

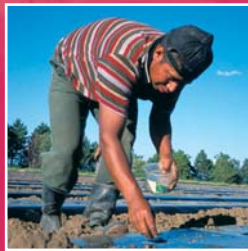
EEDA

East of England Development Agency

INVESTING in
COMMUNITIES

MIGRANT WORKERS

in the East of England



EXECUTIVE SUMMARY

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Executive summary

Over recent years there has been a steady increase in the number of migrant workers coming to the East of England, with migrants originating from all over the world making an essential contribution to the region's ongoing economic success.

With 2.8 million economically active people in the East of England, it is difficult to ascertain the proportion of migrant workers with any certainty. However, this research, focusing on migrant workers who have arrived in the East of England within the last five years, estimates that their number could be somewhere between fifty and eighty thousand.

It is even more difficult to estimate the fiscal contribution of migrant workers to the East of England economy, a new study by the Institute for Public Policy Research (ippr)¹ found that in terms of UK tax revenue, the foreign born population has a relatively higher contribution rate compared to those born in the UK. The ippr estimates that each migrant worker contributes £7,203 in revenue. Using the ippr estimates, and based on our lower estimate of new migrants in the East of England (50,000), revenue gains could be somewhere in the order of £360m a year.

The CIPD Annual Survey Report 2005² has shown a growing reliance on migrant workers among employers in response to recruitment problems.

The CIPD found that one in five organisations nationally have opted to recruit staff overseas with migrant workers filling posts where there is no suitable locally available labour.

Migrant workers range from the highly educated and skilled, to those who are highly motivated but have no formal education; from migrants who come as seasonal workers, to those recruited by overseas companies to work in international businesses, to others who came with their families, because there were no employment opportunities in their countries of origin. The survey report seeks to convey the scale and demographics of migrant workers in the East of England, their age and gender, the workers' levels of education and skills and the transferability of these skills, issues related to language and communication, as well as a range of work related issues. Some of the recent migrants to the region possess high levels of skills and qualifications that they are not able to offer to the region's labour market, perhaps because the schemes under which they enter the labour market confine them to working in particular types of employment.

¹ Sriskandaraja, D. Cooley, L. Reed, H. (2005) *Paying their way – the fiscal contribution of immigrants in the UK*, IPPR, London

² CIPD (2005) *Recruitment, retention and turnover, Annual Survey Report 2005*

The research has uncovered some appalling stories about the number of hours many migrants work, the level of pay they receive and the less than equal treatment they experience at work. The prevalence of exploitative agency work in some sectors also contributes to their poor employment experiences. However, this does not convey the total picture of migrant working in the East of England. Migrant workers also report being treated with dignity, working through reputable agencies and possessing permanent employment contracts. In these cases their employment experiences include having had opportunities for promotion and advancement in their careers.

or non-existent. The research also notes that there is much anecdotal evidence of a significant presence of undocumented workers in the region and also evidence of such workers being moved both around the region and into other regions, making it difficult to trace them. This is not so much a reflection of a desire to keep undocumented workers hidden as a labour force, but is more to do with the type of transient work they are employed in.

The research report is the outcome of a six-month research project conducted between October 2004 and April 2005 by the Working Lives Research Institute

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The research also exposes gaps in the existing knowledge of the employment of migrant workers in the region. In particular the absence of reliable statistics on the size of the migrant worker population means that the researchers have had to estimate its size, based on information provided to them by key informants, employers, trade unions and migrant workers themselves. This is particularly the case in relation to some sectors where the official statistical data is very weak

based at London Metropolitan University, on behalf of the East of England Development Agency. It collates findings not only based on the existing published and grey literature, but on reports and personal testimony from migrant workers themselves, as well as survey data from trade unions and employers of migrant workers. Based on all these varied sources, the report highlights the following key findings:

Demographics and geography of employment

- As many as one in three employers in the sectors where migrant workers principally work - agriculture, construction, health provision, food processing, hotels and catering, cleaning and manufacturing - employ migrant workers

Skills and employment

- Most migrant workers are working in the region at below their skill level even though the skills they possess can be in areas where there are major skill shortages
- migrant workers possessing professional qualifications, particularly in medicine, have difficulty in obtaining employment at

‘...Most migrant workers are working in the region at below their skill level even though the skills they possess can be in areas where there are major skill shortages...’

- the number of migrant workers in the region is somewhere between 50,000 and 80,000 at peak seasonal periods
 - the migrant workforce is ethnically diverse, with workers coming from all corners of the world
 - women are as likely to come in search of work as men. However, although their needs may differ there is little evidence of the existence of provisions or arrangements that specifically address the needs of women workers
 - there is a wide range of ages within the migrant worker population, although most are clustered around the 25-49 year old group.
- their skill level. There are a variety of reasons for this, but re-qualification and re-registration schemes contribute to this exclusion
- many of the migrant workers in the region obtained at least their first employment through agencies, where often they have been made to pay large fees in return for access to employment. As a result some are deeply in debt and are working in jobs they would leave were it not for these debts
 - there is little evidence of migrants accessing work through more traditional routes, like JobCentre Plus. Word of mouth and family connections are more likely routes into employment, particularly after initial employment

- the interviews show some evidence of labour market shortages pushing up rates of pay, however, for many migrant workers pay at, or in some cases below, the National Minimum Wage, is commonplace
- migrants are often working long hours and although most do not believe that they are facing conditions that differ greatly from those of the host community, they are often in employment where they are the majority of the workforce.

Motivations and aspirations

- While financial motivations are important they are not the only reasons why migrant workers come to the region
- the motivations and aspirations of migrant workers coming to the region can differ widely, dependent on their age, family ties, experience and profession, with younger workers more likely to be coming to the region for shorter periods, to experience new environments; to learn or improve their knowledge of English or to earn money to return or move on
- while some workers have come with the aim of long-term settlement, many of the migrant workers in the region see their period of work as an interlude and intend to return to their country of origin or to move to a third country at some stage in the mid-term future.

Impact on the local economy

- Based on the interviews with employers and on the survey of employers, if migrant workers were not available, some businesses would not be able to function to full capacity. This is due to local labour market shortages, combined with the unwillingness of local communities to take up some of the jobs that are on offer.

Issues relating to well-being

A sense of well-being and of integration by migrant workers in the region is affected by a number of factors:

- their financial situation, together with their ability to send remittances to their family
- the yearning for contact with family members, but also the concern at their inability to adequately provide for family members who have travelled with them
- inadequate and expensive accommodation, which is sometimes unsafe and insecure
- difficulty in accessing English language courses designed to meet their needs.

‘...The report makes a number of key recommendations... and for these partnership working will be the key...’

The analysis of the findings has produced recommendations for policy and practice. These are included within the report and are grouped into five sections:

- 1 migrant workers’ access to information**
- 2 migrant workers’ access to services**
- 3 housing issues**
- 4 skills issues related to language skills and difficulties in gaining re-qualifications**
- 5 regional research related to the level of information about migrant working.**

The recommendations are addressed to a wide range of bodies, both regional and national and focus on the key issues raised within the report. Although these principally relate to the employment experiences of migrant workers they also address their welfare and, more generally, matters relevant to the East of England economy and to its need to address skill shortages within particular industrial sectors of the region.

Recommendations

The report makes a number of key recommendations for public sector

organisations. Whilst some of these are aimed at the East of England Development Agency (EEDA) the majority require action to be taken forward by more than one organisation, and for these partnership working will be the key.

In making these recommendations we are aware that some of the issues we have identified, as for example those related to childcare or suitable accommodation, raise concerns that go further than just in relation to the migrant population. Good childcare provision is a quest for all parents, not just migrant worker parents. But, while we would wish to encourage good standards of service and accessibility for all, we believe, in relation to these issues, that there are specific matters that impact more heavily on migrant workers. These include for example the fact that they are more likely to work unsocial hours and cannot rely on family and friends to help out and therefore need childcare provision, other than the standard. Other issues, like orientation, culture and language, need to be taken into account for migrant workers.

Issue highlighted in the research	Recommendation for action	Likely organisation(s) involved in taking action forward
1 Access to information		
1.1 A lack of basic information on rights, sources of advice and general information	<ul style="list-style-type: none"> • General information material covering a range of topics to be made available to migrant workers when entering the UK, could be in the form of a welcome pack • anyone coming into contact with migrant workers should have access to the general information material. 	<ul style="list-style-type: none"> • UK Government • Government Agencies • TUC
1.2 A lack of information regarding rights to written contracts and to the law in relation to the charging of fees for finding work and accommodation	<ul style="list-style-type: none"> • Feasibility study, including review of best practice into how information about employment rights can be best communicated to migrant workers - especially in key sectors where large numbers of migrants are found • feasibility study to additionally consider the development of a website covering all of the major elements related to migrant working to support both migrant workers and employers to secure quality outcomes. 	<ul style="list-style-type: none"> • TUC • SERTUC • Employers JobCentre Plus • EEDA
1.3 Insufficient training to local staff over entitlement to services	<ul style="list-style-type: none"> • Staff from a range of service providers such as JobCentre Plus, education and health care providers should be made aware of the countries whose citizens are entitled to access their services • Information about, and the provision of services should be made available in languages spoken by migrant workers in locations where there are large numbers of migrant workers • Consider implications of research in relation to the provision of JobCentre Plus services. 	<ul style="list-style-type: none"> • JobCentre Plus • education providers • health care providers • JobCentre Plus

Issue highlighted in the research	Recommendation for action	Likely organisation(s) involved in taking action forward
<p>1.4 Difficulties in accessing mainstream financial services, for example, setting up bank accounts, getting loans</p>	<ul style="list-style-type: none"> • Influence mainstream finance providers to make access to financial services (including setting up current accounts, loans, transfer of money to home country) easier for migrant workers. Look at providing interim arrangements to provide facilities for secure money transfer for migrant workers • encourage employers to support and assist migrant workers in setting up bank or building society accounts • further research on individual financial inclusion is already being developed with regional Housing Associations and Credit Unions exploring pathways between different forms of finance and financial literacy training. The needs of migrant workers must be considered within this research. 	<ul style="list-style-type: none"> • Home Office • Finance Institutions • CAB • TUC Employers • Credit Unions • Housing Associations • EEDA • Employers' organisations and EEDA
<p>1.5 Acceptance of new migrants from some sections of the host community</p>	<ul style="list-style-type: none"> • Project should deliver clear key messages emphasising contribution migrant workers make to the regional and local economies • that Community Cohesion Strategies promote positive links between migrant workers and their families, migrant worker communities, local residents, Black and Minority Ethnic communities and faith communities. 	<ul style="list-style-type: none"> • EEDA and project partners • UK Government and CRE
<p>2 Access to Services</p>		
<p>2.1 Difficulty in obtaining access to local services</p>	<ul style="list-style-type: none"> • Services provision in all areas (for example, housing, health, education and childcare) should be delivered in such a way as to meet the needs of migrant workers. 	<ul style="list-style-type: none"> • East of England Regional Assembly • Local Authorities • Government Office for the East of England and Regional Public health Forum

Issue highlighted in the research	Recommendation for action	Likely organisation(s) involved in taking action forward
2.2 Compliance with public sector duty	<ul style="list-style-type: none"> All public sector organisations have a duty to promote good race relations. The needs of migrant workers should be clearly incorporated and addressed within policy statements. 	<ul style="list-style-type: none"> All public sector bodies in the region
2.3 Access to contributory benefits	<ul style="list-style-type: none"> Awareness of benefit eligibility of migrant workers needs to be increased, for example, Working Families' Tax Credit given that some migrant workers only stay in the UK for a relatively short period, consideration should be given to how best to ensure that their National Insurance contributions deliver future benefits, for example in relation to retirement. 	<ul style="list-style-type: none"> UK Government EU and UK Government
2.4 A lack of suitable childcare provision	<ul style="list-style-type: none"> Needs of migrant workers must be considered when discussing, planning and delivering childcare provision. 	<ul style="list-style-type: none"> Local Authorities Early Years & Childcare Development Partnerships Learning and Skills Council
3 Housing		
3.1 A lack of availability of suitable and secure accommodation	<ul style="list-style-type: none"> A survey of migrant worker housing needs to be undertaken needs of migrant workers to be considered and reflected in local/sub-regional housing strategies that assessments and inspections of housing strategies, strategic housing services and Supporting People authorities by the Government Office for the East of England and the Audit Commission should take into account responses to migrant worker housing needs recommendations from this research in the area of housing should be included within the action planning process for the Regional Housing Strategy. 	<ul style="list-style-type: none"> EERA Local Housing Authorities Government Office for the East of England and Audit Commission EERA and Regional Housing Board

Issue highlighted in the research	Recommendation for action	Likely organisation(s) involved in taking action forward
3.2 Charges for accommodation and unlawful actions by employment agencies	<ul style="list-style-type: none"> • Penalties for unlawfully charging fees for accommodation should be reviewed • review whether further restrictions should be placed on agencies supplying migrant labour. This could include a strengthening of penalties and/ or the increased enforcement of penalties on agencies unlawfully charging fees. 	<ul style="list-style-type: none"> • UK Government • UK Government
4 Skills and their under-utilisation		
4.1 A lack of suitable English as a second language (ESOL) provision	<ul style="list-style-type: none"> • Needs of employers and migrant workers must be considered when discussing and planning ESOL provision • ESOL provision should be tailored to meet the needs of migrant workers, especially in relation to the timing of classes and for the provision of short courses that may not necessarily lead to a formal qualification • encouraging increased employer commitment to work-based education/ learning opportunities for migrant workers. 	<ul style="list-style-type: none"> • Learning and Skills Council • local authorities • FE Colleges • Regional Skills and Competitiveness Partnership • Employers' organisations and employers in the relevant sectors • TUC and EEDA
4.2 Difficulties in gaining re-qualification	<ul style="list-style-type: none"> • National academic system and the relevant bodies responsible for vocational training to review accreditation by prior learning and transferability of qualifications • reduce the complexity and amount of time taken needed for medical staff to re-qualify in the UK 	<ul style="list-style-type: none"> • UK Government • Qualifications & Curriculum Authority (QCA) • Regional Skills and Competitiveness Partnership

Issue highlighted in the research	Recommendation for action	Likely organisation(s) involved in taking action forward
	<ul style="list-style-type: none"> work with key sectors across countries to explore how qualifications and training sectors across countries can be more closely aligned. 	<ul style="list-style-type: none"> UK Government EU and UK Government
5 Regional Research		
5.1 Insufficient information about migrant workers in particular sectors of employment	<ul style="list-style-type: none"> Consider further in-depth research into key employment sectors where migrant labour is clustered - for example the hotels, tourism and catering sectors. 	<ul style="list-style-type: none"> EEDA Sector Skills Councils Regional Skills and Competitiveness Partnership
5.2 Dissemination of the research to other Regional Development Agencies (RDAs)	<ul style="list-style-type: none"> Need to make other RDAs aware of the research and to encourage similar research in other regions, to allow for a more complete assessment of migrant working in the UK. 	<ul style="list-style-type: none"> EEDA

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