 2002, equivalent to 0.5% of the city's population) has generated a number of negative stories about asylum seekers. These have formed the basis of successful British National Party (BNP) campaigns. Indeed, the far-right party has campaigned almost exclusively upon asylum issues in the city, achieving sizeable

¹ In 1999 Stoke-on-Trent was selected, against the advice of many local state and voluntary agencies, as a recipient city for asylum seekers dispersed from London and the South East of England.

votes in the 2002 and 2005 Mayoral Elections², and currently holds 5 council seats. The increasing antipathy towards, and harassment of, asylum seekers, refugees and members of established ethnic minorities has been documented by the Partnership Approach to Racial Incidents in North Staffordshire (PARINS) and recent research conducted by Gadd et al. (2005).

A final, but equally significant, development has been reports of the recruitment of migrant workers into the area since 1999. Local media have reported the direct recruitment of migrant labour from outside of the European Union into the local health service (e.g. Filipino, Indian and Fijian nurses), and there have been numerous reports of employers seeking to recruit workers from the EU accession states since 2004 (for example, Czech and Polish workers at the local bus company First PMT; Slovenian workers at Alton Towers; Polish workers at the pottery firm Wood & Sons and Polish dentists). In addition to these groups of recent migrant workers, there is clearly potential for the employment of students from outside the European Union given the location of Keele and Staffordshire Universities within North Staffordshire. Again, there have been criticisms of such policies, in relation to the impact on regional unemployment rates, fears that the employment of such workers will be used to undercut existing pay and conditions (The Sentinel, 2005a) and fears of further racism and xenophobia (The Sentinel, 2005b).

In summary, the North Staffordshire labour market presents an interesting case study for a number of reasons. Firstly, the North Staffordshire labour market contains a relatively wide range of (low-skilled) employment in industrial, distribution, customer service and agriculture or food processing sectors. While there is potentially a high demand for migrants to address skilled labour market shortages – derived from the low skill and qualification levels of the local population – the occupational structure of the area and its relatively high unemployment rate suggest that there may also be scope for employment substitution of indigenous workers by new arrivals.

² In the 2005 election the BNP candidate came fourth in the first round of voting, polling 15,776 (19.0% of the vote).

Secondly, there is evidence of a number of different groups of new arrivals migrating into the area. This allows an examination of the utilisation of a range of different migrant workers, with different legal status, language and employment-related skills, and crucially allows an examination of possible substitution effects between different groups of migrant workers.

Thirdly, the economic factors that characterise the local labour markets and the use of migrant labour cannot be divorced from the political environment and its influence upon the perceptions and decisions of local employers and workers. These range from the reporting of issues relating to ethnic minorities and asylum in local media, to the campaigning of the BNP and to important political developments such as the ongoing cutbacks and redundancies within the NHS.

As a result, the research seeks to address some of the research gaps identified in the literature, by examining different occupational groups and sectors and, crucially, different groups of migrant workers within a narrowly defined region characterised, unlike many of the previous studies into London, by persistent unemployment, and low skilled, low-waged work.

4. Researching migrant workers: methods and problems

A persistent problem facing research into migrant labour is that of gaining active participation and a representative research sample. Even those researchers undertaking large-scale, well-funded projects have identified a number of problems with the research process. For example, when Anderson et al (2006:20) distributed 5,500 questionnaires to employers (through Work Permits UK and the British Hospitality Association) only 365 responses were received (a response rate of 6.6%). And although the Home Office wrote to employers to facilitate research conducted by the Institute of Employment Rights (Dench et al, 2006:8-9), when the researchers attempted to 'cold-call' employers using the Highly Skilled Migrant Programme, they experienced considerable problems in gaining a sample of employers willing to participate.

In the light of these potential research problems, the fieldwork research, undertaken between November 2005 and October 2006, utilised a mixture of research methods and was divided into three main areas.

4.1 The utilisation of migrant labour in North Staffordshire

The researchers attempted to undertake a 'mapping exercise' to establish the extent to which migrant labour is utilised by employers in North Staffordshire. The aim of this part of the research was to establish an overview of the labour market participation of migrant workers; the type of work that they are undertaking; employer motivations for using migrant labour; and the extent to which migrant workers are working alongside the indigenous workforce or in clearly segmented labour markets.

This stage of the research was based upon three main research methods. Firstly, documentary searches (particularly the local paper, *The Sentinel*) were undertaken to examine the coverage of migrant worker issues since 1999. The main purpose of this research method was to try to identify a number of firms and sectors that have employed migrant labour in the area, as well as reported problems with their employment.

Secondly, interviews were conducted with representatives from statutory and voluntary agencies involved with labour market issues and migrant workers. This included meetings at Stoke-on-Trent Citizens Advice Bureau (with the equalities manager, the leader of the refugee integration project and the leader of the gypsies and travellers project)' at Staffordshire Housing and Blue Mountain Housing associations; at North Staffordshire Racial Equality Council (with the leader of the refugee and asylum team and a lead worker on the ethnic minority outreach project); with a Czech national who had been employed by a company to help integrate twenty East European workers into the workforce; with a representative of the Polish community in Newcastle-under-Lyme; with the General Secretary of the Unity trade union and with an ESOL teacher and co-ordinator at Stoke-on-Trent College.

The interviews provided an insight into some of the main issues surrounding the use of migrant labour, such as the problems operating the Worker Registration Scheme, problems with issues of the non-payment of wages, with benefit payments and, crucially, housing issues. They also helped to identify potential employers to study, provided some initial access to migrant workers and contributed to the construction of interview schedules for employers and migrant workers. Unfortunately, the researchers were unable to interview representatives of other trade unions or members of job centres in the area.

Thirdly, a survey of managers was undertaken to help gauge the utilisation of migrant labour. The survey (see appendix 1) was distributed to the personnel managers in membership of the South Cheshire and North Staffordshire branch of the Chartered Institute for Personnel and Development (CIPD). The survey was distributed with the March 2006 edition of the newsletter to around 1,300 individual branch members.

There are a number of methodological problems arising from this survey that need to be considered. As membership of the branch can be based on a member's home address, the actual location of the workplaces where CIPD members work could not be guaranteed. Secondly, given the CIPD membership is usually correlated with established HR departments within companies, the survey sample cannot be claimed to

be representative of employment practices in the area, and is likely to have omitted many firms utilising migrant workers. Finally, there is a question of the response rate. Only 78 replies were received (representing a 6% response rate). However, there are a number of difficulties establishing the exact response rate. For example, the 1,300 branch members included 815 members in graduate, licentiate, associate and affiliate membership grades. These members are likely to be students or employees in support and administrative roles rather than personnel managers. Furthermore, the branch membership also includes those more senior managers who specialise in training and development, or consultancy and who would, again, not have responsibilities for recruiting and managing migrant workers. Thus, it is possible that the actual response rate amongst CIPD members with recruitment and line management roles could be higher.

Despite these problems the survey provided another useful insight into the utilisation of migrant labour and, significantly, the rationale behind the employment of migrant workers, helping to provide a quantitative overview. The findings of the survey are reported in section 5.1 (below).

4.2 Interviews with employers' representatives

The background research into the utilisation of migrant labour led the researchers to identify twenty-two firms³ where different types of migrant workers were employed. These firms were spread across sectors as follows:

- four supermarkets and two supermarket distribution centres
- four pottery firms;
- one leisure and two hospitality firms;
- three distribution and logistics firms;
- three (non-pottery) manufacturing firms;
- one transport firm;
- one garden centre; and
- one postal sorting office.

³ These firms were identified primarily through background interviews and documentary searches. The confidentiality and anonymity guarantees provided to CIPD members meant it was impossible to identify the firms for which the respondents worked.

The researchers wrote to the personnel managers of these establishments explaining the purpose of the research and asking whether they would be prepared to participate in the research. In recognition of the potentially sensitive nature of the topic, the researchers offered participants guarantees of anonymity and confidentiality.

Despite numerous phone calls to follow up this invitation to participate, it was only possible to arrange five interviews with employer representatives, four from the supermarket sector and one pottery firm. Many of the managers contacted, notably in the pottery industry, cited restructuring, the sale of the company or heavy workloads as reasons for not participating, others stated that they were not willing to participate (or had already been interviewed); and some simply refused, did not reply or were consistently unavailable.

However, the background research had also identified a number of agencies that were known to have employed migrant labour. These agencies proved to be more willing to participate in the research. As a result, representatives from two nursing agencies, one exclusive food processing agency, one branch of a national agency and three branches of local general recruitment agencies, and one cleaning agency were interviewed.

In total, thirteen employer representatives were interviewed. In addition to this one private housing provider, who had a contract with one of the agencies to accommodate migrant workers, was also interviewed. Interviews generally lasted between 30 minutes and one hour, though in one case the interview lasted around two hours. All interviewees signed a written consent form and permitted the interview to be recorded. Interviews were semi-structured, focusing upon similar issues to those covered by Dench et al, (2006). The interviews began by examining the business undertaken by the establishment, notably the number of staff employed, or in the case of agencies, the numbers working and those registered; the type of work undertaken in the establishment and the structure of line management. The participants were then asked to outline different personnel policies, notably recruitment and selection and pay determination and to discuss turnover and absence rates. The interview then went on to

discuss the utilisation of migrant labour identifying which, if any, groups of migrant workers had been employed, the reasons for their employment; the advantages and disadvantages of employing such workers, immigration issues related to migrant workers, and any issues that had arisen in the workplace as a result of their employment. The findings of the employer interviews are reported in section 6.

4.3 Interviews with migrant workers

The original intention of the researchers was to provide a matched sample of migrant worker interviews, interviewing migrant workers from the same establishments where employer representatives had participated in the research. This proved to be difficult to arrange, especially in the case of agencies, due to the unwillingness of the employer representatives, the practical problems of contacting (agency) workers and to the willingness of migrant workers to participate. The researchers were also aware that matched interviews would also limit the opportunity to speak to workers working in different companies (either those who refused to participate or those of which the researchers were unaware).

A number of other routes to access migrant workers were also pursued. These included contacting migrant workers undertaking ESOL courses, enrolled on labour market training courses run by the local Citizens Advice Bureau and those attending the Catholic churches or local community organisations.

Migrant workers contacted were asked to complete a small survey focusing upon factual data relating to personal details and their employment history in the UK (appendix 2). The findings of the survey are reported in section 5.2. Five of these respondents (two Poles, one Iraqi, one Slovakian and one Czech worker) had been interviewed by the end of October 2006. In addition to this, six additional migrant workers were interviewed (one from Poland, one Czech and one refugee from Somalia and one refugee from Albania, along with two students, one from Bangladesh and one from Nigeria). In the case of four of these interviewees, they had worked, or were working, for employers that

had participated in the research. This allowed the views of managers and employees to be evaluated.

Interviews with the migrant workers generally lasted between 30 minutes and one hour. All interviewees were provided with written guarantees of anonymity and confidentiality, signed a written consent form and permitted the interview to be recorded. In the case of the Polish, Czech and Slovakian workers, interpreters were available, though not always used. The interviews were semi-structured, with the researchers seeking to get the interviewees to focus on the issues of greatest relevance to themselves. However, an interview schedule was drawn up to allow the researchers to cover the most important research themes (see appendix 3) and to provide clear guidelines for interpreters. The interviews focused upon the reasons for migration, the education and skills of the worker, the terms and conditions upon which they were hired, their experiences of the work, and housing and benefit issues. The findings of the migrant worker interviews are reported in section 7.

In summary, the difficulties faced in conducting research into migrant labour were addressed by using a variety of research methods. While the small surveys of management and migrant workers provide an insight into the utilisation of migrant workers and their terms and conditions, the main focus of the research was upon in-depth qualitative interviews with employers' representatives and migrant workers from different groups of 'new arrivals'. While the researchers acknowledge the limitations of the research in terms of representativeness, the primary aim was not to provide a quantitative analysis of the migrant labour, but rather more detailed accounts of the demand for and experience of utilising migrant workers, and of the experiences of the workers themselves.

5. Survey Findings

This section of the report analyses the survey findings. The aim of this research theme was to provide an insight into the reasons for employing migrant labour and the basis upon which this labour has been hired. The first part of the section examines the results from the survey of CIPD members, comparing the existing research into the utilisation of migrant labour. The second part analyses the results of the migrant worker questionnaire, again comparing the research findings with comparable research into the position and experiences of migrant workers.

5.1 The survey of CIPD members

The survey of CIPD members indicates that, with the exception of construction and agriculture, migrant workers were employed across a wide range of economic sectors.

Table 3: the utilisation of migrant labour by sector

Sector	Firms employing:					Total number of firms employing migrant workers	Total Firms
	EU Accession Migrants	EU Migrants	Refugees & Asylum Seekers	Outside EU	Foreign Students		
Agriculture	-	-	-	-	-	0	1
Construction	-	-	-	-	-	0	2
Retail	3	3	2	4	3	4	6
Manufacturing	5	7	2	3	4	10	15
Education	1	1	-	2	1	2	2
Health	1	-	1	2	1	2	3
Financial & Legal	-	1	1	3	-	3	8
Local/Central Government	3	3	2	4	2	6	13
ITC	2	4	1	2	1	4	8
Transport & Distribution	1	1	-	1	1	1	2
Hospitality	1	1	-	1	-	1	1
Other	2	4	2	5	2	7	12
More than one sector	1	2	1	2	1	2	5
Total	20	27	12	29	16	42	78

Table 3 presents the employment of types of migrant labour by sector. Forty-two out of the seventy-eight respondents (54%) indicated that migrant labour was employed in their establishment. Most sectors covered in the survey appeared to employ workers from different groups of migrant workers, though there was a tendency to employ fewer foreign students and refugees and asylum seekers.

It should also be noted that there was a correlation between establishment size and the employment of migrant workers. As table 4 indicates, migrant workers were more likely to be employed in larger firms. Over four-fifths of all establishments employing migrant labour employed over 100 employees, and almost three-quarters of firms employing 500 or more workers had employed migrant labour, however the proportion of migrant workers was relatively small. In 27 out of the 34 establishments (where data are available on the proportion of migrant workers employed), migrant workers constituted up to 5% of the workforce. In only four establishments did migrant workers make up between 10 and 20 per cent of the total workforce.

Table 4: the utilisation of migrant labour by establishment size

Establishment size	Firms with migrant workers	Firms with no migrant workers	Total firms
Under 10	1	6	7
10-49	2	8	10
50-99	5	3	8
100-499	16	12	28
500 and over	18	7	25
Total	42	36	78

The majority of respondents (n=32) in establishments employing migrant labour claimed that migrant workers had been taken on as a result of their usual recruitment practices. By contrast only 11 respondents claimed that migrant workers had been employed specifically to address skill shortages, while some indicated (n=5) that their employment was related to the international activities of the establishment. None of the respondents claimed that reducing the pressure on labour costs was a reason for the employment of

migrant workers, but around a fifth (n=8) did identify the employment of migrant workers with attempts to develop flexible working practices.

The finding that most migrant workers were employed as part of general recruitment is supported by the information on the methods of recruiting migrant workers. The majority of respondents (n=27) identified local recruitment as the method by which migrant workers were employed, while around two-fifths (n=17) also recruited through local agencies. By comparison, direct international recruitment (n=2) and the use of international agencies (n=6) were limited.

The main reported advantages of utilising migrant labour were improvements in production and service delivery (n=12), increasing reliability and flexibility (n=13) and improving staff retention (n=6). By contrast, very few problems were linked to the employment of migrant workers, though a small number of communication (n=3) and personnel related problems (n=2) were identified. There is evidence of limited support for migrant workers in the establishments surveyed. In around one third of establishments (n=13), it was claimed that migrant workers were helped with registration associated with immigration (such as the Workers' Registration Scheme for A8 accession migrants). Respondents also maintained that support had been provided to help the relocation of migrant workers' families (n=9), and that help had also been given with additional language training (n=8), accommodation (n=8), loans (n=7), benefit advice (n=5) and travel costs (n=5).

Among the thirty-six respondents in establishments not employing migrant labour, the main reason given for non-employment was that they were able to source labour through local, regional or national recruitment (n=27) or that their organization was not recruiting new staff (n=9). A small number of respondents also admitted that they were concerned with the possible problems associated with recruiting (n=4) and managing (n=1) migrant workers.

Although the findings of the survey have to be treated with caution, a number of important points emerge. Firstly, local employers are using migrant labour across a

variety of establishments in a wide range of sectors. It should be noted, however, that the largest two groups of migrants came from pre-accession EU states and from outside of the EU. While this may reflect the structure of the survey, targeting firms with established human resources functions, it does highlight the need to look beyond the current research focus upon A8 accession workers.

Secondly, the survey findings tend to reinforce existing research that highlights that the primary motivation for recruiting migrant workers is to address general labour shortages and skill shortages. Furthermore, the survey respondents did not identify labour costs as a motive for employing migrant labour, but a proportion did cite greater flexibility, again reflecting research findings about the reliability and willingness of migrant workers to provide managerial flexibility. The benefits of migrant workers also outweighed the few problems identified by the respondents, which again reflects existing literature. It should also be noted that the non-utilisation of migrant labour was mostly associated with economic factors rather than perceived problems with migrant workers.

Finally, there is little evidence to suggest that migrant workers constitute a large proportion of the workforce in the establishments surveyed. In most cases migrant workers (from all groups) constituted up to 5% of the workforce. Although the findings cannot indicate whether migrant workers are concentrated within certain labour market segments within establishments, the data would suggest that there has not been a policy of large-scale labour substitution of indigenous workers by migrants.

5.2 The survey of migrant workers

The survey of migrant workers complements the CIPD survey by establishing the personal details of migrant workers, as well as outlining elements of their employment contract and living conditions. Of the thirty-six workers completing the survey, the majority were aged under 40 (n=26) and male (n=24). Over two thirds of respondents came from the A8 accession states (n=25), with four from Africa, two each from Iraq, India and the Philippines, and one from Turkey. One sixth (n=6) of the respondents had dependents, five of these were Polish workers and the other was an Indian nurse. Not

surprisingly, given the large proportion of A8 workers, the majority of the respondents had arrived after April 2004 (n=27). The workers that had arrived before this date were nurses and those who had sought asylum.

Turning to employment issues, the majority of the respondents had been employed in the UK on one (n=15) or two (n=8) contracts, although two workers had been employed on 6 or more contracts, in both cases using different agencies to secure different contracts. The majority of workers were employed in the manufacturing sector (n=18), with the other respondents working in health (n=4), transport and distribution (n=3), hospitality, (n=2) and retail (n=1) or in companies operating in other sectors or across sectors (n=8).

A8 accession workers tended to work in manufacturing (n=18), transport and distribution (n=3) or in companies working in more than one sector (n=3). By contrast the Filipino and Indian workers worked in health. Former refugees from Africa and Iraq tended to work in 'other' sectors.

Table 5: the wage distribution of migrant workers by sector

Sector	Hourly pay rate						Total Firms
	Unpaid	£5.05 to £5.49	£5.50 to £5.99	£6.00 to £6.99	£7.00 to £7.99	£8.00 and over	
Manufacturing	-	8	5	2	2	-	17
Health	-	-	-	1	-	3	4
Transport & Distribution	-	-	-	2	-	-	2
Hospitality	-	-	-	-	1	-	1
Other	2	-	1	-	-	-	3
More than one sector	2	-	-	3	-	-	5
Total	4	8	6	8	3	4	32

Table 5 provides an overview of the distribution of wages by sector. Four migrant workers who were refugees undertook unpaid voluntary work. All employed workers were paid at or above the NMW rates in operation when surveyed. While different rates of pay existed across the manufacturing sector, the clearest sectoral differentials are

between health and other sectors with the three nurses earning £8.00, £10.40 and £12.00 per hour respectively (while one health care assistant earned £6.00 per hour).

When looking at working hours, the vast majority of respondents undertook full time work (n=27). Most workers worked between 37.5 and 40 hours a week (n=19), with a further five working between 42 and 48 hours a week. Three respondents claimed to be working longer than 48 hours, working 50, 68 and 78 hours per week respectively in one job. Most manufacturing jobs involved a working week of between 37.5 and 40 hours (n=11) as did all the full-time jobs in health and two jobs in transport and distribution. A working week of between 42 and 48 hours was restricted to manufacturing (n=4), while those working over 48 hours (n=3) worked in manufacturing or transport and distribution. Given the segmentation between industrial sector and the different groups of migrant worker, these were reflected in the working hours of the different nationalities.

Over half of the respondents claimed that the work they undertook did not utilise their existing skills (n=20), over one quarter (n=10) used their existing skills and a further 5 respondents claimed that their work had led them to develop new skills. Those working in health claimed to be using their existing skills, as did a proportion (n=5) of the A8 accession workers. A clear majority of A8 workers (n=17) and refugees (n=3) had not used their existing skills, although a small proportion of both groups claimed they had developed new skills in the UK (n=3 and n=2 respectively).

Very few of the migrant workers were in receipt of state benefits. Of the thirty-six respondents only two refugees were in receipt of job seekers allowance, one (Hungarian) received family tax credits and one refugee received housing benefit. The majority of workers were housed in private rented accommodation (n=25), with only two A8 workers housed directly by their employer and five refugees and asylum seekers in accommodation provided by local or national government. Two nurses had also purchased accommodation and held a mortgage.

The survey findings highlight a number of salient issues. Firstly, there are distinctions

between the different migrant 'groups' surveyed, reflecting the different 'new arrivals' into North Staffordshire. Workers from outside the EU directly recruited into the health sector as qualified nurses receive comparatively high pay rates to other groups. EU accession workers are concentrated in the traditional manufacturing sector and growing transport and distribution sectors and the majority of these receive wage rates between the NMW (£5.05 at the time of the study) and £6.00 and work longer hours. The refugees and asylum seekers surveyed, although they were legally entitled to work and despite their earlier arrival into the area, have had limited job opportunities, have undertaken voluntary work and have a greater reliance upon benefits, suggesting that some additional barriers would apply to this group's labour market access. Secondly, there is an apparent under-utilisation of skills, notably among sections of the A8 workers surveyed, reflecting other research findings relating to East European migrant workers.

Thirdly, there is little evidence to suggest the widespread use of tied housing among the migrant workers surveyed. The majority were in private rented accommodation, suggesting that the opportunity for employers to effectively reduce wage rates through rent and other housing-related deductions is limited. Finally, the findings also support existing data that highlight the low level of welfare claimants among migrant workers, though again there is a higher reliance upon welfare among the refugees and asylum seekers surveyed.

6. Interviews with employers' representatives

The findings from the interviews with employer representatives are broken down into categories, reflecting firstly the distinction between firms employing migrant workers and recruitment agencies supplying migrant labour and secondly the different utilisation of migrant labour between firms and levels of supply between agencies.

6.1 *The supermarket sector*

Interviews were held with personnel managers from three different national supermarket chains and with a personnel manager from a clothing distribution centre run by one of the leading supermarkets. The supermarkets chosen were located in different parts of Stoke-on-Trent and Newcastle-under-Lyme to capture the different ethnic composition of the community within which the store was located. One supermarket operated 24 hours a day (from 8am Monday to 10pm Saturday) while the others had opening hours of 8am to 10pm Monday to Saturday. All stores opened 10am to 4pm on Sunday. The distribution centre also operated 24 hours a day, seven days a week. Two of the supermarkets recognised unions (one USDAW, one the TGWU), but only consulted with union representatives at store level, the other supermarket and the distribution centre did not recognise unions at the time of the research.

The establishments shared a number of employment practices (see table 6). All used part-time workers extensively, operating a large number of different shift patterns to cover opening hours, and the majority of workers were female. The use of agency staff was restricted to sub-contracted activities, notably cleaning, otherwise all workers were directly employed. Pay levels in the supermarkets ranged from 10%-19% above the National Minimum Wage, though all operated a lower rate for workers aged under 18 and most operated a lower probationary pay rate for the first six months of employment. There was little variation in pay rates between employees within the establishments, with only one firm paying higher rates for skilled bakery staff. Additional rates were paid for night work, notably for those permanently employed on night shifts in the 24-hour

establishments. All establishments had relatively high staff turnover rates, but all had actively sought to reduce absenteeism.

The main form of recruitment in the supermarkets was through advertising in store, with one manager highlighting problems with using the local job centres. All establishments had dedicated personnel managers who oversaw the recruitment and selection process. In all cases recruitment was based upon completion of an application form, which formed the basis for subsequent invitation to interview. In one supermarket and the distribution centre, the selection process included observed team exercises and individual interviews. All supermarket store managers stressed that a key selection criteria was the ability to provide good customer service. In most cases there was an expectation that employees would be able to deal with customer queries and work on the checkout. Thus, communication in English was an important factor that formed part of the selection assessment. Even in the distribution centre, the need to communicate with colleagues and to follow health and safety requirements was identified as a requirement.

The combination of a high volume of part-time working and language requirements contributed to a limited selection of migrant workers. Although each supermarket maintained records of staff ethnic origin, separate data on migrant workers were not collated, leading managers to estimate the proportion of migrant workers in the workforce. In the supermarkets overseas students constituted the largest category of migrant workers, who were able to work up to 16 hours, often over weekends and evenings or on days when there were no classes. In addition to this group, supermarkets had also employed a small proportion of refugees. However, none had employed EU accession workers. In two supermarkets there simply had been no applications from this group of workers, while a lack of English language skills had led to a number of EU accession workers being rejected at the interview stage in the other store.

Despite the employment of refugees and overseas students, the managers did not recount any problems with dealing with documentation. Each store built in checks into

the recruitment process to ensure that student visas permitted them to work and that refugees had permission to work.

Table 6: characteristics of firms in the supermarket sector

Establishment	Supermarket A	Supermarket B	Supermarket C	Distribution Centre
Direct Employees	340	382	420	728
Agency Staff	Sub-contracted cleaners	Sub-contracted cleaners	Sub-contracted cleaners	Sub-contracted cleaners and canteen staff
Standard pay rates	£5.55	£6.01	£5.71	£6.37
Premiums	Overnight (filling)	Night work at £7.01	33% premium out of hours working Skilled bakery workers £6.70	Night work at £7.87 Overtime premium of £2.50 after working 160 hours per month
Monthly turnover rates % of total employed	31	15	Not known	11.8
Monthly absenteeism rates % of total employed	7.0	3.8	3.6	3.6
Recruitment	Application form from store	Application form from store	Application form from store	Application form
Selection	Assessment of application Interview	Assessment of application Interview Work sample (30 minutes)	Assessment of application Observation Interview	Assessment of application Assessment centre Interview
Estimated proportion of migrant workers %	10	5	Not known	10

Although the distribution centre employed a greater number of migrant workers, the primary group of migrant workers employed were overseas students, with a smaller proportion of refugees, dependents of other migrant workers working in other sectors and a handful of A8 workers. The personnel manager stressed that the establishment had not sought to recruit any groups of migrant workers explicitly, and that the workforce composition reflected the outcome of the recruitment and selection process. The extensive use of different shift patterns (over one hundred different shift patterns had been developed) permitted a number of part-time working options which matched the 16 hours permitted for overseas students, and also reflected the proximity of one of the local universities.

None of the personnel managers in the supermarkets reported any serious problems managing migrant workers, nor were they aware of problems between migrant workers and indigenous workers. The main issue which arose from the employment of migrant workers related to the need to take into account different religious and cultural beliefs, for example travel to the country of origin in cases of illness and bereavement and the different process of mourning. The only problems that had occasionally arisen related to customers making (unsubstantiated) complaints against migrant workers or those from established ethnic minorities. The personnel manager in the distribution centre noted that occasionally some of the migrant workers – notably a group of students – would claim that they did not understand what they had been told in English as an excuse for not carrying out some duties, but she was unaware of any problems between different groups of workers on the shopfloor.

6.2 *The pottery firm*

The pottery establishment was a long-established family firm with two factories located in the north of the city of Stoke-on-Trent employing around 550 workers. The company produced ceramics for the catering and hospitality sectors and 70% of production was targeted at foreign markets, with the company gaining the status of preferred supplier to large multi-nationals in these sectors. The company's policy was to maintain production in Stoke-on-Trent. This had required staff reductions and the increasing automation of production to attempt to gain niche markets with mass production methods. Despite increasing automation, labour costs made up well over 50% of total operating costs. The company operated rotating shifts of 6am to 6pm and 6pm to 6am for male employees operating the kilns and day shifts of 8am to 5pm or 10am to 5pm (or 6am to 2pm and 2pm to 10pm to meet peaks in demand) for production workers, who were primarily women. The firm recognised Unity and claimed to have a good partnership-based relationship with the union.

The firm had traditionally recruited all of its staff, but had recently faced labour shortages. The firm maintained a stable core of long-standing employees, but was

experiencing high turnover rates as some employees moved out of the industry, and had difficulty retaining new recruits from other potteries who were perceived to be unable to adapt to the multi-skilling that had accompanied increased automation. The firm had sought to address this by introducing a bonus scheme (on top of the hourly rates and overtime premia) to reward employees for loyalty based upon savings made through reduced absenteeism, sick pay and accidents, and a percentage of the production yield.

However, with continuing problems of turnover, the firm had responded to an approach by an agency that recruited workers directly from Poland. Originally 14 workers had been employed to work in the firm in October 2004 and at one point 43 Polish workers had been employed in the factories. At the time of the interview 12 Polish agency workers were working in the firm, in addition to 3 Polish workers that had been taken on as company employees. The workers recruited had not previously worked in the industry, but often were highly qualified, with higher skill levels than indigenous pottery workers, for example as teachers or experienced engineers. Many of the workers were able to speak English. Initially instruction and induction materials had been translated by the agency, though later these were corrected and taken over by the Polish workers themselves.

The impression of the managers was that the Polish workers were hard working and willing to be flexible. Employment through an agency also allowed the firm to maintain numerical flexibility to meet production cycles. The Polish workers were primarily employed at the clay end of the production process rather than at the higher skilled decorating end.

After an initial period of wariness, management perceived the relationships between indigenous and Polish workers to be good. However, the key issue to emerge from the utilisation of Polish workers related to the management and terms and conditions of the Polish workers. The Polish workers were employed directly by the agency at a lower rate than company employees, an issue that the union, which had recruited many of the Polish workers, was seeking to address. There had also been problems with the quality

of accommodation provided by the agency for the workers, which had been taken up by both the union and personnel staff at the factory. Originally, the agency had provided a 'welfare worker' on site to support the agency workers, but he had been perceived by the workers as a supervisor and he had been removed. Where issues had arisen at work the personnel manager attempted to involve the agency and the factory management in discussions with the worker. Nevertheless, on one occasion the agency had tried to remove a Polish worker from the factory due to an accommodation issue not related to work, which the line managers had successfully resisted.

6.3 *The nursing agencies*

Interviews were conducted with two managers working in nursing recruitment agencies. Both highlighted that this sector, providing health care assistants primarily to nursing homes, was extremely competitive, with a large number of agencies operating in the area. The first agency was a franchise of a national company. It held a number of stable contracts with private and public providers, some as a secondary agency providing employees to another agency with a health care contract. It had 130 workers on its books. The second provider was a local company whose main clients were social services and which had also won contracts from the NHS. It currently had 150 workers on its books.

Both managers stressed that agency work in this field required a specific type of person, as much of the work was short term and often offered at very short notice. Both managers stressed the difficulties of the contractual arrangements. Although health care assistant work was linked to NVQ qualifications and although agencies had to ensure that workers were screened and met numerous care standards, the competition in this field meant that agencies were under constant pressure to keep labour costs low.

Pay rates in the sector were relatively low. While the first manager did not disclose pay rates, the second indicated that basic pay rates were £6.00 per hour. There were opportunities to gain higher rates with NVQ qualifications and premia were paid for night and weekend working. Both agencies tried to retain workers through provision of in-

house training (some funded) and provided incremental benefits (such as free accident cover) for workers who remained with the agency. Nevertheless, annual staff turnover was 24% in the first agency as workers often left to find more steady work or moved to other agencies, or were occasionally poached by clients having used the agency as a probationary period.

Workers were employed by the agencies but were always line managed on site by the clients. The agencies used induction and training to highlight what was expected of workers, such as health and safety and codes of conduct and provided a 24-hour support line that workers could ring if problems arose while at work. Both managers highlighted how issues, such as unpaid rest breaks, had been raised by workers with the agency, which had then dealt with the clients to resolve problems.

Both agencies only recruited locally, but around 15% of the workers on both agencies books were migrant workers. In both cases these came from the local student population, from partners of migrant workers employed in the NHS or from (primarily African) refugees. The main barriers to access to health care assistant work were experience and language. The first agency manager explained how care standards required their workers to have over 12 months of experience and the agency also required references and Criminal Records Bureau checks. Language proficiency was essential as the jobs required verbal communication with supervisors and the people being cared for. Consequently, refugees from former British colonies were employed as they usually had language proficiency and experience in health care systems which were similar to the NHS. Overseas students in the second year of their studies as nurses would often seek health care assistant employment as a placement to gain experience and earn money to support their studies.

Both agencies highlighted the difficulties associated with employing these categories of migrant labour. This reflected the difficulty in gaining references and CRB checks from abroad as well as difficulties in checking documentation to ensure that the applicants could work. These agencies were not involved in providing any form of accommodation for their workers, but were aware of difficulties in arranging travel to different nursing

homes and hospitals, notably for night and weekend work when public transport was limited. However, although the agencies tried to facilitate pooled travel arrangements, these ultimately remained the responsibility of the worker.

Both managers were aware that their workers had been subjected to racism, though usually from those being cared for rather than clients (i.e. the care home). In some cases this reflected the nature of the patient group – for example those with learning disabilities – and the emphasis in training was placed upon the workers to expect and deal with this. However, it was also clear that in some homes patients had demanded the removal of black and ethnic minority staff, placing the agencies in a difficult position relating to their contractual obligations. In fact the second agency manager, whose firm had decided not to tender for further NHS work, believed this would become more of a problem as the firm move into individual care of clients in their own homes.

6.4 *The general agencies*

Interviews were held with representatives from three agencies that provided workers across several industrial, service and commercial sectors. One was a national agency, which had a number of major contracts with leading retail firms, but whose local work concentrated upon unskilled and low-paid manual industrial work, with some office and call centre employment. This reflected the occupational structure of the local labour market. This agency currently supplied 140 workers, primarily to clients in manufacturing and distribution and had around 1,000 on the books, with 70% long-term contracts based on national agreements and 30% smaller, more ad hoc, contracts. Typical hourly pay rates for this type of work ranged from £6.05 to £7.00 (reflecting shift allowances being built into basic pay), though there was also minimum wage employment across all sectors. There was little scope for pay progression.

The other agencies were both locally based. The first had contracts to provide general office workers (though not IT workers), some technical and skilled workers and a range of unskilled manual work, primarily warehouse operatives. Up to 600 workers were placed by the agency in temporary and permanent positions each week, and the agency

had built up a database of 10,000 workers over eight years. This work included some major contracts with local firms. As one of the agency's major clients was involved in food processing, the agency had recently gained a Gangmaster licence. The managers stressed the importance of securing the licence, and recognition about potential impact of the licence upon the provision of terms and conditions, and health and safety training. The second local agency had been established for two years, providing workers to clients in the commercial, industrial and call centre sectors in North Staffordshire and South Cheshire. Around 200 to 250 workers were employed daily, with around 500 on the books of the agency. Again the typical work offered in these sectors, particularly in the food processing and distribution sectors, was low paid focused around the National Minimum Wage.

The agencies took applicants through a number of stages before placing them on their books and offering employment. The first stage was pre-screening carried out by a member of staff (either face to face or by telephone), after which the applicant completed an application form. Some applicants would then undergo assessment tests (depending upon the sector) and finally undergo a one-to-one interview.

All three agencies had A8 workers, refugees and other workers from outside of the EU, and overseas students on their books, constituting up to one third of those working. From the interviews a number of trends emerged.

All migrant workers were recruited locally and were treated no differently from indigenous workers. They had to meet the appropriate levels of experience and language to process through the application procedure. A8 workers were responsible for maintaining their WRS forms, they had to make their own travel arrangements to work and were responsible for their own accommodation.

Two agency managers claimed that they perceived there to be no differences in the treatment of different groups of migrants. The local agency with the Gangmaster licence employed 90 workers at a large food processing plant in Staffordshire Moorlands, with around 60 of those employed being migrant workers. The majority were Kurdish and

Iraqi refugees, but other groups included Polish workers, Africans and Lithuanians. The work was full-time shift based, working a 39.5-hour week, and employed on a basic rate (into which shift premia were incorporated) of £5.70, below the rate of permanent employees (£6.00). The majority of workers were male, reflecting the physical nature of the work.

Given the importance of the contract and the links to the Gangmaster licence, the agency had a permanent manager on site to help supervise the work, had established links with the specialist police unit in Tunstall dealing with migrant workers' documentation, and had arranged ESOL provision at Newcastle College to ensure that the workers English language ability was good enough to understand health and safety requirements, but also to undertake the weighing and recording duties associated with the jobs.

However, in the opinion of the other agency manager, there appeared to be a process of substitution, with refugees and workers from outside of the EU being replaced by A8 accession workers. According to the manager there were three main reasons for this. Firstly, the documentation of refugees and workers from outside of the EU was far more problematic to check and process. By comparison, the EU accession workers were covered by the WRS, which they were responsible to complete and pay for. Secondly, he claimed to have experienced far more problems with African workers, citing some problems of unreliability and aggressiveness. Finally, the reputation of A8 workers had grown, leading employers to increasingly express a preference for East European workers.

A final point that emerged from all the interviews was that migrant workers were employed primarily in the food processing, manufacturing and distribution sectors. There were two main reasons for this. On the one hand managers argued that they did not possess the necessary language skills to undertake other work, such as office or even call centre work successfully. However, there was also a belief that employers perceived migrant workers, and particularly EU accession workers, as only suitable for this type of work, effectively adopting a strategy of labour market segmentation.

6.5 *The specialised agencies*

Two interviews were held with agencies that specialised in placing workers in jobs outside of North Staffordshire. The first interview was with an agency which only supplied workers to the regional food processing industry, and which had gained a Gangmaster licence. At the time of the interview the agency had placed 450 workers in food processing plants, but the demand for labour would peak in the run up toward Christmas and the manager anticipated employing over 800 workers in December. The agency's work was based on five large, long-term contracts with companies in the food processing industry, which provided food to supermarkets. None of the work was located in North Staffordshire but in the surrounding region, which included plants based at Market Drayton, Wrexham and Winsford. The industry was incredibly competitive, with food processing terms of employment effectively dictated by the power of national supermarket chains, both in terms of process and delivery requirements. As a result these firms had to maintain maximum staffing and financial flexibility, sourcing pools of labour from agencies to meet fluctuations in demand.

As the work involved food preparation, the agency had taken responsibility for pre-work training (the full-day Foundation in Food Hygiene Certificate) along with a half-day induction and examination. This not only reflected the need to be able to meet sharp increases in demand by supplying trained workers, but also reflected the possible liability that agencies could face if their staff were responsible for breaches in health and safety and food hygiene. Given the competitiveness of the sector, there was little scope for pay significantly above the National Minimum Wage. However, the agency had a policy of aiming for wage rates between £5.30 and £5.50 per hour and was suspicious of minimum wage firms as contracts with such firms were usually problematic in a range of areas. The manager was uncertain whether such differentials would be maintained when the next minimum wage increase occurred.

The agency had traditionally recruited from Stoke-on-Trent and Newcastle-under-Lyme and transported workers to the production sites (paid half by the workers and half by the agency). In this way, the agency workers reduced the pressure on wages in tight local

labour markets, and employer and workers benefited from the availability of cheap housing in Stoke-on-Trent. The agency operated some temp-to-perm arrangements, but used the threat of legal action where employers sought to poach staff outside of these arrangements.

Migrant workers made up 97% of all workers on the agency's books. Of these between 50-55% were A8 workers and the remainder were primarily refugees from Iraq and Africa. According to the manager, the agency had ended up recruiting so many migrant workers because indigenous workers were not prepared to work in the sector, for low wage rates, long hours and did not want to travel far to work.

The agency had seen a clear shift in the proportion of different groups of migrant workers over time. It had become increasingly difficult to cope with checking the documentation of refugees, to see whether they were permitted to work. The agency was frequently visited by the Immigration and Nationality Directorate (IND) and there had been a number of rounding ups of illegal workers. The risk of a £5,000 fine, limited support and advice from the IND and the difficulties in checking documentation had led the agency to increasingly move towards employing EU accession workers. While a number of workers, notably from Poland, had been recruited locally, the agency had now arranged for the direct recruitment of workers from Slovakia in order to guarantee a supply of workers to meet expanding demand.

The agency arranged flights for these workers and facilitated the WRS, the provision of national insurance numbers and the opening of a bank account. While a basic level of English was required, relating to the conditions in the sector, the agency had provided translation of key documents and claimed to be investigating the provision of ESOL classes.

The agency had also facilitated the provision of accommodation for the Slovakian workers. Initially a private landlord (who had housed asylum seekers under the National Asylum Support Service) was approached, but upon inspection of the properties, and the high ratio of workers to each room, a local provider in Stoke-on-Trent with a large

multi-occupancy building was chosen. The manager claimed that the agency had dictated the terms to the housing provider, renting the rooms at £45 per week including bills (though not food or telephones), ensured that a maintenance contract was set up and vetoed a proposed large increase in rents. Crucially, the contract was between the housing provider and the workers and the rent was collected separately after the workers had received their wages (rather than as deductions from pay). This was later confirmed in an interview with the housing provider. Nevertheless, despite these arrangements, this process of recruitment does, at least initially, leave the workers in a more dependent position, since they are reliant upon work from the agency to keep their accommodation and upon the agency for travel to work.

The manager claimed that the migrant workers were nice people to employ and were extremely hard-working. However, he did suggest that certain groups of migrant workers, notably some Iraqis, Iraqi-Kurds and Lithuanians and younger Poles were more 'militant' in their dealings with the agency, and this was another reason for favouring older Poles and Slovaks. He also noted that there was a real mixture of ages among these groups of workers, with a high proportion of single males and females, and between 5 and 6 couples. He believed the majority of Slovak workers to be unskilled and was not aware of workers leaving the agency to move on to higher skilled work.

The second agency was based in Stoke-on-Trent, but apart from a few contracts with local pottery firms actually held contracts employing around 280 workers in distribution and food processing in other parts of the country. The majority of the work was based upon long-term assignments, involving shift work and night working (in distribution) and the agency supplied workers living in the vicinity of the workplace. Most of the work in food processing was paid at the National Minimum Wage, while rates in distribution tended to be higher. In the larger workplaces, the agency provided supervisors to act as a liaison point between the line managers in the company and the agency staff. Companies often took on some of the agency workers permanently after 6 months as an extended temp-to-perm arrangement. However, because of the long-term contracts

held with clients by the agency, this was not subject to a finders fee or other forms of compensation for the agency.

In terms of migrant labour, 95% of the workers employed by the agency were Polish. Originally the agency had sourced this labour direct from Poland and had provided housing close to the client sites, deducting £25 per week to cover rent and utilities and council tax. However, the manager now claimed that there were sufficient Polish communities established in the areas where clients were located to source labour locally and thus they did not have to provide accommodation. The majority of workers employed by the agency were in the 25–40 age range and it was estimated that the male:female ratio was 60:40.

7. Interviews with migrant workers

The findings from the interviews with migrant workers have also been broken down into categories, reflecting the different groups of migrant workers, starting with EU accession workers and then examining the position of overseas students and refugees.

7.1 A8 workers

A young female Slovakian worker (aged between 21 and 30) migrated to the UK in July 2005 in order to earn more money and was offered a job in North Staffordshire through an agency in Slovakia, although she had no idea where North Staffordshire was. The cost of migration was around £400. Subsequent to arriving in the UK she has been joined by her sister and mother and expected another sister to arrive in the near future. She completed secondary education in Slovakia (up to the level required for university entry), but had left school to work assembling electronic goods, holding three similar jobs in Slovakia and the Czech Republic.

Since arriving in the UK she has only held one contract in an agricultural processing firm. The work has not utilised her previous skills, but has required the acquiring of some new skills and training (in basic areas such as food hygiene, first aid and fork-lift truck operation). She works a 39-hour week and is paid £5.66 per hour. Initially she was employed through the specialised food agency reported above (see 6.5 above) but is now employed directly by the food processing firm.

The worker had experienced no problems at work either from her managers or fellow workers, with the only problems experienced related to initial language difficulties. She claimed to be aware of her rights now, although these were never provided in writing. She has acquired this knowledge from 'asking around' friends and from her agency. Nevertheless, she is not aware whether her workplace is unionised – though she would be prepared to join a union if it were needed.

She currently lives in private, shared rented accommodation, the cost of which comprises roughly 20% of her (net) income. Her current accommodation is adequate,

but she experienced a range of problems with the accommodation provided through the agency: heating, rats, dirt, overcrowding. These were handled very slowly and inadequately via an intermediary. In her current accommodation she deals directly with the landlord, which she considers an improvement on the previous situation.

The worker intends to remain in the UK 'for some time', and desires to improve her English. While she would stay in her job if there were opportunities to progress, she does not really want to stay in North Staffordshire. Ultimately, she would like to enter higher education, either here in UK, or in the Czech Republic or Slovakia.

Two Czech workers aged between 21 and 30 arrived in the UK in 2006. Although both had economic reasons for working in the UK, one had been unemployed for over 12 months in his home country, the decision to migrate was also driven by a desire to learn English and broaden their experiences. They both ended up in North Staffordshire through the activities of a Czech woman living in the UK who works with local employers. They found out about her while still residing in the Czech Republic through word of mouth - 'she is a cousin of a friend of a friend' - and she obtained work for them within 14 days. Prior to that one of the workers had been registered with an agency in the Czech Republic that had been unable to provide him with any job offers. Both workers borrowed around £700 to cover the cost of flights, accommodation (deposit and rent) and living expenses for the first month. Neither have any family with them in the UK.

One Czech worker is a fully trained electrician, and his occupation at home involved monitoring the operation of an electrical grid in a factory. He had been employed for 10 years with his previous employer but was frustrated with stagnating wages and the management's attitude towards workers. The other had undertaken two years of higher education, but had only found jobs in sales and manufacturing and had experienced long term unemployment.

Both workers have only had one contract of employment since arriving in the UK, and work in a waste management plant working 50 hours a week at £5.50 per hour. Neither

worker feels that the job utilises his skills or has required anything other than the minor acquisition of new skills. Both workers claim that they have been well-treated by managers, though there have been isolated problems with some of the indigenous workers. They have not felt the need to get advice about their rights at work, as they believe they are well-treated in this small family firm. One worker explains that his concept of rights at work is based upon his gut feeling of what is right. They are unaware if there is a union and had not contemplated joining one.

In addition to arranging jobs for the two workers, the Czech woman, also arranged their accommodation. They pay £55 each per week for the accommodation, an old terrace house with a number of problems. They are hoping that she will arrange better housing soon. Indeed, they cite her as the main contact point for any problems they experience.

One of the workers hopes to remain in the UK for two to three years, primarily to acquire English language skills (he already attends ESOL classes) before returning to the Czech Republic to live with his new partner and see his daughter from a previous marriage. He believes a good knowledge of English will provide new opportunities for him at home. He is prepared to stay in his current job, though he would prefer to move into a job that required him to acquire more English. As his partner has a good job in the Czech Republic, she will not be joining him in the UK. The other worker also intends to return home to live with his partner, though he is less precise with the timescale. It is unlikely that he will ask his partner or family members to the UK, but he is more willing to consider changing jobs.

Both workers stress that their motivations to migrate to the UK were driven by the desire to learn English and believe these are not typical other Czech migrants that have met, whose main objective is to earn money.

Two Polish workers, one male and one female, both aged between 21 and 30 migrated to the UK in 2005. Both were students studying English in higher education in Poland and came to the UK after graduation. They perceived the job prospects in Poland to be poor, even though they believed they would be able to secure jobs in education.

Originally they had worked as caterers in a holiday camp in the South West of England for two months over the summer holiday season. This work was facilitated through a Polish agency and the cost of migration was £370 each. The fee paid to the agency included £70 for the WRS, but this was never completed – and the fee was only refunded when they complained. There was little information provided by the agency prior to travel to the UK, except that the work would be paid at the NMW.

After this job they decided then not to work for the agency any longer (though they were not reimbursed for the cost of the return flight) and moved up to North Staffordshire at the invitation of a Polish friend. They then secured work through one of the general agencies (see 6.4 above) working in a mobile phone repair company. Despite the promise of transport to the factory, this was not provided, so they only worked for one day at the company and gave up, because it was impossible to travel to work. They were not paid for this day's work by the agency.

They then moved on to work for three months as warehouse operatives for a clothing distribution firm on the same site as the supermarket distribution centre referred to in 6.1. The male worker was appointed as a relationship manager in this firm by the agency to represent the views of Polish workers to the agency, who made up the majority of the warehouse operatives. The main problem experienced by the Polish workers was that team leaders frequently allocated the harder tasks (involving bulkier orders or difficult to find objects) to Polish workers and allocated easier tasks to indigenous workers. This led many Polish workers to receive impossible targets. Having raised concerns with the agency, their contracts were subsequently terminated, which they attributed to their willingness to raise concerns of the Polish agency staff.

They then travelled up to Scotland with the promise of work as a translator (male) and as an au pair (female) organised by their Polish friend. On arrival in Scotland the jobs were manual labour (mixing cement) and cleaning respectively and they were paid cash in hand (both at £5.00 per hour, with 50p of this paid to the Polish 'friend' for facilitating the work).

They left after one week, returning to North Staffordshire. The male Polish worker secured work, initially through another agency, as a packer and forklift truck driver in a power conversion firm. He is currently directly employed by this company. He works a 37.5 hour week for £6.40 per hour.

The female was unemployed for one month and then worked in a clothes distribution centre for three months before gaining employment as an assistant in the production of electronic boards at the same power conversion firm as a result of the male Polish worker's contacts in the firm. While working at this distribution centre she observed a significant growth in the number of Polish workers employed through the agency. As she remarked 'when I first arrived at the warehouse there were only two Polish people working there apart from me. When I was leaving the whole warehouse is full of Polish people'. Part of the process of substitution was initiated by the employer, who conducted 'productivity tests' of existing workers, with only those workers passing the test awarded contracts. However, although she passed this test, she subsequently gained employment as an assistant in the production of electronic boards at the same power conversion firm. She works a 37.5 hour week for £6.10 per hour.

Both workers claimed that their current workplace was the best, with support from managers and support in finding accommodation. Nevertheless, the male worker had been physically attacked by a fellow worker at the plant because he was Polish. He had not reported this to the manager because he feared he would lose his job. Other indigenous workers had been sympathetic to his situation and had respected his wishes not to raise this with management.

Although these workers were reasonably well aware of their rights, the female worker had lost holiday entitlement because she was not informed the date by which she had to use her holidays. The male worker had also experienced problems with non-payment of wages by the agency that had initially employed him at the power conversion plant. In most cases they raised these issues with their line managers. The current workplace was unionised, but only for a small group of skilled workers, and they had not been approached to join.

Both workers had tried continuously to gain clerical work, citing their English language qualifications. The male Polish worker had even attended British schools in Poland and had A Level qualifications. They were continuously told that they would not be taken on because they had no experience of that type of work in the UK, but since they could not gain any work, they were not able to gain this experience. They had never used their skills, and with the exception of gaining a forklift truck qualification, had not developed any new skills.

As a result of this lack of labour market access, both workers were self-financing a part-time distance learning masters course at a local University to try to improve their labour market prospects.

The final EU accession worker interviewed was an unskilled Polish male worker who had arrived in the UK in 2005. He had migrated to the UK because he believed that there were few opportunities in Poland for him, notably in his region of Poland that was characterised by high levels of structural unemployment. He had arrived in Staffordshire because he had been offered work through an international agency. He had paid a total of £450 to the agency to cover flights, a deposit and the WRS. This money he had borrowed from friends in Poland.

He was initially employed by the agency in the same mobile phone repair company that the previous two Polish workers had worked at for one day. He worked a 60-hour week on a production line that was completely populated by migrant workers, mainly EU accession workers. He signed an opt out from the 48 hour working week and was guaranteed a net payment of £4.50 an hour for the first 40 hours of the job, with the rest paid at a net overtime rate of £5.25. His contract, which he provided to the researchers, indicated that the net pay rates were those payable to the worker after tax and national insurance, and also after the agency had deducted expenses incurred 'by virtue of your choice of having [the Agency] facilitate your accommodation and transportation to and from work during your assignment.' The agency also deducted £50 from the first month's wages as a deposit for staying in the accommodation.

The subsequent experiences of the worker highlight the possibility for exploitation of migrant workers. He was housed in accommodation within walking distance of the firm where he worked, yet he still had to pay transport costs (although none was provided). Four workers were housed in a two-bedroom house and were forced to share a bed, for which they each paid £70.00 per week rent. Within the factory he did not receive proper training and the agency employed a liaison supervisor, whose job was effectively to act as a gatekeeper between the migrant workers and the British line management. Given the different nationalities of migrant workers in the plant, the supervisor was unable to support many of the workers employed there.

The worker was befriended by a local family and he tried to examine some of his terms and conditions in more detail. He had been advised by the agency supervisor to throw away any letters from the Inland Revenue and following his request about obtaining a national insurance number, he was immediately relocated to another mobile phone repair company in Banbury and threatened with the sack if he did not move immediately. When his British friends tracked him down to Banbury, he was relocated to Essex to work as a picker in a warehouse. At this time his contract was revised (and back dated) with the net pay rates had reduced to £3.50 per hour and the overtime rate to £4.25. Again he provided evidence of the contractual changes. In addition, he claims that the hours threshold for overtime payments was also increased. He was also charged for damage to the property in which he was housed in Essex, although it had been in that state of disrepair on his arrival.

At this stage he decided to leave the agency, losing his housing, and also the return flight that he had paid the agency for before departing for the UK, due to breach of contract. He returned to North Staffordshire and was able to gain direct employment with the same mobile repair company. Before being offered employment, the worker claims that employers checked a blacklist provided by the agency, but fortunately, they had mis-spelt his name on this list and he was offered a post. He moved to a second production line within the same workplace which contained a few British workers and a range of migrant workers from outside of the EU. He also moved into private accommodation.

It was quite clear that the worker had little, if any, knowledge of his employment rights, despite support from the local family. The workplace was non-unionised, and he had no knowledge of trade unions, he received no support from the agency and had, on one occasion, approached the police about non-payment of the minimum wage, who advised him to refer the case to the Inland Revenue.

7.2 Overseas students

The first student interviewed was undertaking a masters course at one of the local Universities. He had worked as a marketing officer for a large multi-national drinks manufacturer in his home country of Bangladesh and was hoping to use his masters to branch into personnel management. He had the opportunity to stay in the UK for three years and had tried to gain work experience in the UK in a professional role. Despite approaching a range of companies, primarily in the supermarket sector, about graduate training or even voluntary roles within their organisations, the working hour limitations on his student visa prevented him from obtaining a clerical or professional position within these firms.

Instead, he ended up taking a part-time job at one of the supermarkets identified in section 6.1 above, working 18 hours per week as a cashier. He had received health and safety, food hygiene and customer service training in the induction and over the first two months at the store, which had been conducted during paid working hours.

He enjoyed working in the store, believed that there were good terms and conditions, which were fully explained by management and good access to the senior line manager. He experienced some problems with some of his immediate supervisors, notably newly appointed supervisors who tried to stamp their authority by instructing him to bypass procedures, but these had been clarified by reference to the line manager. He had experienced no problems within the workplace from fellow colleagues, though he had occasionally received insults from customers, notably from young people to whom he refused to serve alcohol. Management had been particularly sympathetic when he had needed to take an extended holiday due to personal circumstances.

Although he was aware of the union within the store, he had not been approached to join or tried to join himself. He perceived the union to have primarily a social function within the workplace, organising social events and did not perceive a need to join the organisation.

The second worker was a male from Nigeria who had studied a masters course in 2002-3 at a local University and continued to undertake doctoral studies at the same institution. He was classed as an overseas student in terms of fees, but actually held a British passport and was not, therefore, bound by the same visa restrictions on working in the UK. He had arrived in the UK with a legal degree and eighteen month's experience of legal practice in Nigeria and had hoped to gain work at a firm operating in the legal sector. After working initially in London as a cleaner, he had sought to gain a professional job when he arrived in Stoke-on-Trent. He was unable to secure any professional work. He attributed this to the differences between the Nigerian and British legal systems that made transition to a legal job problematic, but also a lack of experience working in the UK that counted against attempts to gain managerial positions. After his MA course, he had also offered to teach at local universities, again without success due to lack of experience.

He ended up taking a job as a warehouse operative within the supermarket distribution centre discussed in section 6.1. He had worked there throughout his doctoral studies, but despite his attempts to progress from the shop floor, he feels that his position as a black international student has counted against him progressing.

He cited a few occasions where there had been problems on the shop floor. For example, he had noted that on a number of occasions he had been called into management to explain why he had not met his targets, while indigenous white workers had not been questioned. He also noted - as the Polish workers at the neighbouring distribution centre had observed - that all team leaders within the organisation were indigenous white workers and often favoured other indigenous workers when allocating work, giving them easier items to pick and thus making it easier to hit targets. The

worker claimed that he had few negative experiences with other colleagues, but found it difficult to relate to team leaders and certain members of management. It was particularly difficult to arrange leave, as it always appeared that the best leave slots were given to indigenous workers.

Again, he was largely unaware of some of the procedures available at the firm, and has often received information about entitlements from friends. There were no documents provided or easy access to a staff manual. However, once made aware of his rights he has usually been able to gain entitlements.

7.3 *Refugees and asylum seekers*

The first interviewee was an Albanian refugee who had been dispersed to Stoke-on-Trent in 1999. It took him four years to receive indefinite leave to remain in the UK and by then he had settled in the city and had made friends, so saw no reason to move away. In Albania he had studied medicine and worked as a general practitioner. When he was given a work permit after roughly six months in the UK, he sought work immediately.

While he was learning English he decided not to take full-time employment, but went to college in the morning and worked for an agency in the afternoon. For several years he worked in the food processing firm through the general agency with the gangmaster licence discussed in section 6.4 above. He was satisfied with the way he was treated. Payment was above minimum wage. Although the firm's permanent employees were unionised - agency workers were not recruited - he felt that there was no difference in the way the company treated employees and agency workers (apart from different pay rates). In his workplace he was also able to improve his English, he made friends and never felt discriminated against. On the contrary, people knew about his background and were generally supportive.

He remembers another agency that he did not stay with, that took advantage of people by sacking them in order to avoid paying holiday money and then reemploying them for the same job. However, this agency no longer has a branch in Stoke.

His long-term goal was to get back into his profession. Stoke College helped him contact the General Medical Council in order to get his qualifications approved and he has taken several tests and examinations (language, medical theory and practical). He was due to finish his training at the University Hospital of North Staffordshire within 5 months at the time of the interview and will then be able to work as a GP in the UK.

When he first came to Stoke he was housed by the National Asylum Support Service. From the moment he was allowed to work he has not claimed any benefits. He lived in a bed-sit, but is now married and has bought a house. At the moment he has no plans to return home permanently. The situation in Albania has improved and all his family are there but he feels that he has made a new start and he has worked hard for what he has achieved in England. His wife is English and he recognises that it would be much harder for her to live and work in Albania than it is for him to work in England.

The second refugee was an Iraqi Kurd who is male, aged 32. He had previously been a history teacher. Having been dispersed to Stoke, he subsequently gained refugee status. He learned English at Stoke College and undertook further study by taking an interpreting course also run at the college. He currently works as a part-time interpreter at the CAB, and has acquired new skills since living in the area. He was aware of unions in Iraq and is broadly supportive of them, but has not been approached while employed in the UK. He is unsure of what he will do in future, though he is considering entering higher education. As long as there is interpreting work for him, he will probably stay in his current work.

Despite his employment position, he is aware, as a representative of the Iraqi Kurdish community association, that there is growing frustration among Kurdish people in Stoke because there are no jobs any more. 'People say it is because new workers are white, Christian and their women are more beautiful'. Again, this would suggest there is a

perception amongst this refugee community that there is a process of substitution of refugee labour by EU accession workers.

The third interviewee was a Somali male, aged 50, who was previously self-employed in import and export work. He stayed in Stoke-on-Trent following dispersal in the area because he had nowhere else to go. After receiving permission to remain, he lived for two years in the local YMCA. He did not want to leave because the thought of living alone frightened him and he subsequently refused every offer of accommodation until he was informed that he would have to leave the YMCA, regardless of whether he accepted the next offer or not.

He learned English at Stoke College, took an interpreting course and also currently works at Stoke-on-Trent CAB as a part-time interpreter and at the YMCA as a part time bilingual adviser. Despite this relatively high status work, he would actually like to open a speciality restaurant or be self-employed again, but he has no information about how he can do this or who to approach for support. He reported that he was only ever offered warehouse jobs when he sought employment through the job centre and refers to the surprise of the job centre staff when he passed his interpreting exams and gained interpreting work.

Seven other interviews with refugees were conducted (four male and three female refugees from Africa, Albania and Iraq). In each of these cases, despite possessing good English skills, each refugee had experienced problems gaining employment through job centres. Although all stated they were eager to work, they had experienced problems understanding how job applications and recruitment processes operate. While some clearly had a high level of skills (a lawyer and a military pilot), when offered work it was exclusively in low-skilled, low-pay manual occupations. A further obstacle to employment was the difficulties in obtaining a work permit and NI number. Some of the African asylum seekers recently granted permission to work had experience of this. Most of those interviewed had ended up taking college courses and were often working as volunteers in the CAB as a stepping-stone towards paid employment.

8. Analysis and conclusions

There are a number of important methodological and substantive findings to emerge from this research project. In terms of conducting the research, three important issues need to be highlighted. Firstly, undertaking research into migrant workers is highly problematic. As noted in section 4, a significant number of employers that employed migrant labour were simply unwilling, for a range of reasons, to participate in the research, despite guarantees of anonymity and confidentiality. The researchers also experienced a number of problems in gaining the support of migrant workers to participate in the research. This reflected the unwillingness of some employers to facilitate interviews with their staff as well as the practical difficulties of arranging interviews with interpreters. The process of gaining alternative access through community groups covering the wide range of 'new arrivals' required a period of trust building, which, though achieved, limited the opportunity for conducting interviews with migrant workers during the life-time of the project.

Secondly, it is clear that the 'matched research' undertaken highlights the value of comparing the perceptions of management and those of the migrant workers. In this project, problems with accommodation provision, non-payment of workers employed through agencies, and practices of increasing targets for migrant workers have all been raised by migrant workers, which were viewed differently or not discussed by employer representatives involved in their employment. However, it is also important to note that the research has also been strengthened by including those migrant workers in firms not directly researched, particularly given the propensity of employers not to participate.

Finally, the research has also highlighted the need, wherever possible, for a wide definition of migrant worker, since the inclusion of a number of under-researched groups allows for discussion of a wider number of sectors and occupations as well as consideration of the potential competition between groups of migrant workers.

In terms of substantive research findings, and notwithstanding contradictory evidence from different employers and groups of migrant workers, the following main issues have emerged from the research.

Firstly, it is clear that there is a wide range of companies in North Staffordshire that employ a number of different migrant groups. The employers' reasons for utilising migrant labour support other research, namely to address labour shortages and, to a lesser extent, skill shortages. The interviews with employer representatives, notably those from agencies, identify that the vast majority of employment available to migrant labour in the area is low-skilled, comparatively low-paid employment in the food processing, manufacturing and distribution sectors. This is confirmed by most of the migrant workers interviewed. It would also appear from this research that the current opportunities for skilled migrant workers to move into different, high-skilled sectors is limited by strong perceptions held by employers (including agencies) about what is, and what is not, migrant work.

Secondly, the evidence collected by the researchers confirms national research and suggests that the vast majority of migrant workers are paid on or slightly above the National Minimum Wage. The main issue to emerge from the examination of pay is the differences in pay rates between agency supplied labour and permanent employees in companies, which is of significance given the extensive use of agencies to supply migrant workers. The main advantages to employers from utilising migrant labour would appear to lie in the comparative reliability of migrant workers, their greater willingness to take 'low-status' physical work and their willingness to work long and flexible hours. By addressing recruitment and retention problems, gaining greater effort and reducing absenteeism and sickness, employers are, in theory at least, gaining substantial savings in unit labour costs, without the need to cut pay rates. This would appear to be particularly beneficial to the food processing firms in the rural areas surrounding the Potteries conurbation, who get a guaranteed supply of migrant workers housed and transported from Stoke-on-Trent, reducing wage pressures in tight rural labour markets.

Thirdly, however, there are disturbing findings that emerge from the research in relation to the exploitation of migrant workers. The most prominent of these are the use by one agency of accommodation and other services as a method of deducting significant portions of migrant workers' wages at source to reduce net pay levels. In this case, the employer's attempts to exploit the worker related not just to pay, but included extortionate and poor quality accommodation, payments for services not provided and the use of relocation to keep the worker isolated, notably when they were made aware of attempts to question legal aspects of the employment contract. The non-payment of workers by agencies was an underlying theme of the research along with evidence of 'tied accommodation'. It would appear, however, that these problems arise primarily from the direct recruitment of EU accession workers by international agencies, and that the increasing trend is for EU accession workers to move out of such contracts or make their own arrangements for migration to the UK, using locally based agencies and taking responsibility for their own registration, accommodation and travel.

Nevertheless, there are still important concerns about the potential discrimination of migrant workers, as the examples of the distribution centres indicate. By allocating additional or harder work to migrant workers, team leaders discriminate in favour of indigenous workers, while migrant workers in more insecure agency employment feel forced to accept or face the termination of their contracts. Perhaps the main problem with examining discrimination lies in the lack of a trade union presence in the majority of these companies (or limited involvement of trade unions with agency workers), and the migrant workers' own perceptions of employment rights. It is apparent through the migrant worker interviews that few workers had a clear knowledge of anything except the most basic aspects of their employment contracts (the level of the NMW and the 48 hour week). Instead, they identified employment conditions and possible discrimination based upon their own definitions of rights (gut feelings). This, therefore, is an area that requires more in-depth analysis.

Perhaps the most important findings to emerge from the study, however, relate to the position of asylum seekers and to the possible process of labour substitution. The interviews with refugees highlight some of the problems that this group of workers

continues to experience in relation to their access to the labour market. Despite many possessing valued skills and a general willingness to study and work, their labour market opportunities remain limited to low-skilled work (as at the food processing plant) or work helping to service the asylum seeker and refugee community (for example, interpreting). The changes in the employment concession, and the difficulties in distinguishing refugees and asylum seekers with the right to work from illegal (undocumented) workers is clearly a problem for employers. The result is that many are forced to remain on benefits or take voluntary unpaid work.

The problems with documentation and the perception among some employer representatives of greater militancy from refugees, provides limited evidence that a process of substituting refugees with EU accession workers is occurring. However, the process of substitution may not only be linked to refugees but also to indigenous workers, as the example of the female Polish worker in the distribution centre suggests. The agency representatives identified a growing preference among employers for EU accession workers and in sectors with shortages or high turnover rates, the process of substitution could take place quite quickly. This is a rational policy for employers, receiving hard working, usually skilled employees at the same pay rates as low-skilled indigenous workers perceived by employers to be less committed and reliable. However, there are clearly implications for this in terms of public policy with, as the case of Stoke-on-Trent highlights, the distinct possibility of growing social dislocation and racism.

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Appendix 1: Survey of members of the North Staffordshire and South Cheshire Chartered Institute for Personnel and Development (CIPD)

Please can you answer all the questions that apply to the organisation where you work.

1. About your workplace

In which economic sector does your organisation operate?
Please tick the box(es) relevant to your place of work

Agriculture	<input type="checkbox"/>	1	Health	<input type="checkbox"/>	3	Hospitality	<input type="checkbox"/>	1
Construction	<input type="checkbox"/>	2	Financial/Legal Services	<input type="checkbox"/>	8	Other (please specify):	<input type="checkbox"/>	12
Retail	<input type="checkbox"/>	6	Local/central government	<input type="checkbox"/>	13	More than one sector	<input type="checkbox"/>	5
Manufacturing	<input type="checkbox"/>	15	IT/Communications	<input type="checkbox"/>	8			
Education	<input type="checkbox"/>	2	Transport/Distribution	<input type="checkbox"/>	2	<i>Total</i>		78

How many people are employed at your workplace

Less than 10	<input type="checkbox"/>	7	10-49	<input type="checkbox"/>	10	50-99	<input type="checkbox"/>	8	100-499	<input type="checkbox"/>	28	500 and over	<input type="checkbox"/>	25
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2. About your employment practices

Have foreign workers from any of the following categories been employed at your workplace? (please tick all that apply):

Workers from EU member states (prior to the accession of 8 new members states in 2004)	<input type="checkbox"/>	26
Workers from European Union (A8) Accession States	<input type="checkbox"/>	20
Refugees or asylum seekers with the right to work	<input type="checkbox"/>	12
Workers from outside of the European Union	<input type="checkbox"/>	29
Full-time overseas students	<input type="checkbox"/>	16
<i>Total number of firms employing migrant labour</i>		42

Approximately what proportion of the workforce is made up of foreign workers? _____%

Less than 5%	<input type="checkbox"/>	26	10-14%	<input type="checkbox"/>	4	15-24	<input type="checkbox"/>	3	25% and over	<input type="checkbox"/>	1	<i>Total responses</i>	<input type="checkbox"/>	34
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3. The employment of foreign workers

What were the primary reasons for employing these workers? (please tick all that apply):

Targeted recruitment to address labour market shortages in key skills	<input type="checkbox"/>	11
To address the need for flexible working arrangements	<input type="checkbox"/>	8
As part of general recruitment procedures	<input type="checkbox"/>	32
To reduce the pressure on wage costs	<input type="checkbox"/>	0
As part of international work with sections of the organisation overseas or other overseas work	<input type="checkbox"/>	5
Other, please specify:	<input type="checkbox"/>	0

4. Recruitment of foreign workers

How were foreign workers recruited into your organisation? (please tick any that apply):

Specialist international recruitment agency	6
Direct recruiting by organisation overseas	2
Part of the organisation's local recruitment and selection process	27
Recruitment through local agencies or job centres	17
Other, please specify:	1

5. Your experience of foreign workers

What has been the impact of employing foreign workers? (please tick all that apply):

Utilisation of skilled workers to improve production and/or deliver better services	17
More reliable and flexible workers	13
Improved performance in foreign markets	2
Significant improvements in staff retention	6
Production or service delivery problems arising from difficulties of communication	3
Significant savings in labour costs	1
Personnel problems, such as 'racial' harassment and discrimination	2
Other, please specify:	1

6. Support for foreign workers

What support is provided to foreign workers in your organisation? (please tick all that apply):

Supply of accommodation	8
Help with registration of workers (e.g. Worker Registration Scheme applying to A8 workers)	13
Advice on benefit entitlement etc.	6
Advances of pay or loans to workers	7
Help with relocation of workers' families	9
Help with travel costs (in cases of commuting to work)	5
Specialist language training (other than ESOL provision from local colleges)	8
Other, please specify:	1

7. If foreign workers have not been employed at your workplace, please list the reasons why they have not targeted for recruitment purposes?

Organisation has not recruited new employees	9
Able to recruit from local, regional or national labour markets	27
Additional problems associated with recruitment of foreign workers	4
Perceived difficulties of managing foreign workers	1

Appendix 2: Migrant worker survey

Personal Characteristics

Age:
Under 21 21 - 30 31 - 40 41 - 50 51 - 60 Over 60

Gender:
Male Female Nationality:

Dependents in UK:
Yes No

Work in the UK

Since when in UK (month; year):
mm yyyy

No. of work contracts in UK:

Type of work undertaken (sector): tick all that apply

Agriculture	<input type="checkbox"/>	Education	<input type="checkbox"/>	IT/Communications	<input type="checkbox"/>
Construction	<input type="checkbox"/>	Health	<input type="checkbox"/>	Transport/Distribution	<input type="checkbox"/>
Retail	<input type="checkbox"/>	Financial/Legal Services	<input type="checkbox"/>	Hospitality	<input type="checkbox"/>
Manufacturing	<input type="checkbox"/>	Local/central government	<input type="checkbox"/>	Other (please specify):	<input type="text"/>

Your current work

Current type of work (job title or description) Current Wage rate (£ per hour): Current Hours (per week):

How would you evaluate the skills used in your current work

Does not use my skills Use my existing skills Requires me to gain new skills

Housing and Benefits

Benefits received

Jobseekers Allowance Tax Credits Housing Benefit Other (please specify)

Housing provision

Provided by employer: Private rented: Public Rented: Other (please specify)

Appendix 3: Migrant worker interview schedule

1. Motivations for 'migrating' to the UK and north Staffordshire

- Why did you decide to migrate and why did you decide to come to the UK?
- Why did you decide to come to North Staffordshire?
- How did you arrange the migration process (was migration facilitated by an agency)?
- How much money has the process of migrating cost you?
- Have members of your family come to the UK with you (or since your arrival)?

2. Work experiences in our home country

- Can you outline your education and work-related training in your home country?
- What was your occupation?
- Have you undertaken different types of work in your home country and did these require developing new skills?

3. What work have you undertaken in the UK?

- How many different jobs have you done in the UK?
- Have these jobs utilised your skills or required you to develop new (meaningful) skills?
- Have you undertaken compulsory or voluntary training or education in the UK?
- Have there been barriers to you gaining employment in the UK? What information about working in the UK did you receive before arriving in the country?

4. What has been your experience of work in the UK?

- How have you been treated at work by your managers?
- How have you been treated at work by indigenous workers?
- Can you relate and particular problems you have experienced at work?
- Are you aware of your employment rights at work?
- From whom have you sought information about your rights at work?
- Do you know whether there is a trade union present in your workplace?
- If there is/was to be a trade union, would you be prepared to join?

5. Housing and benefits

- How did you obtain your current accommodation? (i.e. who is your landlord)
- What proportion of your wages do you pay on accommodation?
- How would you rate your accommodation?
- Have you had problems with your accommodation and how were these handled?
- Have you claimed any form of welfare benefit while in the UK
- Have you had problems accessing benefits? (or problems of overpayment)
- What would you do if you needed to deal with a problem relating to benefits?

6. Future Intentions

- Do you plan to stay in the UK or return to your home country?
- If you plan to stay, do you intend staying in North Staffordshire?
- Do you intend to remain in your current job?
- Do you have plans to develop new skills?
Do you intend to keep/bring your family in/to the UK?