An institutional perspective on managing migrant workers in the North of England

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Abstract

Despite advances made in our understanding of migrant worker issues, analysis of the literature reveals disconnections between the policy and practice of ‘managed migration’ across three fundamental levels of the state (e.g. public institutions at the EU, national and regional levels), corporate (e.g. employers and unions) and community (e.g. migrant social networks) levels. Consequently, this has implications on corporate and community aspects that often escape deeper analytical scrutiny. Concomitantly, the literature often assumes that policy decisions at the state level are necessarily homogeneous, and fails to account for the local specificities that could exist in this area. This research therefore sought to investigate the interplay between state, corporate and community levels in managing migrant workers across three regions in the North of England, and explore its implications on managing migrant worker employment in construction. The key research questions examined include the critical issues confronted by state, corporate and community actors in terms of framing migrant worker issues, and the nature of existing interactions between these stakeholders in terms of managing migrant workers in each of the three regions. Cross-regional comparisons were also considered in this research. Through interviewing key participants, it was found that subtle differences exist in regional government actors’ response to the impacts of migration through their policy formation. It was also noted that interactions between the three levels vary substantially cross the three regions, and the tendency for stronger relationships to be forged between government and corporate actors where economic imperatives are concerned, with weaker and more ad hoc connections made between stakeholders across the three levels where social policy is concerned. It was concluded that any migration policy cannot be viewed as stand-alone, since empirical analysis across the three regions demonstrate the intertwining dimensions of linking migration policy with social and employment concerns.

Keywords: migrant workers, regional analysis, social policy
1. Introduction

In a time when governments, economists and banking professionals across the world are trying to make sense of the causes and scale of the current financial crisis, the global construction industry continue to suffer from rising unemployment. In the UK, the unprecedented decade of growth since the mid 1990s have been replaced by a period of stagnation in construction work, resulting in the sector being the third hardest hit in terms of decline in employment (ONS, 2009). What is specifically notable in the UK is that whilst the number of native-born workers becoming unemployed has risen since the onset of the recession, the number of non-UK born workers gaining employment in the same period has also grown (ONS, 2009). It is no wonder therefore that disputes over the employment of migrant workers, such as the one seen at the Lindsey Oil Refinery building work (ACAS, 2009), are on the increase. Arguably, the global economic crisis has resulted in the fuelling of nationalistic, protectionist sentiments, encoded in slogans like “British jobs for British workers”. For instance, mounting anti-immigrant attitudes have been reported in an authoritative report on The global economic crisis and migrant workers (Awad, 2009), whether these are manifested in tougher immigration policies across the world or growing xenophobia and violence on migrants in the community.

The issue of migration is, without a doubt, politically sensitive and contemporary. Unsurprisingly, this has attracted a lot of research interest, ranging from studies that examine the factors of international migration (Massey et al., 1998) to research into the impacts of migrants on the native community (Stenning et al., 2006), migration policy (Ruhs, 2006a), and integration of migrants into the community (Spencer et al., 2007). Effects on employment relations have also been examined (Andall, 2007); with some arguing that migrant worker employment reinforces flexible labour markets (Ruhs, 2006b) and potentially erodes the welfare state (Schierup et al., 2006). Others highlight benefits of learning from migrant workers (Williams, 2007). Such benefits can only be reaped if strong institutional frameworks exist to regulate and govern labour markets (Bartram, 2004). Researchers have also investigated opportunities and challenges for trade unions in organising migrant workers (Hardy and Clark, 2005). Furthermore, how migrant workers participate in social networks (Vasta, 2004) and juggle between work and family lives (Datta et al., 2007) have also been considered.

Whilst these studies advance our understanding on migrant worker issues, there is surprisingly little scrutiny of institutional perspectives of managing migrant workers and the dynamic interplay of policy and practice found between three levels of analysis: the state (e.g. public institutions at the EU, national and regional level), the firm (e.g. employers and trade unions) and the community (e.g. migrant worker social networks). Often, the institutional perspective of migration is framed through immigration policy and re-presented as if this is consistent, coherent and unproblematic; the British case of managed migration reflected through the Points-based System (see [http://www.ukba.homeoffice.gov.uk](http://www.ukba.homeoffice.gov.uk)) as a case in point. Yet, government policy on immigration is increasingly known to be less than coherent. For example, knowledge about the levels of migration continues to be patchy and disjointed. In the UK, there is uncertainty over the number of migrant workers in the country especially where self-
employment figures are concerned (Balch et al., 2004), yet the UK government was seen to be zealously promoting the benefits of migrant worker employment (see Dench et al., 2006) prior to the economic crisis. Similarly, limitations of tougher immigration policies introduced at the onset of the crisis to secure employment prospects for native workers and quell the tide of migration have been observed (Awad, 2009). What remains opaque is the enactment of government policies at the grassroots, and how these are interwoven with impacts on corporations and the community. This therefore forms the thrust of research reported in this paper that sought to investigate the interplay between state, firm and community levels of stakeholders in managing migrant workers in the North of England.

The study focuses on the construction industry specifically because of the disproportionate reliance on self-employed workers. The choice of location is because it offers a nuanced analysis as to how migrant worker issues manifests in the three Northern regions. Johnson et al. (2007) noted, in the Northern economic agenda, that reporting the three Northern regions collectively as a lagging cluster in terms of economic performance can be misleading since it can mask the true performance of each individual region. Furthermore, the experience of migrant worker issues can potentially differ across the three chosen regions (see e.g. Pillai, 2006), thereby reinforcing the need to focus on the three geographic regions in the North of England. The article is organised as follows: first a review of the salient points in the policy literature on migration (especially within the British context) is presented, followed by a brief explanation of the methods adopted and a discussion of the preliminary findings. The study confirmed the heterogeneity of approaches in managed migration in each of the three Northern regions, and the findings suggest a need for a more nuanced understanding of how migration policy is both influenced by, and impacts upon, corporate and social policies.

2. Review of the policy literature

In reviewing the policy literature, three emerging themes have been identified, including impacts assessments of immigration, government responses, and policy formation. These will be considered in turn.

**Impacts assessments** have mostly been based on geographical labour market mapping of migrant workers, and included the identification of skill levels, labour participation patterns and employment conditions. Intelligence have also been derived from local area reports (see e.g. Fitzgerald, 2005 and 2006; Slim, 2005), regional/national publications (see e.g. McKay and Winklemann-Gleed, 2005; IPPR, 2006; TUC, 2007) and those that are European wide (see e.g. Carby-Hall, 2007). In general, assessments of the dynamics of migration have concentrated essentially on numbers and ethnicity of migrant groups, sectors where people are employed and their employment experiences. However, the dominance of quantitative perspectives of the migration situation can be problematic primarily because of sampling difficulties and the lagging nature of data collection (Briscoe, 2006). This is most prominent with respect to data on migrant worker employment in the construction sector, since the sector’s disproportionate reliance on self-employed workers means that its workforce can often be largely ‘invisible’ to
official statistics (Balch et al., 2004; Cremers and Janssen, 2006; Briscoe, 2006). This probably explains why the Worker Registration Scheme (WRS) data of A8 workers\(^1\) have reported such a low participation rate of migrant workers – four per cent (6,100) of northern A8 registrations – in the construction sector, yet it is also the sector known for its relative ease of access to migrants for initial employment\(^2\) (see Border and Immigration Agency 2008; Fitzgerald, 2007). Furthermore, official statistics tell only a partial story of the dynamics of migrant worker employment, and fail to acknowledge the plurality of how migrant workers are being employed in practice. Routes to entry therefore constitute quite a significant area of research elucidating migrant employment dynamics at the corporate and community levels. For example, Fitzgerald (2007) recently highlighted that in both the North East and North West regions, construction foreign owned subcontractors and agencies now dominate the supply of migrant workers to the sector; Hence recruitment of lower skilled foreign labour has become formalised through these suppliers who have initially recruited A8 migrants from their country of origin, before beginning to engage with developing regional migrant networks. This method of recruitment has led to not only non-registration of A8 workers on the WRS but also numerous instances of the poor treatment of A8 and other migrant workers in the North (Fitzgerald 2006). This exploitation and disregard for migrant worker employment rights has begun to be widely identified elsewhere in the sector and support is growing to extend the newly formed Gangmasters’ Licensing Authority into construction (Donaghy, 2009). Thus, an examination of impacts assessments has revealed disconnections between policy intent and practices at the grassroots.

**Government response** to migration has been characterised by commissioning of numerous fact-finding reports (see e.g. Dench et al., 2006; Gilpin et al., 2006; Home Office, 2007). Of particular concern in these government reports is the employers’ demand for migrant workers (Dench et al., 2006) and impacts on wage levels and indigenous displacement (Gilpin et al., 2006). Up to the onset of the recession in 2008, these reports – in espousing the benefits of immigration and the negligible effects on displacement – suggest that the UK government is zealously in favour of migrant employment. Yet, research has also noted negative implications of immigration (see e.g. Fitzgerald 2006; 2007), especially in terms of the perpetuation of the flexible labour market system that typifies neo-liberal Anglo-American economics (Ruhs, 2006b), which are partly to blame for the collapse of the financial markets. Others, especially the local authorities have identified pressure points that immigration creates in terms of increased demands on local services (see I&DEA, 2007; CRC, 2007). The House of Lords (2008) critically stated that the economic impact of migration has been negative, rather than positive; interestingly it also contained a number of priorities for government including better enforcement of employment regulations. Where the construction sector is concerned, the policy arena in relation to migrant worker employment appears to be patchy. It has been acknowledged that employment practices in the sector are typically informal (Lockyer and Scholarios, 2007).

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\(^1\) A8 refers to the eight countries of Central and Eastern Europe which joined the EU in May 2004 (Poland, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Slovakia and Slovenia).

\(^2\) Although difficult to ascertain in terms of quantitative impact, there is evidence that migrant workers who tend to be highly qualified within other professions get shoe-horned into the construction sector because of a lack of institutional acceptance of their qualifications (Lucio et al., 2007; Pollard et al., 2008).
Furthermore, and owing to its project-based nature that seems to counter any efforts to sustain some form of predictability, any (long-term) policy-making in this area is hampered by the reliance of a casualised, largely self-employed workforce (Harvey, 2001). This again demonstrates the discrepancies between policy intent at the state level and the demands exerted on local community actors and the practices in corporations, thereby bringing into question the efficacy of solely relying on policy formation at the government level.

In terms of policy formation, this again is more pluralistic than coherent and consistent. Whilst government policy on immigration has mainly been employer-led, the trade unions have also been actively formulating policy on immigration matters. For example, the Trade Union Congress (TUC) published a report on vulnerable workers, which forms the basis for the TUC migrant worker strategy. This is significant since it contributes to calls for extending the Gangmasters’ Licensing regulations to include construction work. Other areas of trade union involvement entail issues of integration of migrants into the community (see e.g. CRC, 2007; I&DEA, 2007; 2008). Yet, there are disconnections between these strategic options and the dominant focus of quantitative assessments of immigration to align demand and supply of skilled labour through the Points-based System (see MAC, 2008). Yet, the ability to quantify skills have been called into question, and doubts have been cast as to whether it is fruitful to only focus on skills shortages since this ignores the dynamics of skills deployment and development (see Chan et al., 2008).

3. Emerging questions and supporting methodology

The policy review presented in the preceding section has confirmed disconnections between policy at the state level and the implications on practices at the corporate and community levels. Given this backdrop, the study reported in this article focuses on scrutinising the interplay between the three levels of analysis to explain reasons for such discrepancies, and to suggest possible areas for better alignment and consistency. Three fundamental research questions were framed for this purpose, including:

- What are the critical issues surrounding migrant workers across the state, firm and community levels? And are there similarities and differences across the three Northern regions under investigation?
- How are decisions made in relation to migrant worker issues at the state, private and community levels? Who makes these, who is consulted, and on what basis are decisions made?
- What were, and how have these early interactions developed, between state, private and community actors in relation to managing migrant workers in the three regions? Who communicates, how, when, how often, in what fora, and what is the role of the migrant worker in this?

To help answer these research questions, the research team undertook a series of in-depth interviews with a range of stakeholders in each of the three levels identified, including:

- State respondents: one representative each from the three northern Regional Development Agencies (RDAs); one representative from a local authority in each region,
which was supplemented with an interview in each region with a representative of a local government service that had directly been involved with migrant workers;

- **Private respondents:** one representative each from three major construction companies that have operations across the three regions; and one representative from trade union branches in each of the three regions.
- **Community respondents:** one representative from the Citizens Advice Bureau (CAB) in each of the three regions and a national officer who has dealt with migrant policy in the bureau; ‘representatives’ of newly arrived migrant groups in each region; and representatives from ‘locations’ which migrants have used and often approached for help (e.g. the local church; see also Fitzgerald, 2008 for a wider discussion of this).

Each interview lasted between 1 to 2 hours and was transcribed to facilitate the analysis, which will now be elaborated.

4. Preliminary findings

The preliminary findings presented here are based on an analysis of interview responses along the three fundamental research questions alluded to above.

**Critical issues:** It is perhaps not surprising to report that the critical migrant issues for actors in each of our analytical levels depended on the context in which they operated within, and there were differences in the experiences across the regions. Most notably, our community level respondents spoke of dealing with migrants directly on a “needs” basis and that there was a lack of real support to continue “doing what they did”; in fact community level respondents talked of a lack of engagement with government actors and often felt left out in the decision-making process critical to policy formulation and implementation. This was also echoed by our local authority (LA) respondents, who on the one hand acknowledged the importance of aligning themselves with central government policy in order to secure central funding for local council services, yet reported the pressure immigration has caused in terms of service provision on the other hand. Often, provision of services to cope with especially new migrants is dependant on will and commitment of resources at the local level, and there is a lot of divergence here. For example, at the Yorkshire and Humberside region, whilst an officer had been appointed to engage with the new communities, the real issues had been about overcrowding in housing previously owned by older established migrant communities. The one most worrying issue for a council in the Yorkshire and Humberside region was that long established Muslim streets were now populated by young A8 workers who often “stayed up late drinking and making a noise”. What was critical for this particular council, therefore, was less to do with migrant employment, but integration issues and the problems of social integration and cohesion. In the North West, however, it was observed that their collaborative approach had meant that LAs have been proactive in involving local communities to create greater awareness of new migrants. Nonetheless, the North West (and the other two regions) have recognised that they face immense pressure in providing such basic public services as waste management. Accordingly, our LA respondents identified the A8s as having a very different approach to waste disposal and that resources were needed to ensure education of new arrivals, e.g. through the employment of a council outreach worker who was Polish in the North West. Finally, the LA respondent in the North East seemed to be driven not only by funding for services but also
by the lower density of new communities and the space this offered for a more measured approach. Notwithstanding the divergence in tackling migrant issues in the community, it was interesting to note that the RDAs in each of the region, charged with economic development of the regions, had all carried out evaluations along the lines of attracting talent and were involved in Strategic Migration Partnerships. This mirrors developments of labour market intelligence at central government level explained in the policy review presented above. Whilst this was recognised as an important thing to do at the regional level so as to attract inward investment into the regions through aligning with government policy, one LA respondent dismissed such developments simply “as talking shops, wasting my time”. That said, it was also observed that in the North West, a more innovative approach seemed to be developed where the been supported. MWNW not only provided direct assistance to migrant workers but also identified poor employer practice, with the aim of securing an employer commitment to a migrant worker charter of good employment practice.

**Decision making:** At the level of the RDA it was initially difficult to identify who dealt specifically with the migrant worker agenda, as senior staff turnover is common. However, this was ameliorated by the fact that a multi agency talent attraction strategy group had been instigated to develop and sustain a strategy for the regions. This was especially evident in the North East. In the other two RDAs, however, it was a little easier to identify individuals who had connections with immigration strategies, although there was no specific named individual charged with looking at immigration issues. Much of the discussions on immigration at RDA level are closely interlinked with economic issues, and it was observed that committee and networks were the principal vehicles for making decisions on policy formulation regarding migrant involvement in the regional economy. It was also noted that RDA representatives not only liaised within their regional actors, but also regularly interfaced at the national level to share practices. Whilst the RDA representatives were largely concerned about immigration and economic development, our LA respondents focussed mainly on the sustainability of public services. Here again, the practices remain divergent. So, in the North West, emphasis is placed on coordinating a communication strategy across the LAs, supported by an internal LA information network. In the North East, because of the RDA’s explicit talent attraction strategy, the LA group in the North East have deployed an international officer to engage, both internally and externally, with migrant worker groups in the region. In Yorkshire and Humberside, given the problems of social cohesion, the emphasis of LAs in the region is on ethnic minority issues, and it was observed that the appointment of BME officers – funded through national government budget – directly responsible for establishing links with the new communities was top in priority. However, whereas there seemed to be greater alignment between RDAs and LAs with the national government, the picture of community level engagement is less than rosy. For instance, in the North East the new Polish community group spoken to commented that they had tried on a number of occasions to open up a dialogue with the LA through various means. However, the LA appeared lacklustre in getting involved, opting instead to engage with a more (Higher Education) student based group. This perhaps corresponds again with the explicit talent attraction strategy formulated by the RDA in the North East. On the contrary, LA representatives in Yorkshire and Humberside were very much at the core of new migrant activity, although there was little engagement through the formal links with the BME officer
mentioned above. In the North West, a more holistic approach was observed, but it seemed that engagement between LAs and the migrant community groups was based on passionate individuals who had originally worked with migrants earlier on; the role of these individuals is increasingly under threat due to questions raised on the sustainability of public funding. At the community levels, again all our respondents were involved in some form of committee, but there was some cynicism here particularly from a Federation of Poles in Great Britain project worker who noted that these are often official bodies that are seeking to support organisational service issues rather than dealing with the often very difficult range of issues that face new migrants. In terms of what guided decision-making in relation to the migrant worker agenda (whether explicitly or implicitly, covertly or overtly), this seemed to be directly or indirectly connected with the agenda formulated by central government, which largely promulgates the narrow economic imperative whilst ignoring the social implications that immigration bears on the community levels. So, whereas respondents did not articulate clearly how they decided upon the validity and reliability of quantitative data (both of the economic and labour markets), strategies were predominately aligned to central government’s vision and steerage of where the national economy should be positioning, as well as funding regimes linked to the comprehensive spending review. Within the confines of this project, however, a deeper scrutiny of how funding streams are targeted was not possible, although this represents an extremely fertile area for future investigation, especially in terms of alignment of policy and practice.

**Developing interactions:** Whilst migration is a global issue, the role LAs play in managing the dynamics of migration is arguably very central in terms of engaging with actors at the corporation and community levels. Overall LA interviewees noted that their engagement with migrant employers was limited in part due to the difficulties in securing employer involvement across the diverse range of industry sectors. Therefore, in our investigation, the representation of construction companies in LA and even RDA discussions about migrant workers is often absent. At times, it seemed that policy formulation seemed to focus principally on high-level issues and fail to recognise the implementation challenges in practice. For example, the talent attraction strategy in the North East was initially driven by an OECD review of the region and not by the demographic information of new migrant arrivals. It seemed that the issue of immigration was addressed more tactically than strategically, and that LA interventions only emerged as a result of the growing problems of dealing with migrant communities. It was also observed that the availability and securing of financial resources drove the ‘strategy’ (or tactics) employed by the RDAs and LAs. So even though there was an acknowledgement that the LA did have community outreach officers to engage with the new A8 communities this was not seen as a significant part of their strategy if funding was not available. Where funding is available, as it was seen in Yorkshire and Humberside, the deployment of BME officers was then made possible to enable fuller engagement with existing and new migrant communities; interestingly, this was driven by social considerations (i.e. anti-social disturbances in the community) rather than economic reasons. In the North West, interactions between stakeholder representatives across the three levels have been overtly encouraged through a holistic, collaborative model. Even this is not unproblematic. Funding was raised as an issue of concern since engagement activities were perceived to be one of those things that would be sacrificed in the event of funding cuts by the Treasury.
In general, respondents across the three regions argued for a need to have a holistic migrant worker strategy based on a number of elements. First, a strategic vision of migration which is not solely based on economic need but also social consideration needs to be derived from central government and cascaded down to the regions and localities; often migration policy is driven by economic need and fails to link up adequately with wider social policy. Secondly, a LA-based communication strategy needs to be developed to facilitate engagement with companies and community actors.

5. Conclusions

To conclude, joined-up governance has often been raised over the last decade. Yet, this research has identified that national government policy on immigration is often divorced from the realities of service provision at the local authority levels and community engagement activities. Alignment of objectives is inextricably connected with the availability of central government funding, driven mainly by short-term economic imperative. Paradoxically, the disconnections between economic policy and social policy around immigration also meant that employers are often ill-represented in local government and community fora on migration. The perpetuation of flexible labour markets imply that companies base their recruitment and deployment of human resources on a tactical ‘numbers’ game with little strategic consideration and thought for social implications. It was also observed that community-level actors (especially migrant representation groups) can seem peripheral to policy development on immigration matters, even though they bear the brunt of engagement and in fact have good links into the local authorities. The lack of regulation of labour markets in the UK is well-documented. As a consequence, addressing the social implications of migration, whether it is the needs of migrants or natives – continue to run on a tight rope of balancing the lack of funding with the need for service provision. Because of the lack of engagement with employers, the true cost of migrant worker employment becomes opaque. Notwithstanding the shortcomings of engagement of stakeholders across the three levels of analysis, the study has also revealed the heterogeneity of practices in the implementation of immigration policy at the regional levels. More work needs to be done to study how policy and practice across the levels of stakeholders can be better joined-up to improve the alignment of economic and social objectives.

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